APRIL 2026

Hartlepool Strategic Housing Market Assessment

Final Report

ICENI PROJECTS LIMITED ON BEHALF OF HARTLEPOOL BOROUGH COUNCIL

Iceni Projects Limited on behalf of

Hartlepool Borough Council

April 2026

Hartlepool Strategic Housing Market Assessment FINAL REPORT

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The National Planning Policy Framework (NPPF) sets out that policy making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment (SHMA). This SHMA has been produced on behalf of Hartlepool Borough Council, and it will be used as a material consideration when determining application, will be used in the preparation of the next Hartlepool Local Plan and may be used to inform other housing related strategy, policy and decisions within Hartlepool. This SHMA was endorsed by Neighbourhood and Regulatory Services Committee on 15th September 2026.

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1. Executive Summary

Housing Market Area

1.1 In looking at the Housing Market Area (HMA), migration analysis shows that Hartlepool has a self-containment rate in excess of 70% once long-distance moves are removed.

1.2 The borough also has a strong job and employee self-containment, although its economic influence does not extend much beyond the borough.

1.3 While singularly (across either migration or commuting), these would indicate that Hartlepool is its own HMA, the fact that this is true across both measurements supports this assertion further.

1.4 We would therefore conclude that Hartlepool borough continues to be an HMA.

Housing Stock

1.5 Housing delivery in Hartlepool has increased in recent years, with an average delivery since 2021/22 of 482 dwellings, which is higher than the longer 10-year average of 333 dwellings per annum.

1.6 Stock in Hartlepool overall is primarily semi-detached (35.5%) or terraced (32.9%). Three-bed dwellings make up 35.5% of Hartlepool's dwelling stock overall. Homeownership is the most common tenure type in Hartlepool.

1.7 Tenure also impacts occupancy levels of households; private and social rented dwellings see higher levels of overcrowding than owner-occupied dwellings.

1.8 Households led by couples are the most common at 40% in Hartlepool, with couples without children taking the majority of this at 16.5%.

Sales Market

1.9 In the year to September 2024, the median property price in Hartlepool was £140,000, below the regional and national equivalents.

1.10 Median prices have increased by 19.7% over the last 10 years. This increase is below both regional and national growth rates.

1.11 As with all areas, affordability has significantly deteriorated in the last 20 years, although there have been some recent improvements.

1.12 Although the affordability ratio has doubled, median prices are now only just over 4 times the median earnings of those working in the borough.

1.13 There has been a notable fall in the number of sales in the borough, but this is reflecting macroeconomic issues with interest rates and cost-of-living issues.

Private Rental Sector

1.14 The private rental sector (PRS) makes an essential contribution to the housing market, including individuals with an affordable housing need.

1.15 Private renting in Hartlepool (17.8%) is slightly more prevalent than in the region (17.3%), but below the national comparator (20.6%).

1.16 As of the year ending April 2025, average (mean) monthly rents in Hartlepool stood at £559 pcm, lower than the regional and national average.

1.17 In the last 5 years, rents have increased by approximately 20%, a growth which has been outpaced by growth in the region and country, the latter of which is almost double Hartlepool.

1.18 In May 2025, a total of 7,930 households in Hartlepool living in the PRS were supported by benefits.

1.19 Agent engagement suggests that the PRS market is very active in Hartlepool, with both strong tenant and investor interest.

1.20 There are 63 licensed HMOs in Hartlepool, all of which are located in the Urban Hartlepool area.

1.21 The small number of HMOs in the area does not, in itself, indicate a need to introduce additional planning controls, such as A4D's, to limit them.

1.22 In recognition of the potential growth of the sector, the Council may consider including a policy on Build-to-Rent development to set out its expectations on how these sites should look and operate, including how affordable housing policies would be applied.

Overall Housing Need

1.23 This SHMA considers the overall housing need set against the NPPF and the framework of PPG – specifically the Standard Method for assessing housing need. This shows a need for 366 dwellings per annum.

1.24 A bespoke population and household projection has been developed to examine the potential demographic implications of delivering 366 dpa from 2024 to 2046 (the end of the next local plan period which is anticipated to be 2031 - 2046).

1.25 Overall, it is projected that the population might increase by 8,500 people over the 22 years (a 9% increase).

1.26 This growth includes a continued ageing of the population, as well as notable increases in the 'working-age' population (16-64).

1.27 It was further estimated that this population growth might be able to support somewhere between 4,200 and 6,900 additional jobs.

Affordable Housing Need

1.28 The analysis has taken into account local housing costs (to both buy and rent) along with estimates of household income.

1.29 The evidence indicates that there is an acute need for affordable housing in the Borough and a need in all sub-areas.

1.30 The majority of need is from households who are unable to buy OR rent in the open market and therefore points particularly towards a need for rented affordable housing rather than affordable home ownership.

1.31 Despite the level of need being high, it is not considered that this points to any requirement for the Council to increase the Local Plan housing requirement due to affordable needs.

1.32 The link between affordable need and overall need (of all tenures) is complex, and in trying to make a link, it must be remembered that many of those picked up as having an affordable need are already in housing (and therefore do not generate a net additional need for a home).

1.33 That said, the level of affordable need does suggest the Council should maximise the delivery of such housing at every opportunity.

1.34 Although a clear need for rented forms of affordable housing was identified, the study also considers different types of intermediate housing (or Affordable Home Ownership (AHO)), as these may have a role to play.

1.35 Shared ownership is likely to be suitable for households with more marginal affordability (those only just able to afford to rent privately) as it has the advantage of a lower deposit and subsidised rent.

1.36 There was no strong evidence of a need for First Homes[1] or discounted market housing[2] more generally.

1.37 In deciding what types of affordable housing to provide, including a split between rented and home ownership products, the Council will need to consider the relative levels of need and also viability issues.

1.38 For example, providing AHO may be more viable. It may therefore allow more units to be delivered; however, it is also noted that households with a need for rented housing are likely to have more acute needs and fewer housing options.

1.39 Overall, the analysis identifies a notable need for affordable housing, and it is clear that the provision of new affordable housing is an important and pressing issue in the area.

1.40 It does, however, need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided.

[1] Government scheme where first time buyers can receive discounts up to 50% off market value of a new build property. The Maximum price for a property in the scheme outside of London is £250,000.

[2] Government scheme that allows any buyer to purchase a new-build home at a discounts, discounts range but can be up to 50%.

1.41 The evidence does, however, suggest that affordable housing delivery should be maximised where opportunities arise.

Housing Mix

1.42 Analysis of the future mix of housing required takes account of demographic change, including potential changes to the number of family households and the ageing of the population.

1.43 The proportion of households with dependent children in Hartlepool is fairly average, with approximately 28% of all households containing dependent children in 2021 [3]– although the Borough does see a higher proportion of lone parent households (particularly in Urban Hartlepool).

1.44 There are notable differences between different types of households, with married couples (with dependent children) seeing a high level of owner-occupation. In contrast, lone parents are particularly likely to live in social and private rented accommodation.

1.45 There is a range of factors which will influence demand for different sizes of homes, including demographic changes, future growth in real earnings, households' ability to save, economic performance and housing affordability.

1.46 The analysis linked to future demographic change concludes that the following (Table 1.1) represents an appropriate mix of affordable and market homes.

1.47 This takes account of both household changes and the ageing of the population, as well as seeking to make more efficient use of new stock

[3] ONS Census 2021

by not projecting forward the high levels of under-occupancy (which is notable in the market sector).

1.48 In all sectors, the analysis points to a particular need for 2- and 3-bedroom accommodation, with varying proportions of 1- and 4+-bedroom homes.

1.49 For rented affordable housing, there is a clear need for a range of different sizes of homes, including 30% to have at least 3-bedrooms, of which 10% should have at least 4-bedrooms. Our recommended mix is set out below:

Table 1.1 Suggested size mix of housing by tenure – Hartlepool

	Market	Affordable home ownership	Rented affordable housing
1-bedroom	5%	10%	30%
2-bedrooms	35%	45%	40%
3-bedrooms	45%	35%	20%
4+-bedrooms	15%	10%	10%

Source: Iceni analysis

1.50 The affordable sector recognises the role which the delivery of larger family homes can play in releasing a supply of smaller properties for other households. Also recognised is the limited flexibility which 1-bedroom properties offer to changing household circumstances, which feed through into higher turnover and management issues.

1.51 The conclusions also take account of the current mix of housing by tenure and the size requirements shown on the Housing Register.

1.52 The mix identified above could inform strategic policies, although a flexible approach should be adopted. For example, in some areas, affordable housing registered providers face difficulties selling one-bedroom affordable home ownership (AHO) homes. Therefore, the one-

bedroom elements of AHO might be better provided as two-bedroom accommodation.

1.53 That said, given current house prices, there are potential difficulties in making (larger) AHO genuinely affordable.

1.54 Additionally, in applying the mix to individual development sites, regard should be had to the nature of the site and character of the area, and to up-to-date evidence of need as well as the existing mix and turnover of properties at the local level.

1.55 The Council should also monitor the mix of housing delivered.

Needs of Older and Disabled People

1.56 Hartlepool has a similar age structure to that seen regionally and nationally, but much higher levels of disability (particularly when compared with the national position).

1.57 The older person population shows high proportions of owner-occupation, and particularly outright owners who may have significant equity in their homes (64% of all older person households are outright owners).

1.58 The older person population is projected to increase notably moving forward. An ageing population means that the number of people with disabilities is likely to increase. Key findings for the 2024-46 period include:

- a 29% increase in the population aged 65+ (potentially accounting for 67% of total population growth);
- a 61% increase in the number of people aged 65+ with dementia and a 48% increase in those aged 65+ with mobility problems;

- a need for approximately 800 additional housing units with support (sheltered/retirement housing) – approximately half in the market sector;
- a need for approximately 350 additional housing units with care (e.g. extra-care) – approximately two-thirds in the market sector;
- a need for additional nursing and residential care bedspaces (approximately 700 in the period); and
- a need for approximately 600 dwellings to be for wheelchair users (meeting technical standard M4(3)).

1.59 This suggests that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair-user dwellings, as well as providing specific provision of older persons' housing.

1.60 Given the evidence, the Council could consider (as a starting point) requiring all dwellings (in all tenures) to meet the M4(2) standards and approximately 5% of homes meeting M4(3) – wheelchair user dwellings in the market sector (a higher proportion of approximately 10% in the affordable sector).

1.61 Where the authority has nomination rights, the supply of M4(3) dwellings would be wheelchair-accessible dwellings (constructed for immediate occupation). In the market sector, they should be wheelchair-user adaptable dwellings (built to be adjustable for occupation by a wheelchair user).

1.62 It should, however, be noted that there will be cases where this may not be possible (e.g. due to viability or site-specific circumstances). Therefore, any policy should be applied flexibly.

1.63 In framing policies for the provision of specialist older persons accommodation, the Council will need to consider a range of issues. This will include the different use classes of accommodation (i.e., C2 vs.

C3) and the requirements for affordable housing contributions (linked to this, the viability of provision).

1.64 There may also be some practical issues to consider, such as the ability of any individual development being mixed tenure, given the way care and support services are paid for.

Specific Groups

Looked after Children and Care Leavers

1.65 The Council has not yet published a sufficiency strategy for this group, however one is currently being drafted and until that is complete It is difficult to reflect on the needs of this group either currently or in future.

1.66 However, what we do know is that the population projection linked to the standard method, the school-aged population (under 16), is projected to decline significantly between now and the end of the plan period (-14%).

Students

1.67 Hartlepool is home to the Northern School of Art as well as Hartlepool College, both of which offer Further and Higher Education level qualifications.

1.68 Data from the 2021 Census indicates that there are approximately 2,500 students over the age of 18, most of whom live with their parents (60.5%).

1.69 Given the generally small number of students within Hartlepool who are living within all student households, it is not considered that there is a significant need to consider policy that deals explicitly with student accommodation.

Service Families

1.70 MOD statistics suggest that there are fewer than 10 MOD personnel stationed within Hartlepool.

1.71 Overall, the presence of regular forces in Hartlepool is not significant and is unlikely to have any implications on local affordability or the demand for housing. Therefore, a specific Local Plan policy for this group is not required.

Self and Custom Build

1.72 The Council's Self and Custom build register currently contains 261 entries; this is set against three permissions having been granted for self and custom build since the register was introduced.

1.73 Therefore, there is currently a shortfall against the need for self and custom-built housing in Hartlepool.

1.74 Going forward, the council may wish to consider the supply of permissions in more detail. Requiring all applications for this type of development to submit a Self-Build Delivery Statement is one example of this.

1.75 The Council could also seek to introduce specific policies on self and custom housebuilding.

1.76 These policies typically express support for self-build and custom housebuilding, require that a minimum proportion of plots within development schemes (often over a specific size) be offered to self-builders or as custom-build plots and/or allocation of sites solely for their use.

2. Introduction

2.1 Iceni Projects and Justin Gardner Consulting (JGC) have been jointly appointed by Hartlepool Borough Council (HBC) to undertake a Strategic Housing Market Assessment for the borough.

2.2 The National Planning Policy Framework (NPPF) requires the preparation and review of local plans to be underpinned by relevant and up-to-date evidence and take into account relevant market signals. It sets out a framework for assessing development needs, and this document responds to that framework and the related guidance.

2.3 The overall aim of this study is to provide robust and proportionate evidence to inform the development of the Local Plan regarding housing needs and requirements, and related policies. The current Local Plan covers the period 2018 to 2031 with next local plan expected to go up to 2046.

Rounding

2.4 It should be noted that the numbers included in tables and figures throughout the report may not sum exactly due to rounding.

HMA and Sub-Area Geographies

2.5 Paragraph 18 of the Planning Practice Guidance (PPG) relating to Plan Making [4] defines what a Housing Market Area (HMA) is and describes a housing market area as a "*geographical area defined by household*

[4] Reference ID: 61-018-20190315

demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work."

The PPG goes on to add:

> *"These can be broadly defined by analysing:*
> - *The relationship between housing demand and supply across different locations, using house prices and rates of change in house prices. This should identify areas which have clearly different price levels compared to surrounding areas.*
> - *Migration flow and housing search patterns. This can help identify the extent to which people move house within an area, particularly where a relatively high proportion of short household moves are concentrated (due to connections to families, jobs, and schools).*
> - *Contextual data such as travel to work areas, retail and school catchment areas. These can provide information about the areas within which people move without changing other aspects of their lives (e.g. work or service use)."*

2.6 The PPG sets out a range of suggested data sources for doing this. These include ONS data on internal migration and travel-to-work patterns, as well as Land Registry Price Paid data.

2.7 The now slimmed-down guidance notably omits any self-containment threshold for defining HMAs. This is unlike the previous version of the PPG, which stated that migration self-containment of "*typically 70 per cent*", excluding long-distance moves, can help identify a suitable HMA.

2.8 The scale of a Housing Market Area and its required self-containment rate is therefore less definitive, as long as it is identified using the approach in the PPG. However, the government's previous advice remains relevant, and the 70% threshold has become accepted industry best practice based on its inclusion within the revoked PPG.

2.9 It is also worth noting that HMA boundaries do not stop and start at administrative boundaries. Despite this, it is often commonplace and

sensible for housing market areas to be defined using local authority boundaries.

2.10 This is because many of the key datasets used in assessing housing need (such as affordability ratios) are only published at a local authority level. In many areas, a pragmatic response has therefore been to define HMAs at a local authority level.

2.11 These issues were touched upon in the Planning Advisory Services (PAS) Technical Advice Note on Objectively Assessed Housing Need and Housing Targets[5] (July 2015) which concluded that:

> *"It is best if HMAs, as defined for the purpose of needs assessments, do not straddle local authority boundaries. For areas smaller than local authorities, data availability is poor and analysis becomes impossibly complex."*

2.12 However, the Technical Advice Note notably adds that "this is not always possible, and it may be the case that some [local authority] areas, particularly those covering an expansive area, fall into more than one HMA." Although it is noted that the PAS note is now somewhat dated the point remains an appropriate consideration in defining HMA boundaries.

2.13 The previous SHMA (2016) concluded that Hartlepool was its own Housing Market Area; this was primarily based on migration data, which showed a very high self-containment rate in the borough.

Migration

[5] https://www.local.gov.uk/sites/default/files/documents/objectively-assessed-need-9fb.pdf

2.14 To update this data, the table below shows the key migration flows into and out of Hartlepool as registered in the 2021 Census.

2.15 Looking at gross migration per 1,000 head of population is, in our opinion, the best measure of the relationship between areas of different-sized populations. Although it should be noted that the 2021 Census was undertaken during the COVID-19 pandemic, and therefore, migration figures should be treated with a degree of caution as movement was restricted during periods of lockdown.

2.16 In Hartlepool, the strongest gross migration relationship is with Stockton-on-Tees (2.42), followed by Middlesbrough (1.28) and County Durham (1.23).

2.17 While County Durham features in 1st and 2nd place for in and out migration respectively, its significantly larger population when compared to Hartlepool (c.520,000 in County Durham vs c.92,000 in Hartlepool) results in a lower gross migration figure per 1,000 head of population.

2.18 Overall, the migration patterns show strong links with much of the wider Tees Valley area to the south and west, as well as with Newcastle and County Durham areas to the north, notwithstanding the discussion regarding population size above.

Table 2.1 Migration Flows (2021)

	Gross migration / 1000		In migration (Gross)		Out migration (Gross)	
1st	Stockton-on-Tees	2.42	County Durham	401	Stockton-on-Tees	379
2nd	Middlesbrough	1.28	Stockton-on-Tees	319	County Durham	354
3rd	County Durham	1.23	Middlesbrough	163	Newcastle upon Tyne	162
4th	Newcastle upon Tyne	0.63	Newcastle upon Tyne	84	Middlesbrough	140
5th	Redcar and Cleveland	0.54	Sunderland	82	Sunderland	74
6th	Sunderland	0.43	Redcar and Cleveland	79	Darlington	45
7th	Darlington	0.39	Leeds	37	Manchester	45
8th	Gateshead	0.22	Darlington	34	Leeds	45
9th	York	0.21	Gateshead	26	Redcar and Cleveland	44
10th	Richmondshire	0.18	North Tyneside	24	York	43

Source: ONS, Census 2021

Self-Containment Rate

2.19 This section calculates self-containment rates using the 2021 Census. It should be reiterated that the 2021 Census was conducted during a period of partial lockdown; therefore, dynamics in both migration and commuting terms may have been affected.

2.20 One of the previous benchmarks for identifying an HMA was self-containment levels, although this has subsequently been removed from the PPG. Self-containment rates refer to the percentage of moves to or from an area that originate from the same location. The guidance suggested that a self-containment rate of 70% would be typical of an HMA.

2.21 The guidance also suggested long-distance moves should be excluded, as these would include such things as people retiring to the area or moving for university, which would typically be outside of the HMA they reside in.

2.22 We have used data from the 2021 Census, which reports on internal

moves. Looking first at origin-based self-containment, this assesses the extent to which people remain living within the same area over time, rather than moving elsewhere. It measures how far an area is able to retain its resident population, rather than experiencing outward migration to other locations. In Hartlepool Borough, 7,853 people moved out of a home in the Borough in the year before the 2021 census; of these, 5,925 moved to another home in the Borough. This equates to an origin based self-containment rate of approximately 75%.

2.23 Alternatively, the destination based self-containment rate assesses the extent to which people who move into an area originate from within that same area, rather than from elsewhere. It focuses on how far an area's population growth or turnover is driven by internal moves, as opposed to in-migration from neighbouring authorities or wider regions. In Hartlepool Borough, 7,770 people moved to a home in the Borough in the year before the 2021 census; of these, 5,925 moved from another home in the Borough. This equates to a destination based self-containment rate of approximately 76%.

2.24 Although both the origin and destination based self-containment rates exceed the 70% self-containment rate outlined in the previous PPG, it would still be prudent to look at this while also excluding any long-distance moves (defined as those outside of the region).

2.25 Once this occurs, the self-containment rates increase to 83% and 82%, respectively. The derivation of these figures is outlined in the table below.

Table 2.2 Self-Containment Rate (2021)

	Moves In	Moves Out
All Moves Out/In	7,770	7,853
Internal Moves	5,925	5,925
Self-Containment Rate	76%	75%
All Moves (Excluding Long Distance)	7,153	7,239
Revised Self-Containment Rate	83%	82%

Source: ONS, Census 2021

2.26 By this measure, Hartlepool is meeting the 70% self-containment threshold, indicating that it could be considered an HMA in its own right.

2.27 A further consideration is whether neighbouring authorities also exceed this benchmark, and if not, whether they should be joined in an HMA with others.

2.28 Given that Hartlepool's closest relationship is with Stockton on Tees, we have examined its self-containment rate. Again, when long-distance moves are excluded, Stockton's self-containment rate increases to 75% of all moves from the borough and 77% of all moves to the borough. This would ratify our assessment that Hartlepool is an HMA in its own right.

Commuting

2.29 Looking at commuting, the table below demonstrates that Hartlepool attracts workers from a range of locations. In total, the 2021 Census states that there are 37,754 residents in employment in Hartlepool. Of these, 26,317 work in the Borough (including those working from home). This corresponds to a residence-based self-containment rate of 70%.

2.30 Net commuting from nearby authorities varies; Stockton, Middlesbrough and Sunderland all see a higher number of residents commuting from Hartlepool than to it.

2.31 At the same time, County Durham sees very slightly more residents commuting to Hartlepool than away from it. This is the only place where that is the case.

Table 2.3 Commuting to and from Hartlepool by Local Authority

Local Authority	Out-commuting from Hartlepool	In-commuting to Hartlepool	Net (+ve is more out commuting from Hartlepool)
Hartlepool[6]	26,317	26,317	-
Stockton-on-Tees	4,240	2,199	2,041
County Durham	1,950	1,995	-45
Middlesbrough	1,500	770	730
Sunderland	736	334	402
Redcar and Cleveland	671	608	63
Other (Outside of the UK and offshore installations)	558		558
Darlington	398	261	137
Newcastle upon Tyne	181	107	74

Source: ONS Census 2021

2.32 Another key destination for Hartlepool residents is 'Other' locations, which includes those who work outside the UK as well as on Offshore Installations. This would consist of the ongoing construction of the Dogger Bank Wind Farm, with Able Seaton Port serving as a base for service equipment.

2.33 The figure below considers common commuting locations across the Tees Valley area as well as Sunderland and County Durham. In all

[6] Includes those working from home

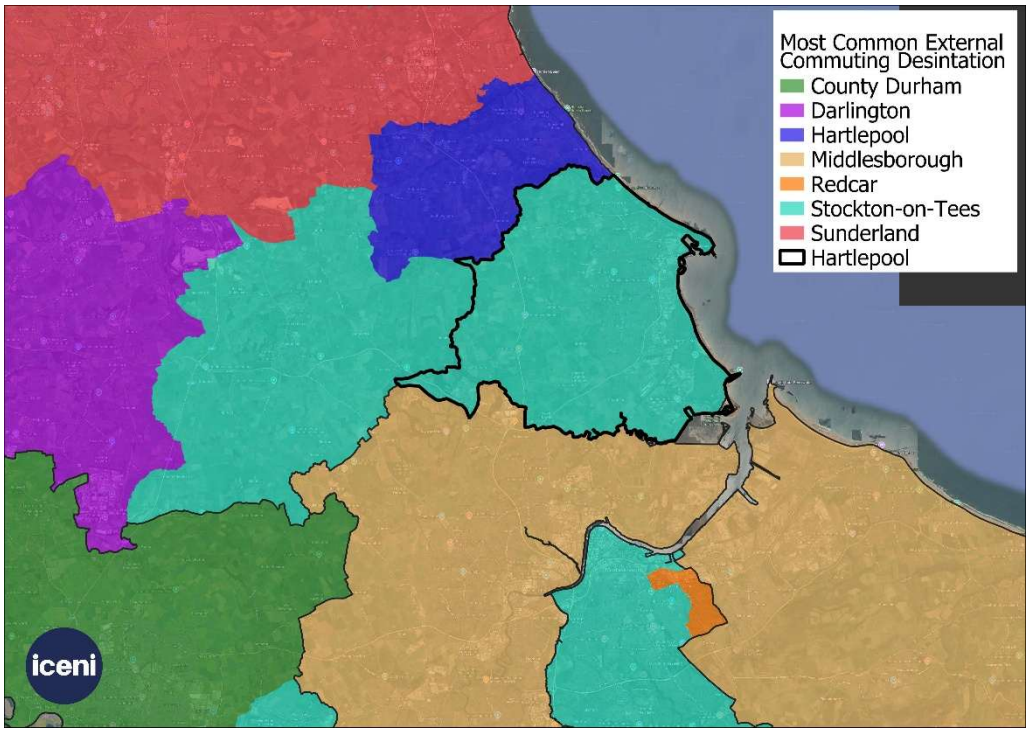
authorities considered, the authority itself is the most common commuting destination; the figure below therefore shows the second most common commuting destination by Middle Layer Super Output Area (MSOA) across each authority.

2.34 All MSOAs in Hartlepool see Stockton-on-Tees as the second most common commuting destination; areas in the south east of County Durham, as well as Middlesbrough and parts of Darlington, also see Stockton feature highly.

2.35 The Influence of Stockton on Tees in the sub-region is apparent here, as is the influence of Middlesbrough, which sees a fair amount of commuting to it from Stockton as well as Redcar & Cleveland.

2.36 There are only a few areas outside of Hartlepool which see a significant number of people commuting to it; these lie in the largely rural area between Hartlepool and Peterlee within County Durham to the north, although it also extends to Wingate to the north west.

Figure 2.1 Second Most Common Commuting Destinations



Source: Census 2021

2.37 Overall, this demonstrates Hartlepool's commuting influence is very much limited to its own authority boundaries, with Middlesbrough and Stockton acting as much larger influences for those who commute within the sub-region.

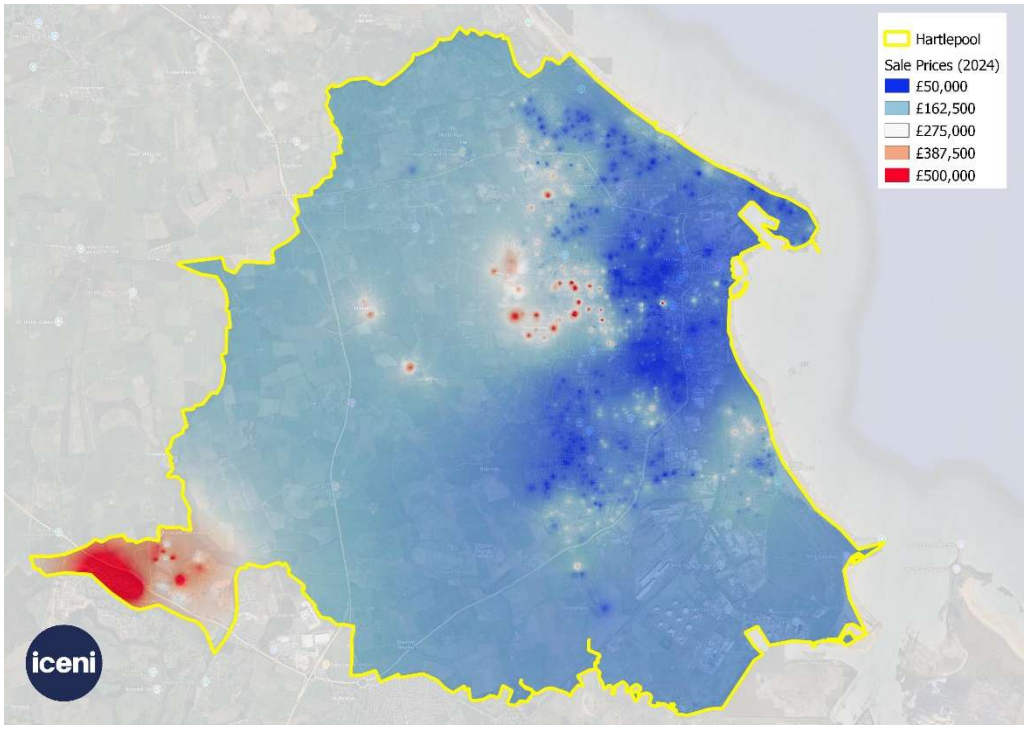
2.38 In addition, the borough's self-containment rate is high at 70% which indicates that it is largely self-contained, with Hartlepool's influence limited in the wider Tees Valley area and region.

House Price Analysis

2.39 The final analysis when identifying an HMA is to examine house prices. As the map below demonstrates, there is significant variation in prices across the Borough,

2.40 As illustrated, there are high values in rural areas, particularly in Wynyard, as well as at new-build developments to the west of the Hartlepool urban area, and lower values in more historic, urbanised areas of the town.

Figure 2.2 House Price Heat Map



Source: Iceni Projects

2.41 The other rural areas to the south of the town, the Seaton Carew area and Greatham, also see slightly higher house prices, but not to the degree of Wynyard or the rural areas to the west of Hartlepool.

Sub-Areas

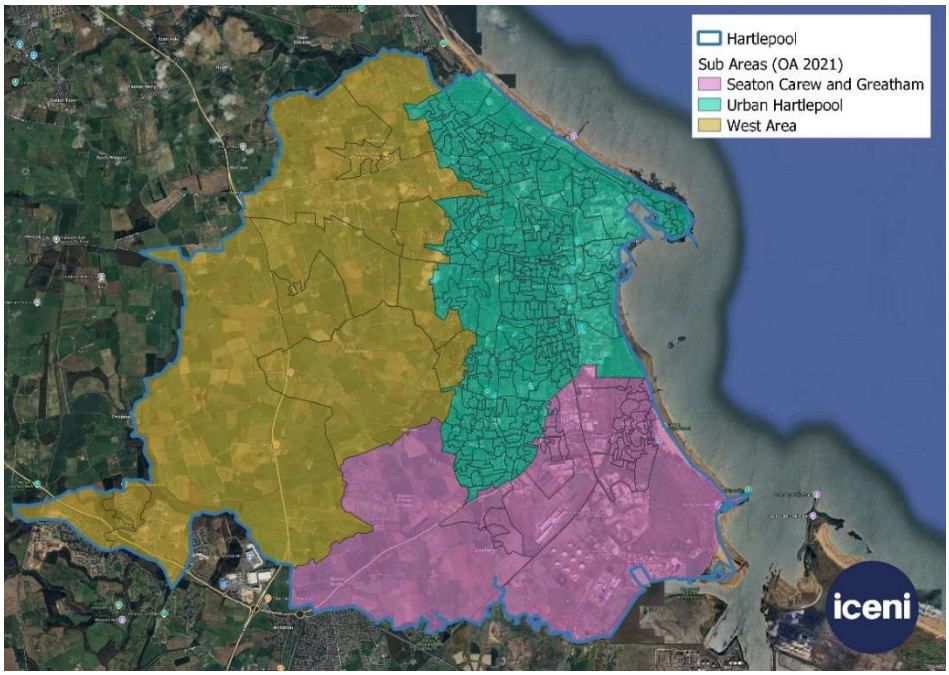
2.42 The degree to which house prices influence HMA boundaries is limited; however, they do help support the identification of sub-areas within the borough.

2.43 As the map above shows, there is a clear difference between the urban and rural areas of the borough. The urban areas of Hartlepool generally offer lower prices than the rural areas.

2.44 There is also a notable distinction between the Seaton Carew and Greatham areas of the borough and Hartlepool central area which again has lower prices.

2.45 From this, we have derived three sub-areas for the borough as shown in the figure below. These are based on 2021 output areas.

Figure 2.3 Hartlepool Sub-Areas



Source: Iceni Projects

HMA Conclusions

2.46 In looking at the Housing Market Area (HMA), we have focused on the migration and commuting analysis. The migration analysis indicates that Hartlepool exhibits self-containment exceeding the 70% threshold for an HMA when long-distance moves are excluded.

2.47 In commuting terms, the borough also sees a high level of job self-containment, although this is influenced by high levels of working from home.

2.48 The borough's influence as an employment centre also only extends to small areas to the north with the influence of larger centres more far-reaching.

2.49 We would therefore conclude that Hartlepool remains an HMA in its own right, which is no change from the previous examination of this issue.

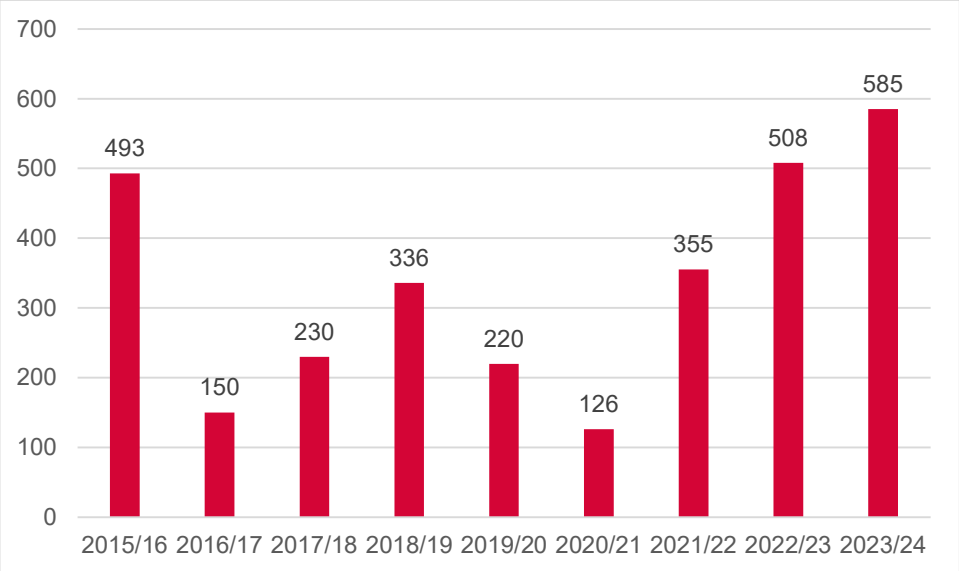
3. Housing Stock

3.1 In 2021, Hartlepool had 44,328 dwellings and 41,027 households. This results in an approximate vacancy rate of 7.7%. This is a relatively high vacancy rate, and while not all of these dwellings would have been considered empty for the long term (more than six months), this may indicate an issue regarding the quality of the stock in the area.

3.2 In the nine years since 2015/16, Hartlepool has seen a total housing delivery of 3,003 dwellings, which equates to an annual average delivery of 333 dwellings.

3.3 Housing delivery has increased significantly since 2020/21. This may be an impact of the local plan's adoption in 2018, which allocated several new sites for housing.

Figure 3.1 Housing Completions (2015/16-2023/24)



Source: MHCLG Live Table 123

3.4 Although this impact is slightly delayed, this may be due to the time taken to approve any planning applications on allocated sites, as well as the COVID-19 pandemic impacting housebuilding in the country.

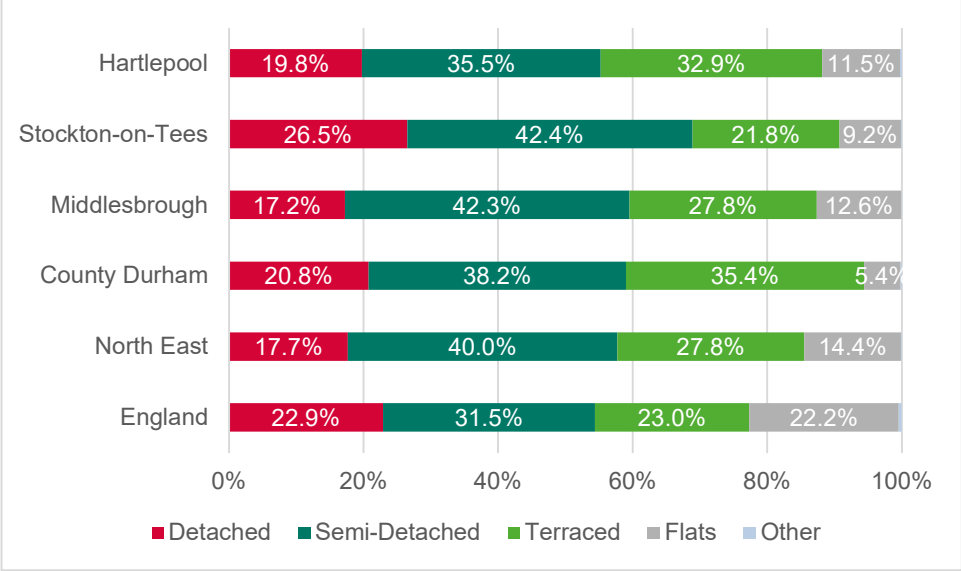
3.5 As a consequence, the average delivery in the most recent 3 years has increased significantly to 482 dpa.

Dwelling Type and Size

3.6 Semi-detached dwellings are the most common type of home in Hartlepool at 35.5% of all stock, followed by terraced dwellings at 32.9%. Detached houses and flats are the least common.

3.7 When compared to the wider area, this split is broadly in line with that of the North East region and matches most closely with County Durham and Middlesbrough of the comparator authorities. However, all areas except England see higher proportions of semi-detached stock.,

Figure 3.2 Dwelling Type (2021)

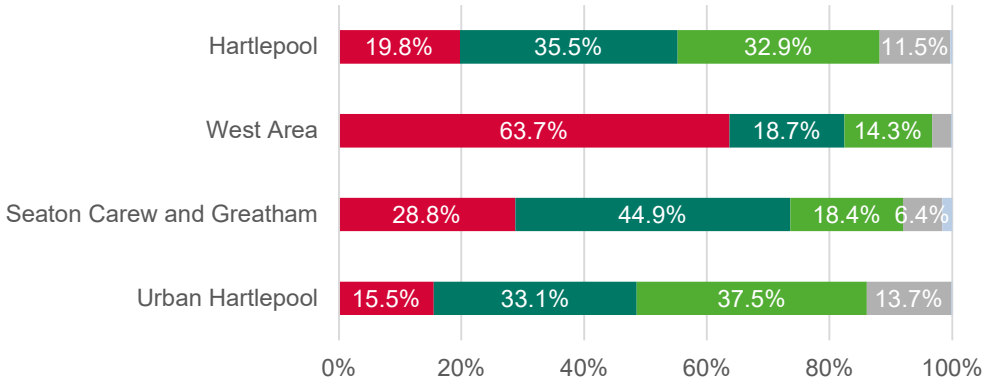


Source: Census 2021

3.8 At a sub-area level, the type of stock is more varied; the West area sees the highest proportion of detached dwellings by far, followed by Seaton Carew and Greatham.

3.9 Urban Hartlepool has the highest proportion of flats, as would be expected of a more urban area; however, this proportion is still relatively low at 13.7% compared to the North East and England.

Figure 3.3 Type by Sub Area



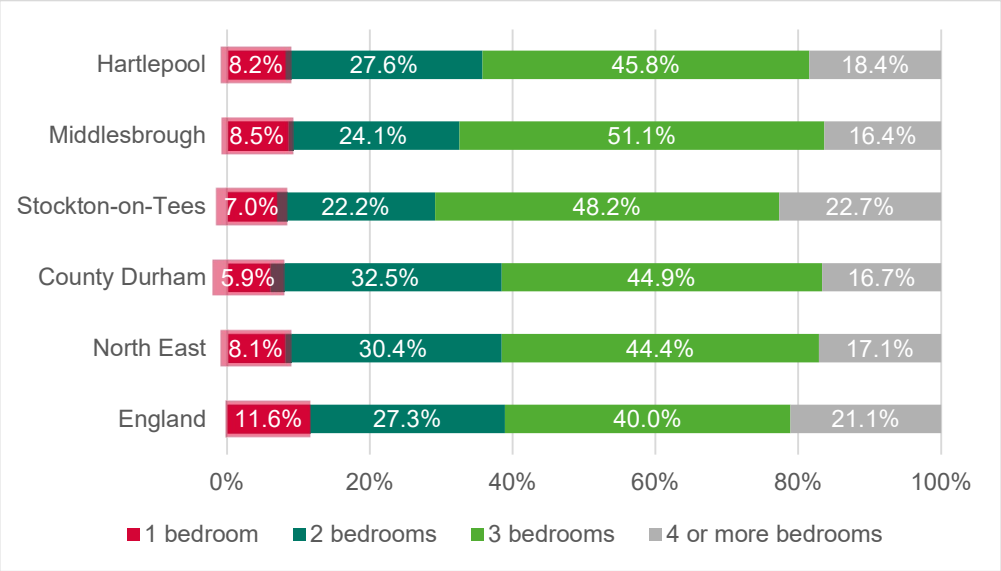
	Urban Hartlepool	Seaton Carew and Greatham	West Area	Hartlepool
Detached	15.5%	28.8%	63.7%	19.8%
Semi-detached	33.1%	44.9%	18.7%	35.5%
Terraced	37.5%	18.4%	14.3%	32.9%
Flat	13.7%	6.4%	3.1%	11.5%
Other	0.2%	1.6%	0.2%	0.3%

Source: Census 2021

3.10 The type of properties in each area will also play a role in the number of bedrooms. Hartlepool has a high proportion of semi-detached dwellings, and given this, it is unsurprising to see that the number of 3-bedroom dwellings is also higher in the Borough.

3.11 Ultimately, the housing stock in Hartlepool broadly matches that of the region overall, although it does see slightly higher proportions of 3 and 4-bedroom properties.

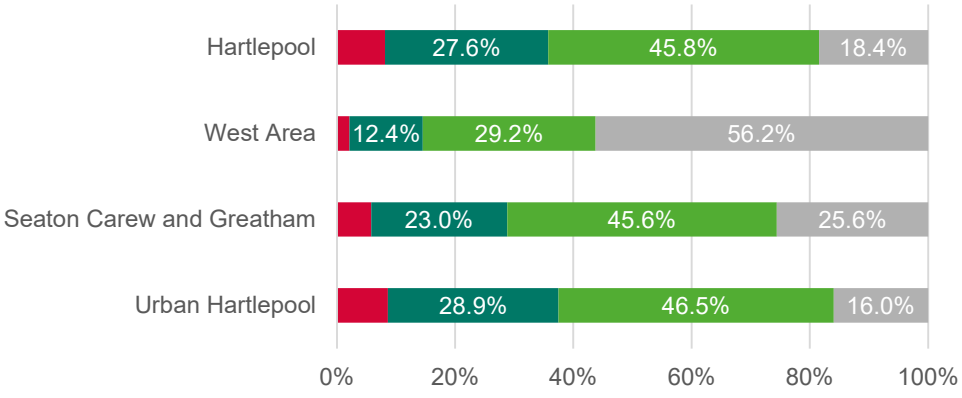
Figure 3.4 Dwelling Size (bedrooms)



Source: Census 2021

3.12 When this is broken down to the sub-area level, as the figure below shows, there is again a notable variation. The West Area has the highest proportion of 4-bedroom stock, by far, with Urban Hartlepool having the lowest. On the whole, areas with higher proportions of less dense dwelling stock (detached and semi-detached houses) tend to have properties with more bedrooms than those with higher proportions of dense stock (terraces and flats).

Figure 3.5 Size by Sub Area



	Urban Hartlepool	Seaton Carew and Greatham	West Area	Hartlepool
1 bedroom	8.7%	5.8%	2.2%	8.2%
2 bedrooms	28.9%	23.0%	12.4%	27.6%
3 bedrooms	46.5%	45.6%	29.2%	45.8%
4 or more bedrooms	16.0%	25.6%	56.2%	18.4%

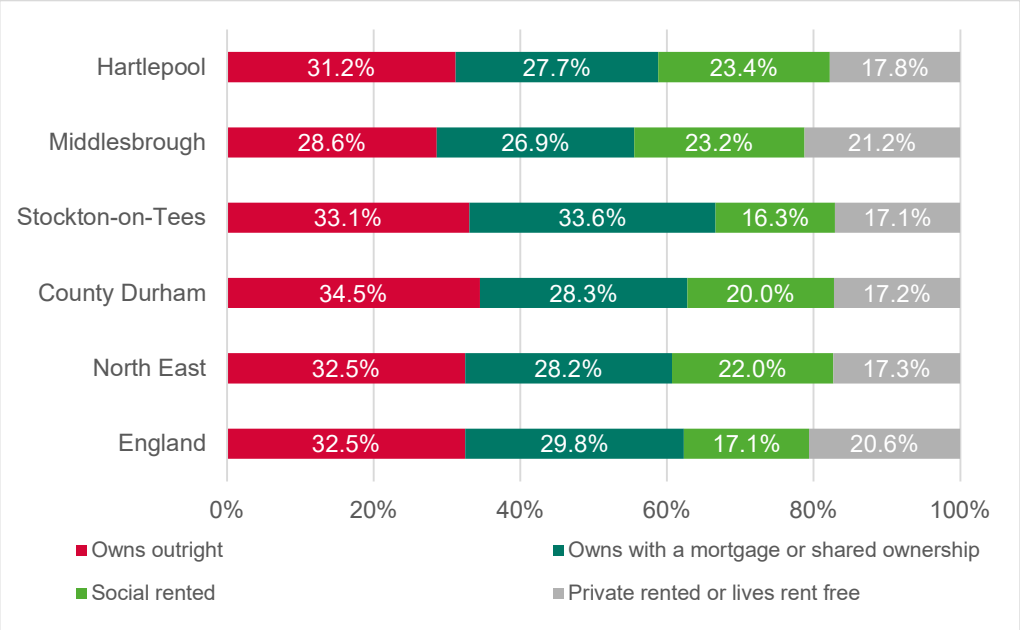
Source: Census 2021

Tenure

3.13 Hartlepool sees a lower proportion of owner-occupation (either with or without a mortgage) (58.9%) in comparison to England and the Region (62.3% and 60.7% respectively). Across neighbouring authorities, the proportion of owner-occupation in Hartlepool is higher than that of Middlesbrough (55.5%); both County Durham and Stockton-on-Tees have proportions in excess of 60%.

3.14 In contrast, the proportion of social rented dwellings is highest in Hartlepool compared to all other areas at 23.4%, while private rented stock almost matches that of the region as well as other comparators, with the exception of Middlesbrough.

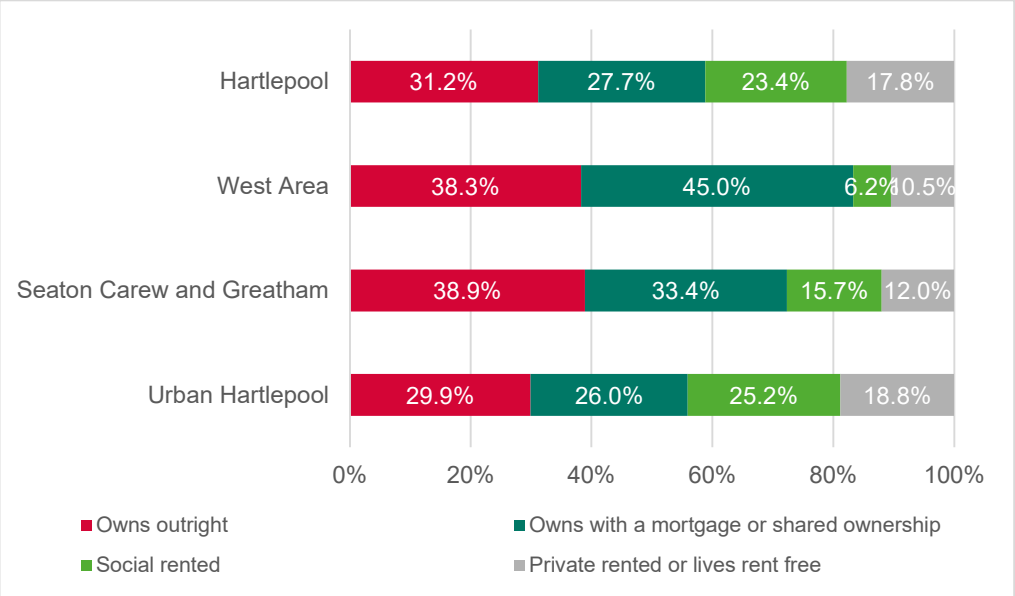
Figure 3.6 Dwellings by Tenure (2021)



Source: Census 2021

3.15 Amongst the sub-areas, the West Area sees a higher proportion of owner occupancy (83.35) than other locations with a significant number of households in the areas owning with a mortgage, this may be a factor of a higher number of large new build dwellings in this area, particularly in Wynyard, which command higher prices and therefore are more likely to have been bought recently with a mortgage. Conversely, social rented stock in the area is significantly less at 6.2%. The Urban Hartlepool area sees the highest proportion of rented stock across both the social and private tenure types.

Figure 3.7 Tenure by Sub Area



Source: Census 2021

Household Composition

3.16 Household composition shows households led by couples are the most common at 40% in Hartlepool, matching the regional average almost exactly. Couples without children take up the majority of this at 16.5%, although this is very close to the proportion of couples with children at 16.4%.

3.17 Couples with non-dependent children are highest in Hartlepool (7.1%) when compared to other areas. This may indicate that there are a number of households in the area where adult children still live with their parents, suggesting affordability issues that may prevent them from moving out.

Table 3.1 Household Composition

	H'pool	S'-on-Tees	M'boro	County Durham	North East	Eng
Couple with dependent children	16.4%	19.3%	17.0%	15.8%	16.4%	18.9%
Couple with non-dependent children	7.1%	6.7%	6.3%	6.5%	6.5%	6.3%
Couple without children	16.5%	17.1%	14.0%	17.7%	17.0%	16.8%
One person household - Under 66	19.5%	18.1%	20.3%	19.3%	19.4%	17.3%
One person household - 66+	13.8%	12.9%	12.8%	14.5%	14.3%	12.8%
Family all 66+	9.0%	9.4%	7.5%	10.1%	9.6%	9.2%
Lone parent family - dependent children	9.5%	8.0%	10.3%	8.1%	8.0%	6.9%
Lone parent family - non-dependent children	4.3%	4.1%	4.9%	3.9%	4.2%	4.2%
Other	4.1%	4.5%	6.9%	4.1%	4.7%	7.7%

Source: Census 2021

3.18 When broken down to sub-areas, the data suggests that although the proportion of couples exceeds 38% in all areas, it is highest in the West Area at 57.8%.

Table 3.2 Composition by Sub Area

	Urban Hartlepool	Seaton Carew and Greatham	West Area	Hartlepool
Couple with dependent children	15.8%	17.6%	26.8%	16.4%
Couple with non-dependent children	6.9%	8.1%	8.7%	7.1%
Couple without children	15.9%	18.9%	22.3%	16.5%
One person household - Under 66	20.6%	14.1%	9.9%	19.5%
One person household - 66+	13.8%	15.3%	10.1%	13.8%
Family all 66+	8.4%	12.4%	11.5%	9.0%
Lone parent family - dependent children	10.1%	6.4%	4.2%	9.5%
Lone parent family - non-dependent children	4.3%	3.8%	2.6%	4.3%
Other	4.2%	3.3%	3.9%	4.1%

Source: Census 2021

3.19 Overall, the West Area sees the highest proportions amongst all three couple-led categories, with the proportion of couples with dependent children outstripping that of Urban Hartlepool by 11%. Conversely, the

proportion of one-person households and lone-parent families is low in this area.

3.20 The Seaton Carew and Greatham sub-area has the highest percentage of older single-person households at 15.3% as well as older family housing (12.4%).

Occupancy Rating

3.21 Occupancy rating details the size of a dwelling relative to the size of the household occupying it. We have used the Census bedroom standard, which compares the number of bedrooms in a home to the number required by the resident household.

3.22 The number of bedrooms needed by a household is calculated by ONS according to the bedroom standard used in the 2021 Census, which requires any of the following groups to have their own bedroom:

- Adult couple
- Any remaining adult (aged 21 years or over)
- Two males (aged 10 to 20 years)
- One male (aged 10 to 20 years) and one male (aged 9 years or under), if there is an odd number of males aged 10 to 20 years
- One male aged 10 to 20 years, if there are no males aged 0 to 9 years to pair with him
- Repeat the above steps for females
- Two children (aged 9 years or under), regardless of sex
- Any remaining child (aged 9 years or under

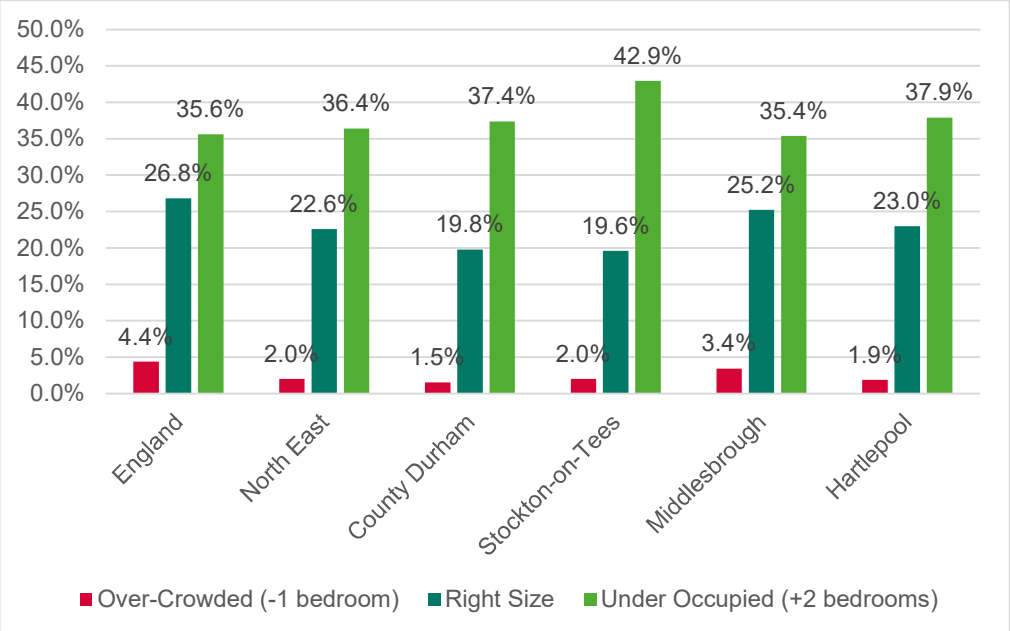
3.23 The rating system can indicate how homes are occupied: a positive score of +1 or more suggests that a dwelling is under-occupied (it has one or more bedrooms than the household needs), 0 indicates a

dwelling that is at capacity or right sized and -1 or less a dwelling that it is over-occupied (it has at least one bedroom too few than the household needs). The figure below does not look at dwellings which have only one additional bedroom and are therefore rated at +1 by the bedroom standard. This exclusion accounts for households which may have additional rooms for carers or children who split time between households.

3.24 Hartlepool has a higher level of under occupancy than most other areas at 37.9%; this is with the exception of Stockton-on-Tees, which sits at 42.9%.

3.25 This is surprising given the level of households comprised of couples with non-dependent children in the area. The area, however, has a slightly higher proportion of households that are the right size or at capacity, at 23%.

Figure 3.8 Occupancy Rating (Bedrooms)



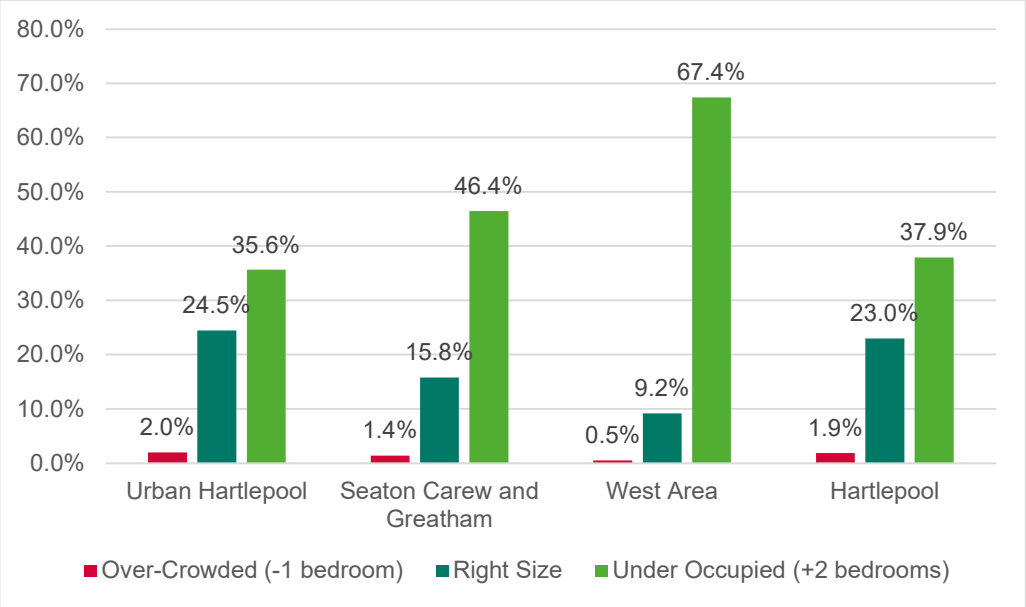
Source: Census 2021

3.26 The high proportion of underoccupied properties suggests there is a potential reason to support the downsizing of households that have more space than they need.

3.27 This is particularly relevant for older households that may wish to move into smaller accommodation, which can be more easily adapted to suit changing mobility needs.

3.28 The West sub-area sees the highest proportion of under occupancy at 67.4%, followed by Seaton Carew and Greatham (46.4%). Given the higher proportion of large, detached dwelling stock in these areas, this is to be expected.

Figure 3.9 Occupancy by Sub-Area



Source: Census 2021

3.29 The occupancy rating differs significantly between tenures. Social rented dwellings in all areas are more likely to be at capacity than other tenure types, followed by private renting, then ownership. This is a factor of access to choice and household finances, as explained below.

3.30 In owner-occupied dwellings, households will often have the financial means to choose to buy a property that suits their needs at the time of purchase. Given that such households seek to live there for a long time, many will also choose to buy larger than their needs at the time of purchase to accommodate future growth in the household.

3.31 Similarly, families buy a home to meet their needs, but over time, their children leave, and their household becomes an under-occupier. This leads to low levels of at-capacity and overcrowded dwellings in this tenure.

3.32 The opposite is true in social rented dwellings; households that live in social rented stock are often there as they do not have the finances to access the private market (at least initially). Equally, many households in social rented stock are allocated accommodation to meet their need rather than in excess of it.

Table 3.3 Occupancy Rating by Tenure

Owned	Hartlepool	North East	England
Overcrowded	1.08%	1.10%	1.88%
At Capacity	10.24%	10.84%	13.43%
Under-occupied	54.29%	51.01%	49.90%
Social Rented	Hartlepool	North East	England
Overcrowded	3.02%	3.72%	9.64%
At Capacity	49.73%	48.19%	55.55%
Under-occupied	10.58%	10.59%	8.94%
Private Rented	Hartlepool	North East	England
Overcrowded	2.99%	3.05%	7.53%
At Capacity	29.87%	31.41%	43.35%
Under-occupied	19.72%	17.98%	14.39%

Source: Census 2021

3.33 The private rented tenure sees higher levels of overcrowding than owner occupation, as fewer households in the PRS will have some ability to choose to live in a dwelling that suits their current and future need, as residents are often more restricted financially.

3.34 A household in PRS, for example, may be saving to be able to buy a house; they therefore will seek to limit outgoing costs and, in doing so, look to rent smaller properties, which often cost less.

3.35 Choice is limited even further in the social rented sector; social rented tenants will not have the financial means to enter into PRS properties and therefore are restricted to social rented dwellings, which are generally in short supply and are provided based on a household's need at the time.

3.36 Other policies, such as spare room subsidy commonly known as the bedroom tax, which reduces housing-related benefits to working-age tenants of social housing with a spare bedroom, also influence this by encouraging social rented tenants in under-occupied properties to downsize.

Housing Stock - Summary

3.37 Housing delivery in Hartlepool has increased in recent years, with an average delivery since 2021/22 of 482 dwellings, which is higher than the longer 10-year average of 333 dwellings per annum.

3.38 Stock in Hartlepool overall is primarily semi-detached (35.5%) or terraced (32.9%). Three-bed dwellings make up 35.5% of Hartlepool’s dwelling stock overall. Homeownership is the most common tenure type in Hartlepool.

3.39 Tenure also impacts occupancy levels of households, private and social rented dwellings see higher levels of overcrowding than owner-occupied dwellings.

3.40 Households led by couples are the most common at 40% in Hartlepool, with couples without children taking the majority of this at 16.5%.

4. Housing Market Dynamics

National Housing Market Commentary

4.1 On a national level, Savills' January 2026 UK Housing Market Update reports that House Prices in the UK grew by 0.6% in 2025, lower than the Savills forecast of 1%.

4.2 Activity levels were considered to remain robust, supported by high numbers of First Time Buyers (FTBs). There were 384,000 FTB mortgage completions over the 12 months to September 2025, the highest level since the Global Financial Crisis (excluding a brief post-Covid spike). In terms of rental growth, the previous September 2025[7] report noted that while house price growth is falling, rental growth continues to grow, although at 2.4% in the last year, this is in line with the purchase market.

4.3 There were also concerns with landlords leaving the rental market. This is a result of the cost of improvements required in rental homes to meet EPC standards (although this is now delayed), the Renters Reform Bill, and suggestions to levy National Insurance on profits.

4.4 Again, notes from 2025 state that there was strong activity in the Buy-to-Let sector. With the number of BTL mortgages in Q1 2025 being 39% higher than in Q1 2024. This was due to stamp duty changes in April, with landlords taking advantage of the higher thresholds.

[7] https://www.savills.co.uk/research_articles/229130/380629-0

House Prices

4.5 The median house price in Hartlepool in the year to September 2024 was £140,000, below the regional average (£160,000) and quite some way below that for England (£289,995).

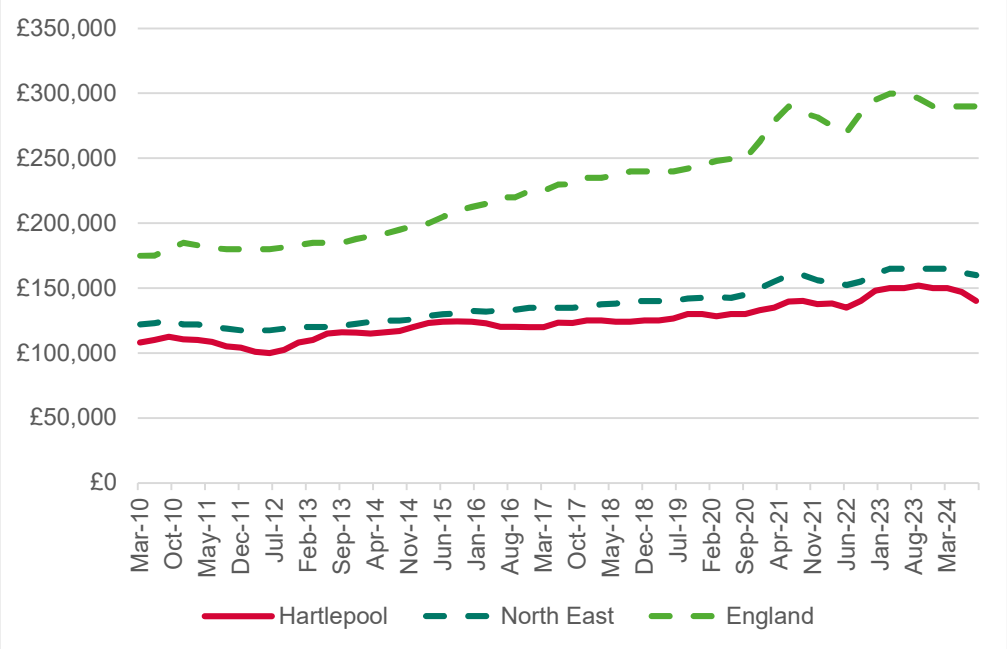
Table 4.1 Median House Prices (year to September 2024)

	Overall
Hartlepool	£140,000
Stockton-on-Tees	£165,000
Middlesbrough	£148,300
County Durham	£130,000
North East	£160,000
England	£289,995

Source: ONS, HPSSA

4.6 The figure below shows the change in median house prices since 2010. As shown, the cost of homes in Hartlepool has been consistently lower than both the North East and National medians.

Figure 4.1 House Prices (March 2010 to September 2024)



Source: ONS, HPSSA

4.7 Nationally, the most recent period from 2020 onwards, prices have risen more than previously. Macroeconomic factors, such as COVID-19 and interest rate increases, are key drivers behind this.

4.8 This trend is less evident in Hartlepool and the North East, likely due to the lower starting points in both areas compared to the national median.

4.9 The table below shows the absolute and proportional increases in median prices over 5 (2019-24) and 10 (2014-24) year periods. Over the last 10 years, house prices in Hartlepool (19.7%) have grown at less than half the national rate (48.7%).

Table 4.2 House Price Change

	5 years (2019-24)		10 years (2014-24)	
	Absolute	%	Absolute	%
Hartlepool	£10,050	7.7%	£23,000	19.7%
North East	£18,000	12.7%	£35,000	28.0%
England	£47,995	19.8%	£94,995	48.7%

Source: ONS, HPSSA

4.10 A similar story is true for the shorter 5-year period, where growth in England overall was over double that of Hartlepool.

4.11 Median house prices are often reflective of the type of stock available in an individual area. In Hartlepool, the median costs for different types of homes vary when compared to wider regions, although they generally sit in the centre or towards the less expensive end.

4.12 Costs for detached and semi-detached homes, as well as flats, sit in the middle of neighbouring areas and the region, whereas the costs of Terraces are lowest in Hartlepool when compared to neighbours.

4.13 Stockton-on-Tees generally experiences higher costs, comparable to those of the region, but it is clear overall that this area is less expensive than other parts of the region.

Table 4.3 House Price by Type (Median, Year to September 2024)

	Overall	Detached	Semi	Terrace	Flat
Hartlepool	£140,000	£262,500	£153,000	£85,000	£85,000
Stockton-on-Tees	£165,000	£280,000	£154,350	£115,000	£85,500
Middlesbrough	£148,300	£253,500	£153,250	£86,750	£70,000
County Durham	£130,000	£247,500	£142,125	£87,500	£90,000
North East	£160,000	£285,950	£165,000	£120,000	£103,000
England	£289,995	£420,000	£270,000	£235,000	£230,250

Source: ONS, HPSSA

4.14 Costs for terraced properties and flats are the same in Hartlepool, which is unusual, as usually you would expect costs for terraced properties to be higher, given that most have a garden and generally more living space than flats.

4.15 This is likely then an indicator of the overall quality of terraced stock in Hartlepool being low. This is further evidence, as flats have almost always been more expensive than terraced homes in the borough since 1996.

Sub-Area

4.16 Looking at the distribution of prices across the sub-areas, the table below shows the median price paid for properties from January 2024 to June 2025 in each sub-area.

4.17 The West sub-area sees the highest overall prices at £297,345. This is unsurprising given the stock profile in the area, which is focused towards larger, less dense properties.

4.18 Prices across most property types are highest in the West Area, with the exception of terraced dwellings, which are marginally more expensive in Seaton Carew and Greatham.

4.19 As illustrated in Figure 2.2 earlier in this report, there are particularly high values in Wynyard in the West Sub-Area reflecting new-build developments in that area.

4.20 Overall costs in Seaton Carew and Greatham are the next highest, at £160,500. However, it is worth noting that the difference between the two is significant, with overall costs in the West Area almost double those in Seaton Carew and Greatham. Urban Hartlepool sees the lowest overall prices.

4.21 In both Urban Hartlepool and the West Area, the fees for flats are higher than those for terraced properties; in the West Area, this difference is significant. Although the flats are likely new build, and both are few in number.

Table 4.4 Median price by Type and Sub-Area

	Overall	Detached	Semi-detached	Terraced	Flat
Urban Hartlepool	£100,000	£247,000	£148,000	£66,500	£79,000
Seaton Carew and Greatham	£160,500	£232,500	£155,000	£120,000	£70,000
West Area	£297,345	£330,000	£182,250	£119,200	£210,000

Source: Iceni analysis of Land Registry data

4.22 Ultimately, this indicates a stock issue in the terraced market; terraced properties are often ageing, whereas flats are generally newer. The low costs here are most likely a reflection of the low quality of the stock within Hartlepool.

Affordability

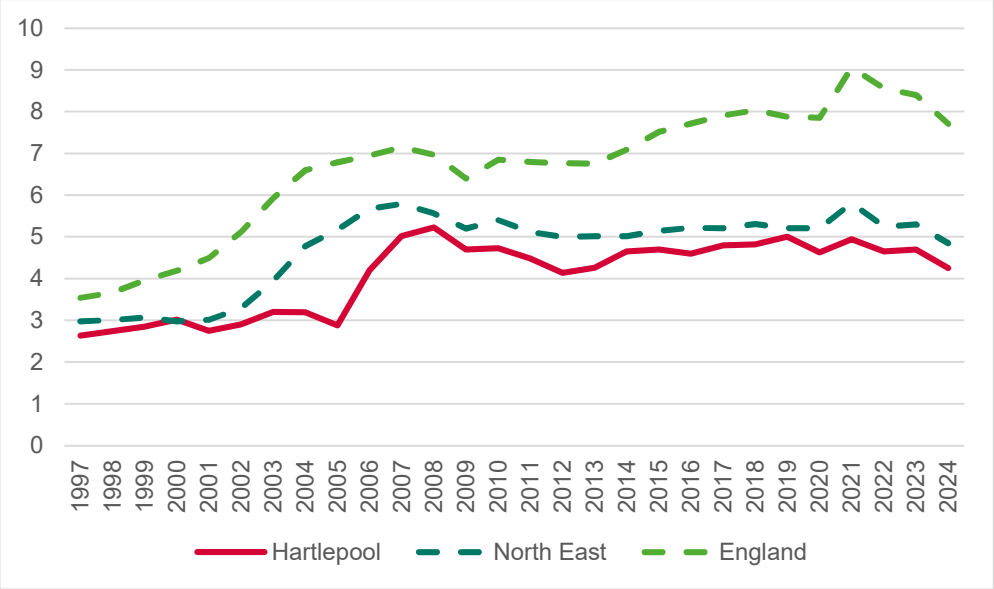
4.23 The figure below shows the change in ONS' workplace-based affordability ratio over time. This ratio compares the median earnings of individuals working within an area to the median house prices in that

area. Hartlepool's ratio is lowest at 4.25, compared to the regional figures of 4.85 and 7.71 across England.

4.24 Affordability has worsened over time nationally; however, in the North East, as well as Hartlepool, the ratio has remained largely stable since 2007, albeit with some minor variation.

4.25 This is likely a factor of house prices across the region not increasing at the same pace as the national picture, as well as indicating that growth in median wages has been keeping up with growth in house prices.

Figure 4.2 Affordability Ratio (Workplace Based)



Source: ONS

4.26 When the workplace and residence-based affordability ratios are compared, it reveals that the residence-based ratio is marginally higher in Hartlepool by 0.18. Hartlepool is the only area among those compared that sees a higher residence-based ratio.

Table 4.5 Workplace Vs Residence-Based Affordability Ratio

	Workplace Based	Residence Based	Difference (=WB-RB)
Hartlepool	4.25	4.43	-0.18
Stockton-on-Tees	5.26	4.82	0.44
Middlesbrough	4.69	4.59	0.10
County Durham	4.14	4.02	0.12
North East	4.85	4.80	0.05
England	7.71	7.71	0.00

Source: ONS

4.27 This suggests that higher-paid workers may commute out of the area to work. This is possibly due to the larger settlements of Middlesbrough, Newcastle and Sunderland.

Transactions

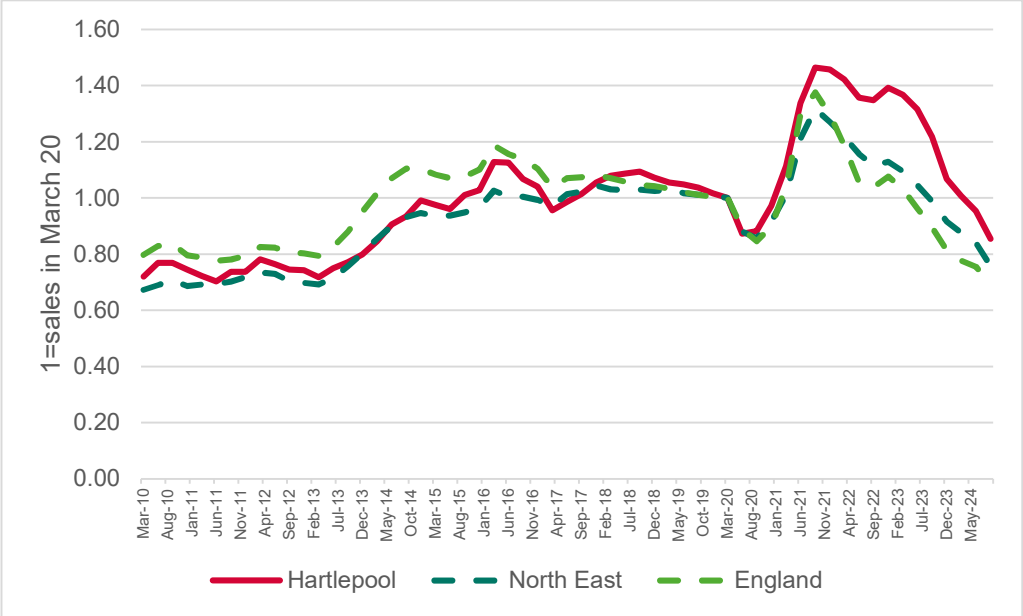
4.28 The figure below illustrates the number of transactions (property sales) within each area and indexes this against the total sales of each region in March 2020.

4.29 As shown, all areas experienced increases up to December 2014, with variations thereafter up to 2020. It is here that the initial impact of the COVID-19 pandemic is evident, with a slight decline followed by a significant surge in September 2021.

4.30 This increase is linked to pent-up demand but is also driven by the stamp duty holiday announced as a range of Covid-19 recovery measures.

4.31 The Covid-19-related jump in sales is particularly high in Hartlepool, with sales increasing at a faster rate than in the region and the country. This may have impacted prices as the stock available for purchase would have been in high demand.

Figure 4.3 Indexed Property Sales



Source: ONS

4.32 Sales fall again following the end of the Stamp Duty Holiday, where they come to a stop and level out between June 2022 and March 2023. The interest rate increase then impacts the number of sales, which again falls across all areas as mortgages become more expensive and buyers are able to afford less.

Local Agent Engagement

4.33 Iceni have engaged with estate agents working within Hartlepool to understand the housing sale market in the Borough. These include:

- Collier Estates
- Dowen Estates and Lettings
- Manners and Harrison Estates and Lettings
- Harper & Co

4.34 Overall, agents were optimistic about the market in Hartlepool, citing the town's slightly lower property prices (compared to national/regional

averages) as making it particularly appealing to first-time buyers and investors.

4.35 Agents considered the average property sale price in Hartlepool to sit in the region of £130,000 to £150,000. Asking prices tend to be slightly higher than final sale prices, with sellers typically reducing their expectations before a deal is closed.

4.36 Prices in Hartlepool do, however, depend on property type and location. Homes in the Wynyard area, in particular, are very different to the Urban Hartlepool area; often they are larger, detached family homes, many of which are new and finished to high specifications. Prices in Wynyard start at approximately £300,000 and, in some cases, can exceed £1 million.

4.37 Properties in Hartlepool spend an average of 14 weeks on the market; agents considered this to have increased in the past few years, making particular reference to the COVID-19 stamp-duty holiday, where marketing periods were much shorter.

4.38 Agents considered this to be due to there being fewer buyers on the market, with interest rates having affected mortgage availability for many.

4.39 Overall, agents report a diverse buyer profile. First-time buyers are prominent, drawn in by the affordability in Hartlepool town, and young couples and families are also common.

4.40 The majority of buyers are either from Hartlepool or the wider Tees Valley area; however, investors seeking rental opportunities in Hartlepool do tend to come from further afield.

4.41 In the Wynyard area, families are the most common buyers, drawn to the area by its proximity to employment in Middlesbrough/Stockton, as well as Durham and Newcastle in some cases, as the area is only a 10-minute drive from the A1(M).

4.42 In terms of the types of homes that are most popular, agents report that terraced houses dominate the market in the Town. Terraces are especially popular among first-time buyers and landlords.

4.43 Despite this, prices appear to be lower than for other property types. Perhaps suggesting there is an oversupply.

4.44 Generally, 2-4 bedroom properties were most sought after in the borough by buyers, with first-time buyers often seeking the smaller dwellings.

Sales Market - Summary

4.45 In the year to September 2024, the median property price in Hartlepool was £140,000, below the regional and national equivalents.

4.46 Median prices have increased by 19.7% over the last 10 years. This increase is below both regional and national growth rates.

4.47 As with all areas, affordability has significantly deteriorated in the last 20 years, although there have been some recent improvements.

4.48 Although the affordability ratio has doubled, median prices are now only just over 4 times the median earnings of those working in the borough.

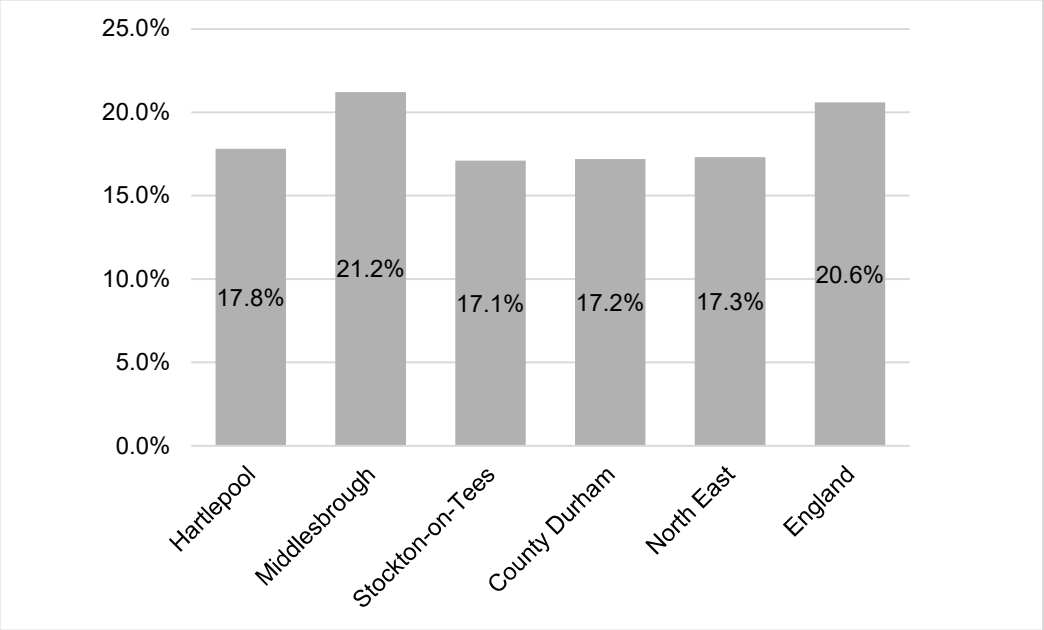
4.49 There has been a notable fall in the number of sales in the borough, but this is reflecting macroeconomic issues relating to interest rates and cost-of-living issues.

5. Private Rental Market

5.1 The Private Rental Sector (PRS) makes an essential contribution to the housing market, particularly for those people who cannot afford to buy, including those in affordable housing need.

5.2 As set out earlier in this report, private renting in Hartlepool is at 17.8%, which is slightly higher than the region (17.3%) but below the national comparator (20.6%).

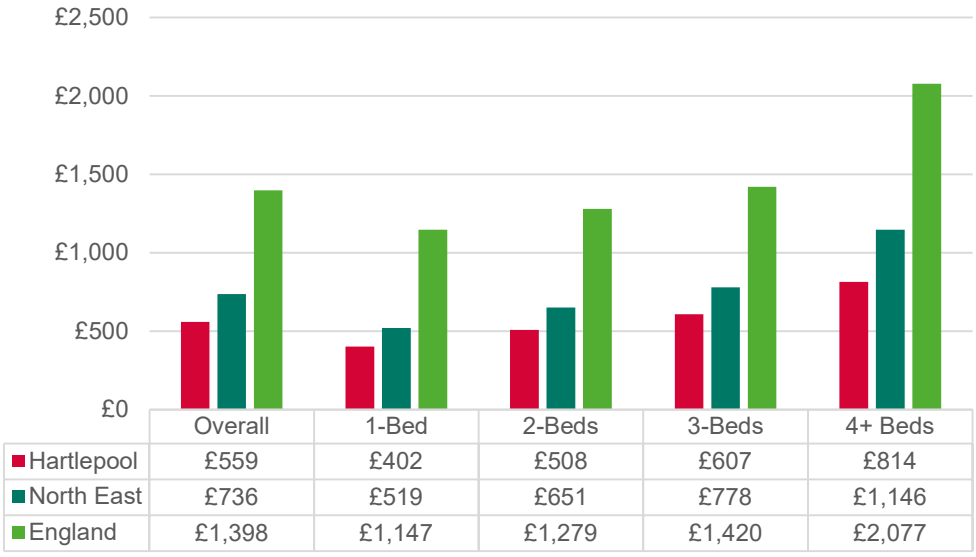
Figure 5.1 Dwellings by Tenure (2021)



Source: Census 2021

5.3 The figure below shows the average (mean) rental costs per calendar month in each area for the year to July 2025. Average rents in Hartlepool are £559, which is lower than the regional and national average. A picture not too dissimilar from the for-sale market.

Figure 5.2 Average (mean) Rental Costs (pcm, year ending April 2025)



	Overall	1-Bed	2-Beds	3-Beds	4+ Beds
Hartlepool	£559	£402	£508	£607	£814
North East	£736	£519	£651	£778	£1,146
England	£1,398	£1,147	£1,279	£1,420	£2,077

Source: ONS

5.4 In Hartlepool, average rents for all types of properties are lower than the North East average. The most significant disparity is for properties with four or more bedrooms, where average rents are 29% lower in Hartlepool than the North East average.

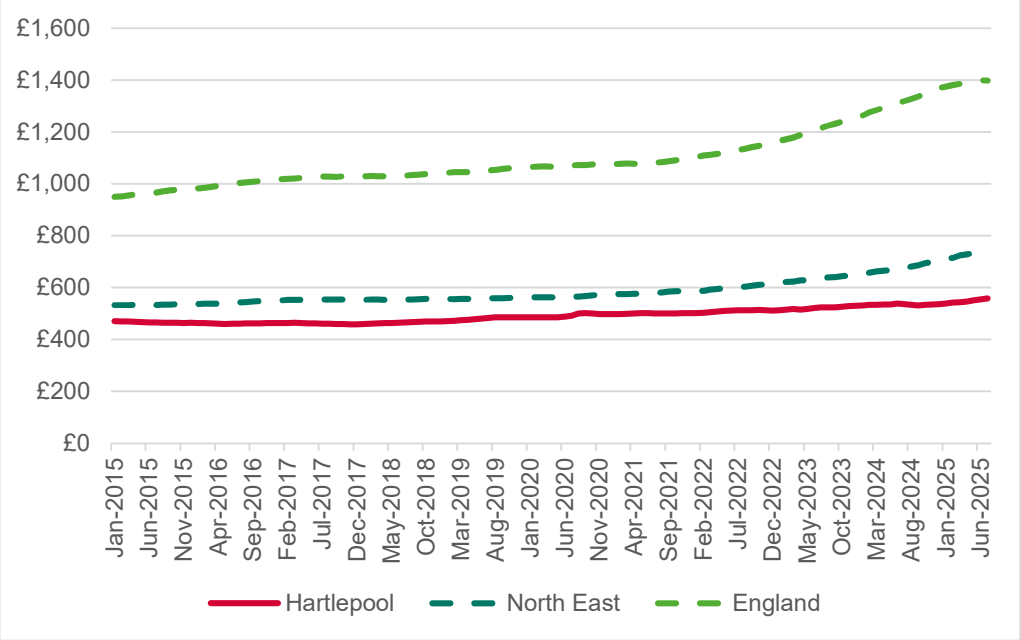
5.5 The regional figures may, to some degree, be driven by student and HMO demand in the major cities of the North East.

Rental Change

5.6 The figure below shows how rents have changed over time. Historically, Hartlepool has consistently seen lower rental prices than England and the region.

5.7 Since 2024, growth in rental prices in England and the surrounding area appears to have been higher than that of Hartlepool, and thus, the cost of renting has widened.

Figure 5.3 Change in Average Prices (2015 -25)



Source: ONS

5.8 The table below shows this in more detail, with growth in PRS costs nationally almost double that in Hartlepool across both a 5-year and 10-year period. Again, a dynamic was also witnessed on the for-sale market.

Table 5.1 Rental Change

	5 years (2020-25)		10 years (2015-25)	
	Absolute Change	%	Absolute Change	%
Hartlepool	£93	20.0%	£67	13.4%
North East	£202	37.8%	£171	29.4%
England	£431	44.6%	£327	30.2%

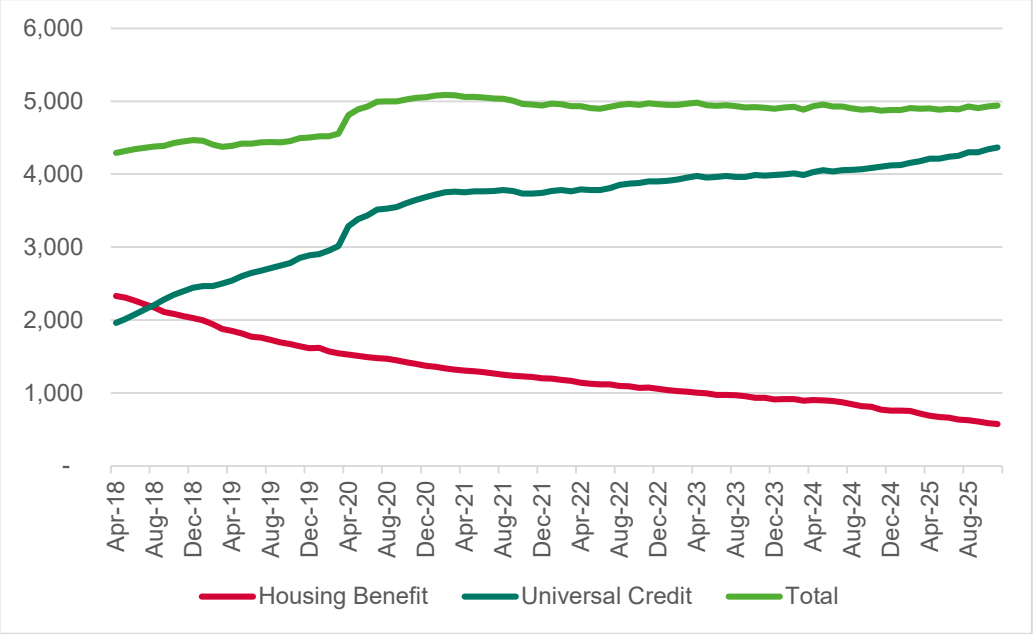
Source: ONS

Benefit Supported Private Sector

5.9 Many properties within PRS will be occupied by tenants who receive a form of housing benefit to support the payment of their rent. This effectively illustrates how PRS addresses the need for affordable housing, although recognising that PRS does not have the same level of certainty as council or RP-owned rental homes.

5.10 The figure below shows the change in tenants within PRS who are supported by either Housing Benefit (HB) or Universal Credit (UC) with a housing element over time. In November 2025, a total of 4,941 PRS households in Hartlepool received benefits.

Figure 5.4 Benefit-Supported Private Rented Households



Source: Department for Work and Pensions

5.11 The number of claimants jumped by approximately 10% between March and July 2020 as a result of the Covid-19 lockdown, and many workers lost their jobs or saw their income decrease due to furlough.

5.12 Overall, the number of households claiming UC has increased, while the number of households claiming HB has declined. This is a result of UC replacing HB for new claimants.

5.13 The amount of housing-related benefits a person can claim is determined by the Local Housing Allowance (LHA) in their Broad Rental Market Area (BRMA), which takes into account the average cost of rental housing in the area. The Teesside BRMA is the only BRMA in Hartlepool.

5.14 The table below shows the standard LHA rates for different-sized properties. It is worth noting that these can vary depending on the claimant's personal circumstances.

Table 5.2 Local Housing Allowance per week (2025/26)

BRMA	Shared Room	1-bed	2-beds	3-beds	4-beds
Teesside	£66.50	£94.36	£109.32	£126.58	£172.60

Source: VOA

5.15 The table below shows the difference between the LHA rates and current average rental costs in each area (no data is available for shared rooms).

5.16 As shown, there is an apparent disconnect between LHA rates and current average rents, particularly for households that require four or more bedrooms.

Table 5.3 LHA rates vs average (mean) rental costs

	1-bed	2-beds	3-beds	4-beds +
Hartlepool vs Teesside	-£24.56	-£70.72	-£100.68	-£123.60

Source: Iceni analysis

5.17 This means that such households may need to source an additional £100 per month to make up the difference. Although this often results in renting lower quartile homes or seeking accommodation elsewhere, or smaller homes than they need, leading to overcrowding.

Engagement

5.18 Iceni have engaged with some lettings agents working within the Hartlepool area in order to understand the rental market within the Borough. These include:

- Dowen Estates and Lettings
- Manners and Harrison
- The Property Supermarket

5.19 Lettings agents working in Hartlepool considered the market to be very active with strong demand from tenants as well as a clear interest from investors.

5.20 Agents generally considered average rents to be approximately £500-£600 per week across Hartlepool. This has increased slightly in recent years due to pressures on landlords, including rising interest rates and tax changes, which are being passed on to tenants in the form of higher rental costs.

5.21 Agents considered the types of tenants seeking rental property in the Borough to vary. In contrast, some tenants were supposed to be young families, young professionals, and contractors working across the Teesside area.

5.22 Contractors were generally seen to prefer HMO dwellings over whole-house or unit rentals. Typically, student demand was not considered strong, but there were instances where students searched for HMO units in the town.

5.23 Generally, renters seek houses over flats in the Borough, although flatted developments are considered popular in Hartlepool town centre. In terms of size, 2-3 bedroom properties are considered the most versatile, as they can suit couples, families, and sharers, and are therefore in the highest demand.

5.24 Agents were keen to note that the lower rental cost is one of the main draws of Hartlepool for many tenants who are seeking inexpensive housing in Teesside.

5.25 One agent voiced concerns that, with the cost of living crisis and LHA rates not keeping up with average rental costs, the private rental sector may become inaccessible to some tenants, increasing demand for affordable housing.

5.26 Looking at demand from investors in the private rented sector, agents considered Hartlepool to be very attractive. Generally, the low cost of 'for sale' property was supposed to be the key to this, with a number of investors based outside of Hartlepool.

5.27 Many investors/landlords in Hartlepool's PRS were considered to be "professional landlords" with a number of properties rather than just one or two.

5.28 Agents considered that this limited the impact of the Renters Reform Bill, with fewer landlords choosing to sell property and divest from the market if this is their business rather than a secondary income.

5.29 One agent was keen to point out that, despite the generally lower costs of housing in Hartlepool, rental investment still yielded a good return, making the area attractive to investors.

5.30 Overall, rental yields were estimated to range from 7-10% of the initial investment cost each year; this was higher in HMO properties at approximately 11-18%. This higher yield (i.e. rental income) for HMO properties was considered one of the key reasons why investing in HMOs is attractive in Hartlepool.

Housing in Multiple Occupation

5.31 This section of the report examines the market for housing in multiple occupation (HMOs) within Hartlepool.

5.32 A small HMO (use class C4) is a property which is let to between three and six people who form more than one household[8] and share a toilet, bathroom or kitchen facilities.

5.33 Where there are more than six unrelated individuals sharing amenities, this is referred to as a large HMO (Use Class Sui Generis).

5.34 At present, large HMOs require planning permission, while small HMOs are permitted development when they are converted from an existing large home.

5.35 Where there is evidence to justify it, the Council can introduce an Article 4 Direction (A4D), which requires any change of use to obtain planning permission.

5.36 The HMO market is broad and technically includes entry-level housing, and smaller households of friends sharing, as well as unrelated adults.

5.37 Data relating to HMOs is incomplete, as not all HMOs require a licence, only those occupied by five or more people. There will also be instances where HMOs with five or more people are not registered, and the extent of this illegal activity is unknown.

5.38 From a planning perspective, as converting to a HMO is a permitted development, its extent and location are not always known.

5.39 We have sought to draw together data from a range of sources as well as consult with local letting agents to get a better understanding of the scale of demand in the study area.

[8] A household consists of either a single person or members of the same family who live together. It includes people who are married or living together and people in same-sex relationships.

Scale of HMOs

5.40 According to the 2021 Census, in Hartlepool, there were 782 “Other” household types excluding those with dependent children. This equates to approximately 1.9% of households.

5.41 According to Council data, 63 dwellings are currently licensed as HMOs within Hartlepool. Although it is estimated that there are a total of 100 HMOs within Hartlepool (according to Local Authority Housing Statistics data), this is difficult to properly ascertain, as many are small enough not to require a license.

5.42 The table below shows the location of licensed HMOs by ward. This displays the actual number of licenses, as well as the maximum number of occupants that may be accommodated within them.

5.43 The Victoria Ward sees the highest number of HMOs at 32, followed by Burn Valley at 22. Foggy Furze and Headland & Harbour also see some, but it is only these four wards that have a significant presence of HMOs (those with five or more bedrooms).

5.44 Although, as mentioned, it is difficult to estimate how many HMOs exist in Hartlepool overall accurately. However, given the concentration shown across only four wards, it would be reasonable to assume that most HMOs lie within the Hartlepool urban area.

5.45 When looking at the number of dwellings in each ward that have an HMO license, it can also be seen that in all areas where there are licensed HMOs, they make up less than 1% of all dwelling stock within the ward.

Table 5.4 Licensed HMOs by ward

	Licenses	Max occupants	Total Dwellings	% Licensed HMO Dwellings
Burn Valley	22	149	3,347	0.7%
Foggy Furze	5	28	3,734	0.1%
Headland & Harbour	4	22	4,046	0.1%
Victoria	32	198	3,541	0.9%
Total	63	397	44,328	0.14%

Source: Council Data

5.46 Such a low percentage of known HMOs would suggest that HMOs are not likely to negatively impact any location within the borough.

HMO Market

5.47 Between 2014 and 2023, the ONS published rental statistics looking at the cost for different sizes of rental property at the local authority level, which included room and studio rental costs.

5.48 Although more recent data is available at the size level and has been considered earlier in this report, it does not break down costs for room or studio rentals.

5.49 The table below looks at the change in costs for each size type between 2016 and 2023. Overall, it is clear that the costs for room and studio rentals in Hartlepool have increased significantly over this period (49% and 55%, respectively).

Table 5.5 Rental Change (pcm)

	Room	Studio	1-bed	2-beds	3-beds	4-beds+	Overall
Hartlepool Sept 2016	£303	£280	£390	£450	£500	£688	£450
Hartlepool Sept 2023	£450	£433	£425	£500	£550	£675	£505
Hartlepool Change	£147	£153	£35	£50	£50	-£13	£55
Hartlepool % Change	49%	55%	9%	11%	10%	-2%	12%
North East	22%	20%	13%	17%	9%	23%	15%
England	35%	18%	30%	32%	29%	22%	31%

Source: ONS, 2023

5.50 This is a faster rate of growth than the larger property sizes and is significantly higher than growth in the wider areas for rooms and studios. This suggests that supply is potentially outstripping demand in the borough.

5.51 We can also examine online resources such as Rightmove for a more up-to-date understanding of the HMO market. Although it is not a comprehensive view of the market, as many rooms will be advertised directly by the landlord more informally through newspapers and websites such as Gumtree and Facebook, it does provide a snapshot of the market.

5.52 In total, there were four adverts for bedrooms in HMOs in Hartlepool on Rightmove, including one with five rooms out of six available. Prices started at £350 pcm, rising to £477 pcm.

5.53 A further search of the rental site SpareRoom showed 53 rooms available across 28 properties in Hartlepool with prices ranging from £340 to £800 pcm.

Consultation

5.54 As mentioned previously, the HMO market within Hartlepool is very attractive to investors, with initial property prices being low and average rental yield being high.

5.55 Consultation with private sector housing officers in the Council who work on licensed HMOs, as well as enforcement in other private sector housing, has shown that one of the key issues in the sector is the bedroom sizes in HMO properties.

5.56 Licensed HMOs are required to provide a minimum bedroom floorspace of 6.51 square meters for one person. Officers are finding that some HMOs do not meet these standards, with landlords/investors seeking to maximise the space available to fit in more tenants.

5.57 The Council has taken action on some landlords in Hartlepool through serving improvement notices as well as referral to the ombudsman.

5.58 Another consideration not raised by estate agents is the use of HMOs as accommodation for Asylum Seekers. These are often long-term contracts between landlords and the Home Office, where the Home Office manages the property, resulting in less risk to the landlord in terms of void or vacant rooms.

5.59 The use of HMOs is not just limited to this; however, consultation with Adult Social Care at the Council flagged that there are a number of HMOs within Hartlepool that are also used as supported accommodation for adults with support needs (such as learning disabilities and mental health).

5.60 While generally officers working in ASC did not raise any specific issues in the quality of that accommodation, they did raise concerns regarding safeguarding.

5.61 This is particularly important in locations where there are several people housed with specific care needs (e.g. support with drug and alcohol misuse), which can lead to challenging behaviour, potentially the exploitation of residents and other safeguarding concerns.

Policy Response

5.62 HMOs in Hartlepool are concentrated within the Hartlepool Urban Area, with only four wards seeing a presence of licensed HMOs.

5.63 While HMOs can meet specific needs for workers, those who are on lower incomes and those with specific needs, high concentrations can lead to an erosion of the character of an area and impact community cohesion.

5.64 A large number of HMOs can also lead to environmental and economic impacts; as such, planning controls can be introduced to manage their presence in the authorities.

5.65 There is also a wider need within the NPPF to ensure mixed and balanced communities; therefore, high concentrations of housing of a particular type, not just HMOs, should be avoided.

5.66 At present, local authorities can impose planning controls can limit the delivery and occupation of newly built dwellings as HMOs. However, subject to certain conditions, changing the use of a dwelling house to a small HMO is a permitted development, meaning it does not require planning permission.

5.67 Councils do have the power, through the use of an Article 4 Direction, to introduce the requirement for planning permission for small HMOs and therefore remove permitted development rights.

5.68 This is not a power to restrict small HMOs but rather to require them to get planning permission. This will assist the Council in managing the

location of new HMOs, maintaining a balance of housing types across the study area.

5.69 Article 4 Directions cannot be applied across the entirety of an area without justification. At the same time, they can better manage the supply of HMOs; there is also the possibility that it could displace them to other areas.

5.70 In any case, we do not believe that there is any evidence for such a policy to be applied within Hartlepool or any locale within it. However, the spread of HMOs should be monitored and responded to accordingly.

5.71 The council may wish to consider doing additional work to understand the number and locations of smaller HMOs in the area.

5.72 Other potential responses are to ensure a greater supply of smaller one-bed and studio flats, as this will divert some of the demand. This can be achieved through build-to-rent developments (if there is demand), which can also provide affordable private rental options. This ensures a supply of smaller, affordable homes as an alternative to HMOs.

Build-to-Rent

5.73 The Housing White Paper (February 2017) set out that the then Government wanted to build on earlier initiatives to attract new investment into large-scale housing, which is purpose-built for market rent (i.e., Build to Rent).

5.74 The then Government set out that this would drive up the overall housing supply, increase choice and standards for people living in privately rented homes and provide more stable rented accommodation

for families, particularly as access to ownership has become more challenging.

5.75 The NPPF sets out that the needs of people who rent their homes (as separate from affordable housing) should be assessed and reflected in planning policies (Para 63). The NPPF glossary also includes a definition for Build to Rent development:

> *"Purpose-built housing that is typically 100% rented out. It can form part of a wider multi-tenure development comprising either flats or houses but should be on the same site and/or contiguous with the main development."*

5.76 It therefore represents development which is constructed with the intention that it will be let rather than sold.

Benefits of Build-to-Rent

5.77 The benefits of Build to Rent are best summarised in the former Government's A Build to Rent Guide for Local Authorities, which was published in March 2015. The Guide notes the benefits are wide-ranging, but can include:

- Helping local authorities to meet the demand for private rented housing whilst increasing tenants' choice, "as generally speaking tenants only have the option to rent from a small-scale landlord."
- Retaining tenants for longer and maximising occupancy levels as Build to Rent investment is an income-focused business model;
- Helping to increase housing supply, particularly on large, multiple-phased sites, as it can be built alongside build-for-sale and affordable housing; and
- Utilising good design and high-quality construction methods, which are often key components of the Build to Rent model.

5.78 This Build to Rent Guide provides a helpful overview of the role that Build to Rent is intended to play in the housing market, offering opportunities for those who wish to rent privately (i.e. young

professionals) and for those on lower incomes who are unable to afford their own home.

5.79 Over recent years, there has been rapid growth in the Build to Rent sector backed by domestic and overseas institutional investment. Savills' UK Build-to-Rent Market Update[9] For H1 2025, the BTR market now has 132,000 completed units, 51,000 units under construction, and 110,000 units in the development pipeline, totalling 293,000 units, up 5% from the year previous.

5.80 However, much of this stock is located in the largest cities of London, Manchester, Birmingham and Leeds. It has not yet reached smaller towns in large numbers due to the economies of scale required and the limited potential for this product among tenants.

The Profile of Tenants

5.81 The British Property Federation ("BPF"), London First and UK Apartment Association ("UKAA") published (November 2022) a report[10] profiling those who live in Build-to-Rent accommodation in England. Whilst this is focused on more urban locations, it helps understand the broad profile of tenants.

5.82 According to their research, approximately 40% of residents were aged between 25 and 34, which is broadly similar to the wider private rented sector.

5.83 The survey identified that incomes are similar to those in private rented sector accommodation, with 18% earning between £26,000 and

[9] https://www.savills.co.uk/research_articles/229130/379550-0
[10] https://bpf.org.uk/our-work/research-and-briefings/who-lives-in-build-to-rent-2022/

£32,000 per annum, and 23% earning between £32,000 and £44,000 per annum.

5.84 The report also noted that Build to Rent has comparable levels of affordability but is notably more affordable for couples and sharers.

Potential Demand in Hartlepool

5.85 Data collected by the HomeViews website[11] on Build-to-Rent development suggests that there are two existing BTR schemes in Hartlepool: The Green at Rodney Street and one as part of the Siskin Park development at Wynyard.

5.86 The Green provides 98 BTR units with between 1 and 3 bedrooms. The scheme was developed and is now operated by Placefirst[12]. A significant portion of the scheme involves the extension and renovation of existing terraced properties, as well as the construction of 12 new bungalows.

5.87 It is considered to be a “single-family” BTR development, which is commonly suburban in style. Although not a new build, the scheme has contributed towards the redevelopment of the Rodney Street area.

5.88 The development at Siskin Park[13] it is a new build, as well as a single-family BTR; it is a development more akin to standard new build housing.

5.89 All dwellings have between 3 and 4 bedrooms. The site contains 186 new dwellings, 61 of which are BTR. While developed by Countryside, the BTR units are now managed and operated by Simple Life Homes.

[11] Interactive Build to Rent Map - HomeViews Business Hub
[12] The Green, Hartlepool, TS26 | Apartments in Hartlepool, [PropertyState]
[13] Siskin Park | Homes for rent in Wynyard | Simple Life Homes

Simple Life also operates other similar schemes in Stockton (Summerville Quarter) and Middlesbrough (Bracken Grange).

5.90 Although there are only two BTR schemes in Hartlepool at the moment, the fact that they are both built by different developers and managed by other operators indicates that there may be further interest from the development industry in promoting BTR development in the area.

5.91 Single-family BTR would suit the area best as it better matches the built form in locations across Hartlepool. There could be a market for 'multi-family' BTR provision in some areas of urban Hartlepool, where flatted development would be considered. This tends to be higher-density flatted development, focused on more urban locations.

5.92 BTR development could also be an opportunity to consider the redevelopment of existing housing stock, such as in the case of the Green at Rodney Street.

5.93 While this would be unlikely to result in a significant number of additional homes, it could work to bring existing dwellings back into use as well as diversify the housing market.

The Recommended Policy Response

5.94 The PPG on Build to Rent recognises that where a need is identified, local planning authorities should include a specific plan policy relating to the promotion and accommodation of Build to Rent.

5.95 In recognition of the potential growth of the sector, the Council may consider including a policy on Build-to-Rent development to set out parameters (such as design, contract lengths, space standards, communal space standards (even if stipulating wider standards apply) and facilities, outdoor space, bike storage and active transport measures etc.), regarding how schemes would be considered on planning application.

5.96 This policy should also deal with how affordable housing policies would be applied. An example of this can be found in the London Plan 2021 and associated Affordable Housing and Viability Supplementary Planning Guidance.

5.97 Given that the sector is still evolving, we would recommend that the Council not be overly prescriptive on the mix of dwelling sizes within new Build to Rent development. While the recommended size mix outlined in this report serves as a good starting point, the Council should work with developers to understand what mix can be viably delivered on each site.

5.98 The mix on each site should be reflective of the type of development proposed, for example, proposed multi-family (flatted schemes) are unlikely to deliver four-bed properties, as well as the location of the scheme.

5.99 The NPPF's definition of Build-to-Rent development sets out that schemes will usually offer tenancy agreements of three or more years and will typically be professionally managed stock in single ownership and management control.

5.100 The Council will also need to consider affordable housing policies specifically for the Build-to-Rent sector. The viability of Build-to-Rent development, however, differs from that of a typical mixed-tenure development in that returns from the Build-to-Rent development are phased over time. In contrast, for a typical mixed-tenure scheme, capital receipts are generated as the units are sold.

5.101 In general terms, it is expected that a proportion of Build to Rent units will be delivered as 'Affordable Private Rent' housing. Planning Practice Guidance[14] states that:

> *"The National Planning Policy Framework states that affordable housing on build-to-rent schemes should be provided by default in the form of affordable private rent, a class of affordable housing specifically designed for build-to-rent. Affordable private rent and private market rent units within a development should be managed collectively by a single build-to-rent landlord.*
>
> *20% is generally a suitable benchmark for the level of affordable private rent homes to be provided (and maintained in perpetuity) in any build-to-rent scheme. If local authorities wish to set a different proportion, they should justify this using the evidence emerging from their local housing need assessment, and set the policy out in their local plan. Similarly, the guidance on viability permits developers, in exception, the opportunity to make a case seeking to differ from this benchmark.*
>
> *National affordable housing policy also requires a minimum rent discount of 20% for affordable private rent homes relative to local market rents. The discount should be calculated when a discounted home is rented out, or when the tenancy is renewed. The rent on the discounted homes should increase on the same basis as rent increases for longer-term (market) tenancies within the development"*

5.102 The Council should have regard to the PPG on Build-to-Rent developments. This states that at least 20% of the units within a Build to Rent development should be let as Affordable Private Rented units at a

[14] ID: 60-002-20180913

discount of 20% to local market rents. The Council might consider whether these should be capped at LHA rates, subject to viability.

Private Rental Sector – Summary

5.103 The private rental sector (PRS) makes an important contribution to the housing market, including individuals with an affordable housing need.

5.104 Private renting in Hartlepool (17.8%) is slightly more prevalent than in the region (17.3%), but below the national comparator (20.6%).

5.105 As of the year ending April 2025, average (mean) monthly rents in Hartlepool stood at £559 pcm, lower than the regional and national average.

5.106 In the last 5 years, rents have increased by approximately 20%, a growth which has been outpaced by growth in the region and country, the latter of which is almost double Hartlepool.

5.107 In May 2025, a total of 7,930 households in Hartlepool living in the PRS were supported by benefits.

5.108 Agent engagement suggests that the PRS market is very active in Hartlepool, with both strong tenant and investor interest.

5.109 There are 63 licensed HMOs in Hartlepool, all of which are located in the Urban Hartlepool area.

5.110 The small number of HMOs in the area does not indicate a need to introduce additional planning controls, such as A4D's, to limit them.

5.111 In recognition of the potential growth of the sector, the Council may consider including a policy on Build-to-Rent development to set out its expectations on how these sites should look and operate, including how affordable housing policies would be applied.

6. Overall Housing Need

Assessing Housing Need

6.1 National government policies and guidance require housing need to be assessed as part of the plan-making process. As set out in Planning Practice Guidance (PPG):

"Housing need is an unconstrained assessment of the minimum number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this."[15]

6.2 Housing need is thus expected to be assessed upfront as part of the plan-making process, leaving aside constraints. The plan-making process (and testing of development options within this) then tests whether the housing (and other development) needs identified can be sustainably met and whether there are any unmet needs which need to be accommodated, in defining what the housing requirement should be.

6.3 The emphasis within the NPPF is on plans meeting objectively assessed housing needs, unless national policies provide that protect areas or assets of particular importance, provide a strong reason for restricting the overall scale, type or distribution of development; or the adverse impacts of doing so would significantly and demonstrably outweigh the benefits (NPPF Para 11b).

[15] PPG Para ID: 2a-001-20241212

Government's Revisions to the NPPF and Standard Method

6.4 The Government, through revisions to the NPPF in December 2024, has revised the standard method. The government's ambition in doing so is to increase housing delivery, delivering 1.5 million homes across England over the next 5 years, with growth in all areas of the country.

6.5 The government also seeks to achieve a distribution of homes across the country which balances the need for higher supply in some of the least affordable areas of the country, while ensuring that all areas contribute to meeting the country's housing needs.

6.6 Through the use of a baseline (Step 1) which is set at a percentage of existing housing stock levels, reflecting the relative size of areas and in so doing to: a) reinforce development in existing urban areas where there is existing infrastructure and b) to support some rebalancing of the national distribution better to reflect growth ambitions in the Midlands and North).

6.7 A stronger affordability multiplier (Step 2) is used to reflect price pressures and market signals and direct homes to where the government considers they are most needed.

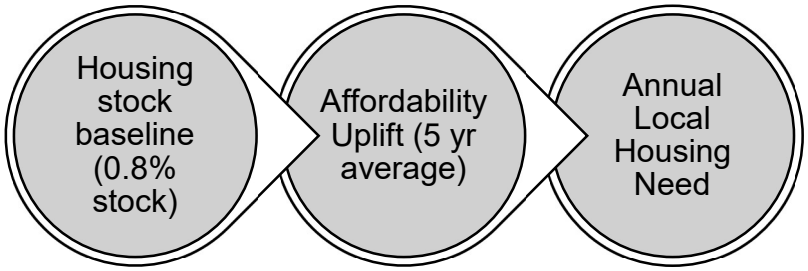
6.8 Specifically, the PPG sets out the revised standard method in the section on *Housing and Economic Development Needs Assessments.*[16] Para 2a-006 outlines the methodology, which establishes a baseline of 0.8% of the existing housing stock in the area (Step 1).

6.9 To this, an affordability adjustment is then applied (Step 2), which is calculated by taking the average affordability ratio figure over the five most recent years for which data is available, and using a 0.95% increase

[16] https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments

for each 1% by which the average affordability ratio is above five. Figure 6.1 provides an overview of the revised standard method.

Figure 6.1 Overview of Revised Standard Method



6.10 The 0.8% pa stock baseline removes the use of demographic projections (which can be volatile). It provides a baseline level of provision across all areas, which is comparable to the 0.89% annual increase in housing stock nationally over the last decade.

6.11 The benchmark affordability ratio position across 5 years is consistent with the ONS's use of this level as a broad indicator of affordability. With affordability uplifts applied to the stock baseline, the revised standard method supports the provision of approximately 370,000 homes nationally, which the Government consider should be targeted to improve housing affordability over time.

6.12 Previously, the NPPF provided scope to deviate from the standard method in assessing housing need in exceptional circumstances, enabling a ‘justified alternative approach’ to be advanced which reflects current and future demographic trends and market signals.

6.13 However, the revisions to the NPPF in December 2024 have removed the scope to use an alternative approach – they require housing need to be assessed using the (revised) standard method.

Hartlepool Standard Method Calculation

6.14 It is a relatively straightforward exercise to calculate the local housing need using the standard method for Hartlepool.

Step 1: Housing Stock Baseline

6.15 The stock baseline is expected to be drawn from the MHCLG Live Table 125. The PPG in Para 2a-005 directs that 'the most recent data published at the time should be used.' The latest data on the housing stock position is for 2024. The stock baseline is calculated as 0.8% of existing stock.

Step 2: Affordability Adjustment

6.16 The affordability adjustment is then to be applied, based on the average median (workplace-based) house price to income ratio over the last 5 years, which at the current time is for 2020-24. The following formula is then used to calculate the affordability uplift:

$$Adjustment\ factor = \left(\frac{five\ year\ average\ affordability\ ratio - 5}{5}\right) x\ 0.95 + 1$$

6.17 The final stage is to then multiply the housing stock baseline by the affordability adjustment factor. The results of the revised standard method calculation using the latest published affordability and housing stock data for Hartlepool are shown in Table 6.1 below. This shows a need for 366 dpa.

Table 6.1 Hartlepool Local Housing Need

	Hartlepool
Housing Stock, 2024	45,764
0.8% Stock Baseline	366
Average Median Affordability Ratio, 2020-24	4.63
Affordability Uplift	100%
Local Housing Need (dpa)	366

Source: Iceni based on MHCLG data

6.18 The standard method figures change when new affordability and stock data are released (typically annually in the Spring), and the Council may need to respond to any changes until the point of submission of the Local Plan, at which point the figures are 'fixed' for a period of two years.[17]

Demographic Implications of the Standard Method

6.19 A demographic model has been developed to examine the potential implications of delivering 366 dwellings per annum over the 2024-46 period.

6.20 This considers the levels of migration likely to be needed to fill homes and also the possibility of seeing higher levels of household formation in younger age groups (where there is evidence of a historical constraint in formation). The key assumptions in the modelling are:

- Taking the 2022-based subnational population projections (SNPP) as a starting point – this includes data on birth and death rates as well as migration;
- The base position for 2024 is taken from the 2024 mid-year population estimates (MYE) with any adjustments made after this date;
- Data relating to the communal population and household formation is taken from the 2021 Census, with the formation rates for the population aged under 45 assumed to return to the levels seen in 2001;

[17] PPG Para 2a-008-20241212

- It is assumed that approximately 3% of new stock will be vacant at any time (to allow for movement within the stock). This means that for 366 dpa, it is assumed there would be household growth of approximately 355 per annum; and

- Modelling then flexes migration estimates so there is a sufficient population to fill the additional homes (i.e. population required to generate 355 additional households per annum on average over 22 years).

6.21 The population is projected to increase by 8,500 people over the 2024-46 period, with this increase being particularly strong in older age groups (67% of the growth is projected to be in age groups 65 and over, with this group increasing by 29%).

6.22 There is also projected to be an increase in the 'working-age' population (16-64), but a decline in the number of children. The two tables below show projected changes by age. The first table displays broad age bands, while the second is categorised in 5-year increments.

Table 6.2 Projected population change 2024 to 2046 by broad age bands – Hartlepool

	2024	2046	Change in population	% change
Under 16	18,544	15,916	-2,628	-14.2%
16-64	59,988	65,415	5,427	9.0%
65 and over	19,648	25,311	5,663	28.8%
Total	98,180	106,642	8,462	8.6%

Source: Iceni analysis

Table 6.3 Projected population change 2024 to 2046 by 5-year age bands – Hartlepool

	2024	2046	Change in population	% change
0-4	5,143	4,566	-577	-11.2%
5-9	5,827	4,964	-863	-14.8%
10-14	6,308	5,289	-1,019	-16.2%
15-19	6,058	5,438	-620	-10.2%
20-24	5,326	5,610	284	5.3%
25-29	5,996	6,375	379	6.3%
30-34	6,397	6,837	440	6.9%
35-39	6,451	6,989	538	8.3%
40-44	5,814	6,901	1,087	18.7%
45-49	5,199	7,089	1,890	36.4%
50-54	6,142	7,491	1,349	22.0%
55-59	6,956	7,294	338	4.9%
60-64	6,915	6,490	-425	-6.2%
65-69	5,812	5,628	-184	-3.2%
70-74	4,810	5,235	425	8.8%
75-79	4,210	5,402	1,192	28.3%
80-84	2,357	4,558	2,201	93.4%
85 & over	2,459	4,489	2,030	82.5%
Total	98,180	106,642	8,462	8.6%

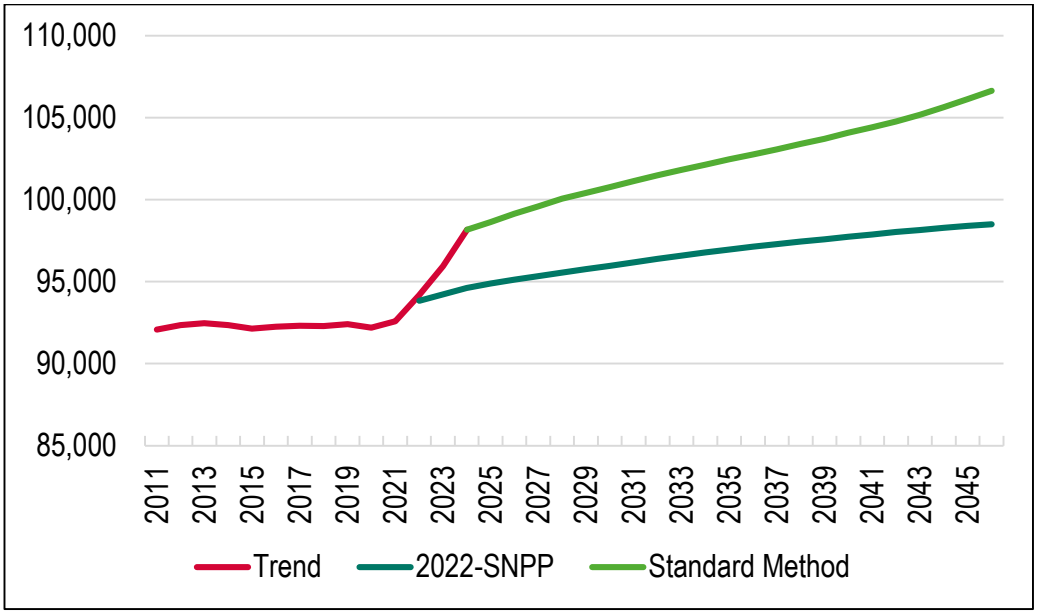
Source: Iceni analysis

6.23 Below are a series of charts showing past trends and projected population growth and key components of change for the projection linking to the Standard Method.

6.24 For comparison, data has also been provided from the 2022-based SNPP. The first figure looks at overall population growth, before considering natural change and net migration.

6.25 The analysis suggests the population of Hartlepool could rise to 106,600 by 2046 (up from 98,200 in 2024 (estimated)), a 9% increase, or 0.4% per annum.

Table 6.4 Past trends and projected population – Hartlepool



Source: ONS and Iceni analysis

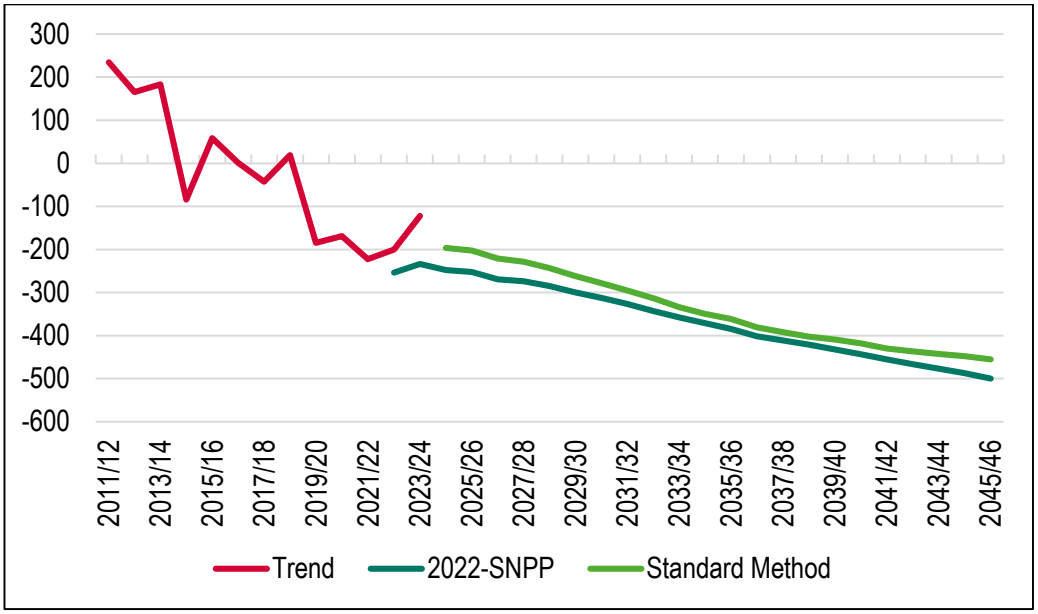
6.26 For comparison, between 2011 and 2024, the population increased by an average of approximately 0.6% per annum, and so the Standard Method would be projected to provide a lower level of population growth. That said, the projection linked to the Standard Method shows higher population growth than the most recent ONS projections.

6.27 The main reason for population growth would be due to increased net in-migration, with the decline in natural change (births minus deaths) being projected to continue in the future.

6.28 The figures below show projected natural change and net migration under the scenarios. Focusing on net migration, the analysis suggests that with delivery linked to the Standard Method, net migration would generally be at a level higher than projected by the ONS. However, overall average figures are not dissimilar to recent trends.

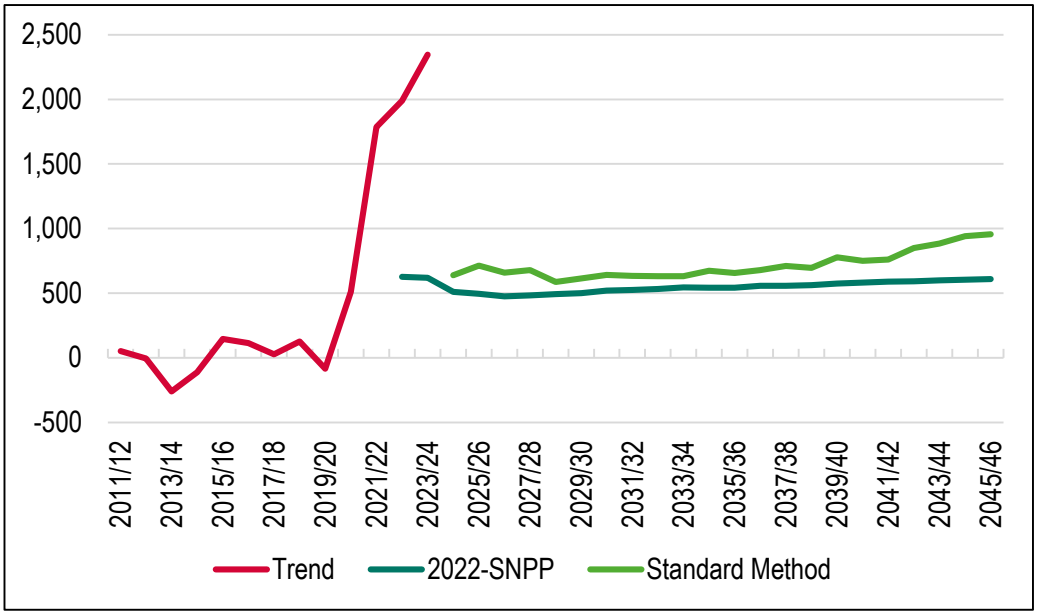
6.29 Over the 2024-46 period, net migration is projected with the Standard Method to average approximately 720 people per annum, a similar figure to the average seen over the past decade (2014-24) – just under 700 per annum on average.

Table 6.5 Past trends and projected natural change – Hartlepool



Source: ONS and Iceni analysis

Table 6.6 Past trends and projected net migration – Hartlepool



Source: ONS and Iceni analysis

Relationship Between Housing and Economic Growth

6.30 The analysis to follow considers the relationship between housing and economic growth, seeking to understand what level of jobs might be supported by changes to the local labour supply (which will be

influenced by population change). To examine estimates of job growth to be supported, a series of stages is undertaken. These can be summarised as:

- Estimate changes to the economically active population (this provides an estimate of the change in labour supply);
- Overlay information relating to commuting patterns, double jobbing (i.e. the fact that some people have more than one job) and potential changes to unemployment; and
- Bringing together this information will provide an estimate of the potential job growth supported by the population projections.

Growth in Resident Labour Supply

6.31 The approach taken in this report is to derive a series of age and sex specific economic activity rates and use these to estimate how many people in the population will be economically active as projections develop.

6.32 This is a fairly typical approach, with data being drawn in this instance from the Office for Budget Responsibility (OBR) – July 2018 (Fiscal Sustainability Report) – this data has then been rebased to information in the 2021 Census (on age, sex and economic activity).

6.33 The table below shows the assumptions made for the Council area. The analysis shows that the main changes to economic activity rates are projected to be in the 60-69 age groups – this will, to a considerable degree, link to changes to pensionable age, as well as general trends in the number of older people working for longer (which in itself is linked to general reductions in pension provision).

Table 6.7 Projected changes to Economic Activity Rates (2024 and 2046) – Hartlepool

	Males			Females		
	2024	2046	Change	2024	2046	Change
16-19	35.1%	35.6%	0.5%	34.8%	35.2%	0.4%
20-24	75.1%	75.1%	0.0%	64.9%	64.9%	0.0%
25-29	83.3%	83.3%	0.0%	73.9%	73.9%	0.0%
30-34	83.5%	83.5%	0.0%	72.2%	72.2%	0.0%
35-39	83.5%	83.4%	-0.2%	73.2%	74.1%	0.9%
40-44	80.8%	79.9%	-0.9%	76.5%	78.5%	2.0%
45-49	82.7%	81.6%	-1.2%	75.0%	78.5%	3.5%
50-54	79.4%	78.6%	-0.8%	71.7%	75.8%	4.1%
55-59	73.6%	72.9%	-0.7%	61.7%	64.9%	3.2%
60-64	60.9%	65.1%	4.1%	48.0%	54.4%	6.5%
65-69	24.0%	37.4%	13.5%	19.2%	33.1%	13.9%
70-74	5.9%	9.9%	4.0%	4.6%	12.0%	7.3%
75-89	3.5%	3.9%	0.4%	2.0%	4.7%	2.7%

Source: Based on OBR and Census (2021) data

6.34 In addition, a sensitivity has been developed where the Economic Activity Rates (EARs) are held constant at 2021 levels. It is considered that the sensitivity is reasonable, given that data (including from the Census) have shown that activity rates have not grown as previously forecast.

6.35 Working through an analysis of age and sex specific economic activity rates, it is possible to estimate the overall change in the number of economically active people in the area – this is set out in the table below and shows the increase in the economically active population is projected to be up to 6,700 (a 15% increase).

Table 6.8 Estimated change to the economically active population (2024-46) – Hartlepool

	Econom-ically active (2024)	Econom-ically active (2046)	Total change in Econom-ically active	% change
OBR EAR	43,582	50,239	6,657	15.3%
EAR no change	43,161	47,764	4,603	10.7%

Source: Iceni Analysis

Linking Changes in Resident Labour Supply to Job Growth

6.36 The analysis above has set out potential scenarios for the change in the number of economically active people. However, it is arguably more useful to convert this information into an estimate of the number of jobs this would support.

6.37 The number of jobs and resident workers required to support these jobs will differ depending on three main factors:

- Commuting patterns – where an area sees more people out-commute for work than in-commute, it may be the case that a higher level of increase in the economically active population would be required to provide a sufficient workforce for a given number of jobs (and vice versa, where there is net in-commuting);

- Double jobbing – some people hold down more than one job, and therefore, the number of workers required will be slightly lower than the number of jobs; and

- Unemployment – if unemployment were to fall, then the growth in the economically active population would not need to be as large as the growth in jobs (and vice versa).

Commuting Patterns

6.38 The table below shows summary data relating to commuting to and from Hartlepool from the 2011 and 2021 Censuses. Data from both sources is used, as the 2011 data is quite old, but the COVID-19 pandemic may have influenced the 2021 data.

6.39 Overall, from both sources, the data shows a level of net out-commuting (approximately 10% more people working in the area than live in the area and are working (a higher figure of 14% in 2021).

6.40 This is shown as the commuting ratio in the final row of the table and is calculated as the number of people living in an area (and working) divided by the number of people working in the area (regardless of where they live). As an example of the commuting ratio calculation (for 2021) it can be seen there were 14,513 people who both live and work in the Borough, a further 11,804 who are home workers or of no fixed workplace (assumed to typically be living and working in the Borough) and 6,804 who in-commute. Therefore, in total 33,121 people work in the Borough. Using the same data but with the 11,437 who out-commute the data shows a total of 37,754 people who live in the Borough and are working (regardless of where they work) – calculated as 14,513+11,804+11,437. The commuting ratio is therefore the number of people who live in the Borough and are working (regardless of where they work) divided by the number of people who work in the Borough (regardless of where they live). A figure above one indicates net out-commuting and a figure below one is net in-commuting.

6.41 When comparing the two sources, it is worth reflecting on a large increase in the number of home workers (or those of no fixed workplace) in 2021 compared with 2011.

6.42 In 2011, a total of 5,200 people were recorded as home workers or with no fixed workplace; in 2021, this figure had more than doubled (to

11,800). As the country has moved away from the pandemic, this figure may have started to decrease slightly, with potential implications for commuting dynamics.

Table 6.9 Commuting Patterns – Hartlepool

	2011	2021
Live and Work in LA	20,777	14,513
Home Workers or No Fixed Workplace	5,181	11,804
In Commute	8,379	6,804
Out Commute	11,936	11,437
Total Working in LA	34,337	33,121
Total Living in LA and Working Anywhere	37,894	37,754
Commuting Ratio	1.104	1.140

Source: Census 2011, 2021

6.43 The analysis below looks at both sets of Census data with a further sensitivity of a balanced (1:1) commuting ratio (i.e. the increase in the number of people working in the area is equal to the number of people living in the area who are working).

Double Jobbing

6.44 The analysis also considers that a number of people may have more than one job (double jobbing). This can be calculated as the number of people working in the local authority divided by the number of jobs.

6.45 Data from the Annual Population Survey (available on the NOMIS website) for the past 5 years (for which data exists) suggests that across Hartlepool, typically approximately 3.4% of workers have a second job. It has therefore been assumed that approximately 3.4% of people will have more than one job moving forward – this means the number of jobs supported by the workforce will be approximately 3.4% higher than workforce growth. It has been assumed in the analysis that the level of double jobbing will remain constant over time.

Unemployment

6.46 The last analysis, when looking at the link between jobs and resident labour supply, is a consideration of unemployment. Essentially, this involves considering whether there is a latent labour force that could re-enter employment to take up new jobs.

6.47 The latest model-based unemployment data from the Annual Population Survey (for April 2024-March 2025) puts unemployment at approximately 5.3% which is a level slightly above the national average of 4.0%.

6.48 Although unemployment is relatively high, it is not considered that there is any firm evidence of a significant latent labour supply. This conclusion is reached by noting that unemployment has been falling rapidly over the past few years, from 11% over the previous decade, but has remained at a similar level for the past couple of years. As a result, no further adjustments are made to the data to account for unemployment.

Jobs Supported by Growth in the Resident Labour Force

6.49 The table below shows how many additional jobs might be supported by population growth under the Standard Method projection scenario. It is estimated that between 4,200 and 6,900 additional jobs could be supported, depending on the assumptions made regarding commuting and economic activity, all figures for the 2024-46 period.

Table 6.10 Jobs supported by demographic projections (2024-46) – Hartlepool

		Total change in economic-ally active	Allowance for double jobbing	Allowance for net commuting (= jobs supported)
OBR EAR[18]	2021 commuting	6,657	6,892	6,046
	2011 commuting	6,657	6,892	6,245
	1:1 commuting	6,657	6,892	6,892
EAR no change	2021 commuting	4,603	4,765	4,180
	2011 commuting	4,603	4,765	4,318
	1:1 commuting	4,603	4,765	4,765

Source: Iceni analysis

Housing Need and Demographic - Summary

6.50 This SHMA considers the overall housing need set against the NPPF and the framework of PPG – specifically the Standard Method for assessing housing need. This shows a need for 366 dwellings per annum.

6.51 A bespoke population and household projection has been developed to examine the potential demographic implications of delivering 366 dpa from 2024 to 2046 (the end of the plan period).

6.52 Overall, it is projected that the population might increase by 8,500 people over the 22 years (a 9% increase).

6.53 This growth includes a continued ageing of the population, as well as notable increases in the 'working-age' population (16-64).

[18] Office for Budget Responsibility Economic Activity Rate

6.54 It was further estimated that this population growth might be able to support somewhere between 4,200 and 6,900 additional jobs.

7. Affordable Housing Need

Introduction

7.1 This section provides an assessment of the need for affordable housing in Hartlepool. The analysis follows the methodology outlined in Planning Practice Guidance (Sections 2a-018 to 2a-024) and examines the needs of households unable to buy or rent housing, as well as those able to afford to rent privately but not to buy.

Affordable Housing Sector Dynamics

7.2 The 2021 Census indicated that 23% of households in Hartlepool lived in social or affordable rented homes, with the sector accommodating approximately 9,600 households.

7.3 Data from the Regulator of Social Housing (RSH) for 2024 indicates that the Council and Registered Providers (RPs) owned 10,700 properties in the Borough, of which 77% were for general needs rent; 20% supported housing or housing for older people; and 3% low-cost home-ownership homes (such as shared ownership properties).

7.4 The majority of general needs homes are rented out at social rents (80% of all homes) and the rest at affordable rents (including all Council-owned stock).

Table 7.1 Stock Owned or Managed by Local Authority and Registered Providers – Hartlepool

	LA	RP	Total	% of stock
General needs rented	351	7,879	8,230	76.9%
Supported/older persons housing	0	2,169	2,169	20.3%
Low cost home ownership	0	303	303	2.8%
Total	351	10,351	10,702	100.0%

Source: RSR Geographical Look-Up Tool 2024

7.5 As at March 2025, there were 2,650 households on the Council's Housing Register. In addition, MHCLG data for March 2025 shows there were 21 households accommodated in temporary accommodation (some 19% (4 households) of these being households with children).

Overview of Method

7.6 In summary, the methodology looks at a series of stages as set out below:

- Current affordable housing need (annualised so as to meet the current need over a period of time);
- Projected newly forming households in need;
- Existing households falling into need; and
- Supply of affordable housing from existing stock

7.7 The first three bullet points above are added together to identify a gross need, from which the supply is subtracted to determine a net annual need for additional affordable housing.

7.8 An important first part of the affordable needs modelling is to establish the entry-level costs of housing to buy and rent. The affordable housing

needs assessment compares prices and rents with the incomes of households to establish what proportion of households can meet their needs in the market, and what proportion require support and are thus defined as having an 'affordable housing need'.

7.9 For the purposes of establishing affordable housing need, the analysis focuses on overall housing costs (for all dwelling types and sizes).

7.10 The table below shows estimated current prices to both buy and privately rent a lower quartile home in the Borough (excluding newbuild sales (i.e. never been lived in) when looking at house prices). Across all dwelling sizes, the analysis points to a lower quartile price of £85,000 and a private rent of £500 per month.

Table 7.2 Estimated lower quartile cost of housing to buy (existing dwellings) and privately rent (by size) – Hartlepool

	To buy	Privately rent
1-bedroom	£45,000	£425
2-bedrooms	£65,000	£475
3-bedrooms	£90,000	£575
4-bedrooms	£215,000	£1,100
All dwellings	£85,000	£500

Source: Land Registry and Internet Price Search

7.11 The table below shows how prices and rents vary by location. The analysis reveals significant variation in prices and rents, with prices (and rents) estimated to be highest in the West sub-area, while much lower prices and rents are observed in the Urban area.

Table 7.3 Lower Quartile Prices and Market Rents, by sub-area

	Lower quartile price (existing dwellings)	Lower Quartile rent, pcm
Urban	£80,000	£490
West	£200,000	£765
SC&G	£135,000	£615
All dwellings	£85,000	£500

Source: Land Registry and Internet Price Search

7.12 Next, it is crucial to understand local income levels, as these (along with the price/rent data) will determine levels of affordability (i.e. the ability of a household to afford to buy or rent housing in the market without the need for some subsidy).

7.13 Data relating to total household income has been based on ONS modelled income estimates, with additional data from the English Housing Survey (EHS) being used to provide information regarding the distribution of incomes.

7.14 Data has also been drawn from the Annual Survey of Hours and Earnings (ASHE) to consider changes since the ONS data was published.

7.15 Overall, the average (mean) household income across Hartlepool is estimated to be £40,400, with a median income of £30,400; the lower quartile income of all households is estimated to be £17,000.

7.16 There are again some notable differences between areas, with the range of median incomes going from £29,300 in the Urban area, up to £50,100 in the West sub-area. A median figure has been used in the table below for comparative purposes; analysis within this section uses income distributions when looking at the affordability profile of different groups and not just overall median data.

Table 7.4 Estimated average (median) household income

	Median income	As a % of Borough average (£30,400)
Urban	£29,300	96%
West	£50,100	165%
SC&G	£34,700	114%
Median of borough as a whole	£30,400	-

Source: Iceni analysis

7.17 To assess affordability, two different measures are used; firstly, to consider what income levels are likely to be needed to access private rented housing, and secondly, to consider what income level is needed to access owner occupation.

7.18 This analysis therefore brings together the data on household incomes with the estimated incomes required to access private sector housing. For this analysis, the following assumptions are used:

- Rental affordability – a household should spend no more than 30% of their income on rent, and

- Mortgage affordability – assume a household has a 10% deposit and can secure a mortgage for three and a half times (3.5×) their income.

7.19 To some extent these figures are based on professional judgement but are also based on considering a range of sources and guidance.

7.20 With the 30% of income on rent we would note that former Strategic Housing Market Assessment Guidance[19] suggested a starting figure of

19 https://assets.publishing.service.gov.uk/media/5a790140ed915d07d35b41cb/Strategic_Housing_Market_Assessments-_Practice_Guidance.pdf

25% but that *'local circumstances could justify a figure other than 25 per cent of gross household income being used'*. ONS research[20] for 2023 estimates private tenants are paying an average of 34% of their income on housing. Additionally, ONS states *'we consider an area is "affordable" if a private-renting household would spend the equivalent of 30% or less of their gross income on rent'*. On balance therefore the 30% figure seems reasonable.

7.21 On the 3.5 times mortgage multiple our start point is again the former SHMA guidance which says *'a household can be considered able to afford to buy a home if it costs 3.5 times the gross household income for a single earner household or 2.9 times the gross household income for dual-income households'* and *'local circumstances could justify using different proportional figures (other than those stated above)'*. We recognise that mortgages for some households could be available at a higher level (say 4.5 or 5 times income). However, at the more 'affordable' end of the market (as studied in this report) a lower multiple is considered reasonable (and in line with former guidance). This also recognises typically lower house prices in the Borough (in a national context).

Need for Affordable Housing

7.22 The sections below work through the various stages of analysis to estimate the need for affordable housing in the Borough and sub-areas. Final figures are provided as an annual need (including an allowance to deal with current need). As per 2a-024 of the PPG, this figure can then be compared with the likely delivery of affordable housing.

20 https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/privaterentalaffordabilityengland/2023

Current Need

7.23 In line with PPG paragraph 2a-020, the current need for affordable housing has been based on considering the likely number of households with one or more housing problems (housing suitability). The table below sets out the categories in the PPG and the sources of data being used to establish numbers.

Table 7.5 Main Sources for Assessing the Current Need for Affordable Housing

	Source	Notes
Homeless households (and those in temporary accommodation	MHCLG Statutory Homelessness data	Household in temporary accommodation at end of quarter.
Households in overcrowded housing[21]	2021 Census table RM099	Analysis undertaken by tenure
Concealed households[22]	2021 Census table RM009	Number of concealed families
Existing affordable housing tenants in need	Modelled data linking to past survey analysis	Excludes overcrowded households
Households from other tenures in need	Modelled data linking to past survey analysis	

Source: PPG [2a-020]

7.24 The table below sets out estimates of the number of households within each category. This shows an estimated 1,960 households as living in 'unsuitable housing', with 89% of these being in the Urban area.

21 https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=2199

22 https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=2109

Approximately 172 of these (across the Borough) are currently having no accommodation (homeless or concealed households).

Table 7.6 Estimated number of households living in unsuitable housing (or without housing)

	Concealed and homeless households	Households in over-crowded housing	Existing affordable housing tenants in need	Households from other tenures in need	TOTAL
Urban	146	665	197	745	1,753
West	9	8	2	29	48
SC&G	17	54	15	76	162
TOTAL	172	728	214	849	1,964

Source: Iceni analysis

7.25 In taking this estimate forward, the data modelling next estimates the need by tenure and considers affordability. The affordability in different groups is based on estimates of how incomes are likely to vary, for owner-occupiers there is a further assumption regarding potential equity levels. For homeless and concealed households it is assumed incomes will be low and households unlikely to be able to afford to rent privately.

7.26 The table below shows over two-fifths of those households identified above are unlikely to be able to afford market housing to buy OR rent and therefore there is a current need from 837 households (this includes both households unable to rent or buy and those in the gap between renting and buying).

Table 7.7 Estimated housing need and affordability by tenure

	Number in unsuitable housing	% unable to afford	Current need after affordability
Owner-occupied	501	4.1%	21
Affordable housing	528	64.5%	341
Private rented	762	39.8%	303
No housing (homeless/concealed)	172	100.0%	172
TOTAL	1,964	42.6%	837

Source: Iceni analysis

7.27 From this estimate, households living in affordable housing are excluded (as these households would release a dwelling on moving, and so no net need for affordable housing will arise), and the total current need is estimated to be 496 households (837-341).

7.28 For the purposes of analysis, it is assumed that the Council would seek to meet this need over a period of time. Given that this report typically examines needs over the period from 2024 to 2046, the need is annualised by dividing by 22 (to provide an annual need of approximately 23 dwellings).

7.29 This does not mean that some households would be expected to wait 22 years for housing, as the need will be dynamic, with households leaving the current need as they are housed, but with other households developing a need over time.

7.30 The table below shows this data for sub-areas – this is split between those unable to rent OR buy and those able to rent but NOT buy. Given the pricing of housing in Hartlepool, this analysis shows a more modest need for those able to rent but not buy, and in all cases, the number unable to rent OR buy is notably higher.

Table 7.8 Estimated current affordable housing need by affordability

	Number in need (excluding those in AH)	Annualised		
		TOTAL	Unable to rent OR buy	Able to rent but NOT buy
Urban	432	20	19	1
West	19	1	1	0
SC&G	46	2	2	0
TOTAL	496	23	21	1

Source: Iceni analysis

Projected Housing Need

7.31 Projected need is split between newly forming households who are unable to afford market housing and existing households falling into need. For newly forming households, a link is made to demographic modelling, with an affordability test also being applied.

7.32 Overall, it is estimated that 950 new households would form each year, and just over two-fifths will be unable to afford market housing; this equates to a total of 404 newly forming households that will have a need per annum on average – the majority are households unable to rent OR buy.

Table 7.9 Estimated Need for Affordable Housing from Newly Forming Households (per annum)

	Number of new households	% unable to afford	Annual newly forming households unable to afford	Unable to rent OR buy (per annum)	Able to rent but NOT buy (per annum)
Urban	821	40.3%	331	314	17
West	37	57.4%	21	13	8
SC&G	92	56.3%	52	38	14
TOTAL	950	42.5%	404	365	39

Source: Projection Modelling/Affordability Analysis

7.33 The second element of newly arising need is existing households falling into need. To assess this, information r regarding households entering the social/affordable rented sector housing has been used to represent the flow of households onto the Housing Register over this period.

7.34 Following the analysis, there is a need arising from 148 existing households each year – again, most are households unable to buy OR rent.

Table 7.10 Estimated Need for Affordable Housing from Existing Households Falling into Need (per annum)

	Total Additional Need	Unable to rent OR buy	Able to rent but NOT buy
Urban	132	128	4
West	4	3	1
SC&G	12	10	2
TOTAL	148	141	7

Source: Iceni analysis

Supply of Affordable Housing Through Relets/Resales

7.35 The future supply of affordable housing through relets is the flow of affordable housing arising from the existing stock that is available to meet future need.

7.36 This focuses on the annual supply of social/affordable rent relets. Information from CoRe has been used to establish past patterns of social housing turnover. Data for three years has been used (2021-22 to 2023-24).

7.37 The figures are for general needs lettings but exclude lettings of new properties and also exclude an estimate of the number of transfers from other social rented homes.

7.38 These exclusions are made to ensure that the figures presented reflect relets from the existing stock. On the basis of past trend data, it has

been estimated that 426 units of social/affordable rented housing are likely to become available each year moving forward.

Table 7.11 Analysis of Past Social/Affordable Rented Housing Supply, 2021/22 – 2023/24 (average per annum) – Hartlepool

	Total Lettings	% as Non-New Build	Lettings in Existing Stock	% Non-Transfers	Lettings to New Tenants
2021/22	804	88.8%	714	69.9%	499
2022/23	667	90.7%	605	64.6%	391
2023/24	861	78.9%	679	57.8%	393
Average	777	85.7%	666	63.9%	426

Source: CoRe

7.39 It is also possible to consider whether there is any supply of affordable home ownership products from the existing stock of housing. One source is likely to be resales of low-cost home ownership products, with data from the Regulator of Social Housing showing a total stock in 2024 of 303.

7.40 If these homes were to turnover at a rate of approximately 5% then they would be expected to generate approximately 15 resales each year. These properties would be available for these households and can be included as the potential supply. The table below shows the estimated supply of affordable housing from relets/resales in each sub-area.

Table 7.12 Estimated supply of affordable housing from relets/resales of existing stock by sub-area (per annum)

	Social/affordable rented	LCHO	TOTAL
Urban	392	14	405
West	5	0	5
SC&G	30	1	30
TOTAL	426	15	441

Source: CoRe/LAHS

7.41 In the affordable home ownership sector, there is arguably an additional (and significant) source of supply from resale market homes below a lower quartile price.

7.42 Data from the Land Registry shows 919 resales of homes in 2024; therefore, 229 homes were sold at or below the lower quartile price and contributed to meeting the needs of those in the 'gap' between renting and buying. However, a supply from this source has not been included in the analysis below but is considered when drawing conclusions.

7.43 The PPG model also includes bringing vacant affordable homes back into use and the pipeline of affordable housing as part of the supply calculation. These have, however, not been included within the modelling in this report.

7.44 Firstly, there is no evidence of any substantial stock of vacant affordable homes (over and above a level that might be expected to allow movement in the stock). Data from MHCLG (Live Table 615) for 2025 records a total of 181 vacant general needs homes in the social sector – this is approximately 2.2% of the estimated stock of 8,230 which as noted does not point to there being any significant stock that could be brought back into use (typically a vacancy rate of approximately 3% is considered the level of allow for frictional vacancies).

7.45 Secondly, with the pipeline supply, it is not considered appropriate to include this, as including it would mean that netting off new housing would fail to show the full extent of the need, although in monitoring, it will be important to net off these dwellings as they are completed.

Net Need for Affordable Housing

7.46 The table below shows the overall calculation of affordable housing need. The analysis shows that there is a need for 134 dwellings per

annum across the Borough – an affordable need is seen in all sub-areas. The net need is calculated as follows:

Net Need (per annum) = Current Need (allowance for) + Need from Newly-Forming Households + Existing Households falling into Need – Supply of Affordable Housing

Table 7.13 Estimated Need for Affordable Housing (per annum)

	Current need	Newly forming house-holds	Existing house-holds falling into need	Total Gross Need	Relet/ resale supply	Net Need
Urban	20	331	132	483	405	77
West	1	21	4	26	5	21
SC&G	2	52	12	67	30	36
TOTAL	23	404	148	575	441	134

Source: Iceni analysis

7.47 This can additionally be split between households unable to afford to BUY or rent and those able to rent but not buy. For this analysis, it is assumed the LCHO supply would be meeting the needs of the latter group, although in reality, there will be a crossover between categories.

7.48 For example, it is likely in some cases that the cost of shared ownership will have an outgoing below that for privately renting and could meet some of the need of households unable to buy or rent – the issue of access to deposits would still be a consideration.

7.49 The table below shows the affordable need figure split between the two categories. Across the whole Borough, the analysis shows approximately 75% of households as being unable to buy OR rent, with this figure varying from 55% in both the West and Seaton Carew & Greatham areas, up to 90% in the Hartlepool Urban sub-area – the differences are largely driven by the pricing of housing in different locations.

Table 7.14 Estimated Need for Affordable Housing (per annum) – split between different affordability groups

	Unable to buy OR rent	Able to rent but not buy	TOTAL	% unable to buy OR rent
Urban	69	8	77	90%
West	11	9	21	55%
SC&G	20	16	36	55%
TOTAL	101	33	134	75%

Source: Iceni analysis

7.50 These figures can also be standardised based on the size of each location (in this case, linked to the number of households shown in the 2021 Census). This shows a notably higher need in the West (and to a lesser extent, Seaton Carew and Greatham) when compared with the Hartlepool Urban area.

Table 7.15 Standardised level of affordable housing need

	Net Need	Estimated households (2021)	Net need per 1,000 households
Urban	77	35,017	2.2
West	21	1,602	12.9
SC&G	36	4,307	8.4
TOTAL	134	40,926	3.3

Source: Iceni analysis

7.51 Whilst the need above is provided down to sub-area level, it should be remembered that affordable need can be met across the area as and when opportunities arise, and so specific sub-area data should not be treated as a local target.

Affordable Need and Overall Housing Numbers

7.52 The PPG encourages local authorities to consider increasing planned housing numbers where this can help to meet the identified affordable

need. Specifically, the wording of the PPG (housing and economic needs) Ref ID 2a-024 states:

"The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the strategic plan may need to be considered where it could help deliver the required number of affordable homes"

7.53 However, the relationship between affordable housing need and overall housing need is complex. This was recognised in the Planning Advisory Service (PAS) Technical Advice Note of July 2015[23].

7.54 PAS conclude that there is no arithmetical way of combining the OAN (calculated through demographic projections) and the affordable need. There are a number of reasons why the two cannot be 'arithmetically' linked.

7.55 Firstly, the modelling contains a category in the projection of 'existing households falling into need'; these households already have accommodation and hence if they were to move to alternative accommodation, they would release a dwelling for use by another household – there is, therefore, no net additional need arising.

7.56 The modelling also contains 'newly forming households'; these households are a direct output from demographic modelling and are

[23] https://www.local.gov.uk/sites/default/files/documents/objectively-assessed-need-9fb.pdf. While the technical note produced by PAS is arguably becoming dated, there is no more up-to-date guidance on this matter from a Government source and the remarks remain valid.

therefore already included in overall housing need figures (a point also made in the PAS advice note – see paragraph 9.5).

7.57 The analysis estimates an annual need for 101 affordable homes from households unable to buy OR rent housing. However, as noted, caution should be exercised in trying to make a direct link between affordable need and planned delivery, with the key point being that many of those households picked up as having a need will already be living in housing and so providing an affordable option does not lead to an overall net increase in the need for housing (as they would vacate a home to be used by someone else).

7.58 It is possible to investigate this in some more detail by re-running the model and excluding those already living in accommodation. This is shown in the table below, which identifies that meeting these needs would actually lead to a negative affordable need.

7.59 This figure is, however, theoretical and should not be seen to be minimising the need (which is clearly acute). That said, it does serve to show that there is a difference in the figures when looking at overall housing shortages.

7.60 The analysis is arguably even more complex than this – it can be observed that the main group of households in need are newly forming households.

7.61 These households are already included within demographic projections, and so demonstrating a need for this group again should not be seen as additional to overall figures from demographic projections.

Table 7.16 Estimated Need for Affordable Housing (households unable to buy OR rent), excluding households already in accommodation

	Including existing households	Excluding existing households
Current need	21	8
Newly forming households	365	365
Existing households falling into need	141	0
Total Gross Need	526	372
Re-let Supply	426	426
Net Need	101	-53

Source: Iceni analysis

7.62 Additionally, it should be noted that the need estimate is on a per annum basis and should not be multiplied by the plan period to get a total need. Essentially, the estimates are for the number of households that would be expected to have a need in any given year (i.e., needing to spend more than 30% of income on housing).

7.63 In reality, some (possibly many) households would see their circumstances change over time such that they would 'fall out of need', and this is not accounted for in the analysis.

7.64 One example is a newly forming household with an income level that results in spending more than 30% of their income on housing. As the household's income rises, it would potentially pass the affordability test and therefore not have an affordable need.

7.65 Additionally, there is the likelihood that when looking over the longer term, a newly forming household will become an existing household in need and would be counted twice if trying to multiply the figures out for a whole plan period.

7.66 It also needs to be remembered that the affordability test used for analysis is based on assuming a household spends no more than 30% of their income on housing (when privately renting).

7.67 In reality, many households will spend more than this and so would be picked up by modelling as in need, but in fact are paying for a private sector tenancy.

7.68 ONS research[24] for 2023 estimates, private tenants are paying an average of 34% of their income on housing. This implies that more than half are spending more than the affordable level assumed in this report (if this figure were applicable to Hartlepool).

7.69 A further consideration is that some 33 of the 134 per annum affordable needs are from households able to rent in the market (but not buy). Technically, these households can afford market housing (to rent) and, historically, would not have been considered as having a need in assessments such as this – until recently, only households unable to buy or rent would be deemed to have a need for affordable housing. For these reasons, these households have not been included in the analysis looking at households with and without accommodation as they can afford to rent in the market and therefore do not have specific need for affordable accommodation.

7.70 Finally, it should be recognised that Planning Practice Guidance does not envisage that all needs will be met (whether this is affordable housing or other forms of accommodation, such as for older people). Paragraph 67-001 of the housing needs of different groups states:

"This guidance sets out advice on how plan-making authorities should identify and plan for the housing needs of particular groups of people.

24 https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/privaterentalaffordabilityengland/2023

This need may well exceed, or be proportionally high in relation to, the overall housing need figure calculated using the standard method. This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline, as opposed to the projected new households which form the baseline for the standard method".

The Role of the Private Rented Sector (PRS)

7.71 The discussion above has already noted that the need for affordable housing does not generally lead to a need to increase overall housing provision.

7.72 However, it is worth briefly considering how affordable need works in practice and the housing available to those unable to access market housing without Housing Benefit.

7.73 In particular, the role played by the Private Rented Sector (PRS) in providing housing for households who require financial support in meeting their housing needs should be recognised.

7.74 Whilst the Private Rented Sector (PRS) does not fall within the types of affordable housing set out in the NPPF (other than affordable private rent, which is a specific tenure separate from the main 'full market' PRS), it has evidently been playing a role in meeting the needs of households who require financial support in meeting their housing need. Government recognises this, and indeed legislated through the 2011 Localism Act to allow Councils to discharge their "homelessness duty" through providing an offer of a suitable property in the PRS.

7.75 Data from the Department of Work and Pensions (DWP) has been used to look at the number of Housing Benefit supported private rented homes.

7.76 As of May 2025, it is estimated that there were 4,900 benefit claimants in the Private Rented Sector in Hartlepool. From this, it is clear that the

PRS contributes to the wider delivery of 'affordable homes' with the support of benefit claims.

7.77 Whilst the PRS is providing housing for some households, there are, however, significant risks associated with future reliance on the sector to meet an affordable housing need.

7.78 The last couple of years have seen rents increase whilst Local Housing Allowance (LHA) levels have remained static. In the Autumn Statement 2023, the then Government increased the LHA rent to the 30th percentile of market rents (although this is based on existing rents and not rents likely to be payable by those moving home).

7.79 However, demand pressure could nonetheless have some impact on restricting future supply of PRS properties to those in need, emphasising the need to support delivery of genuinely affordable homes.

7.80 The figure below shows the trend in the number of claimants in the Borough. This indicates an increase since March 2020, which is likely related to the COVID-19 pandemic.

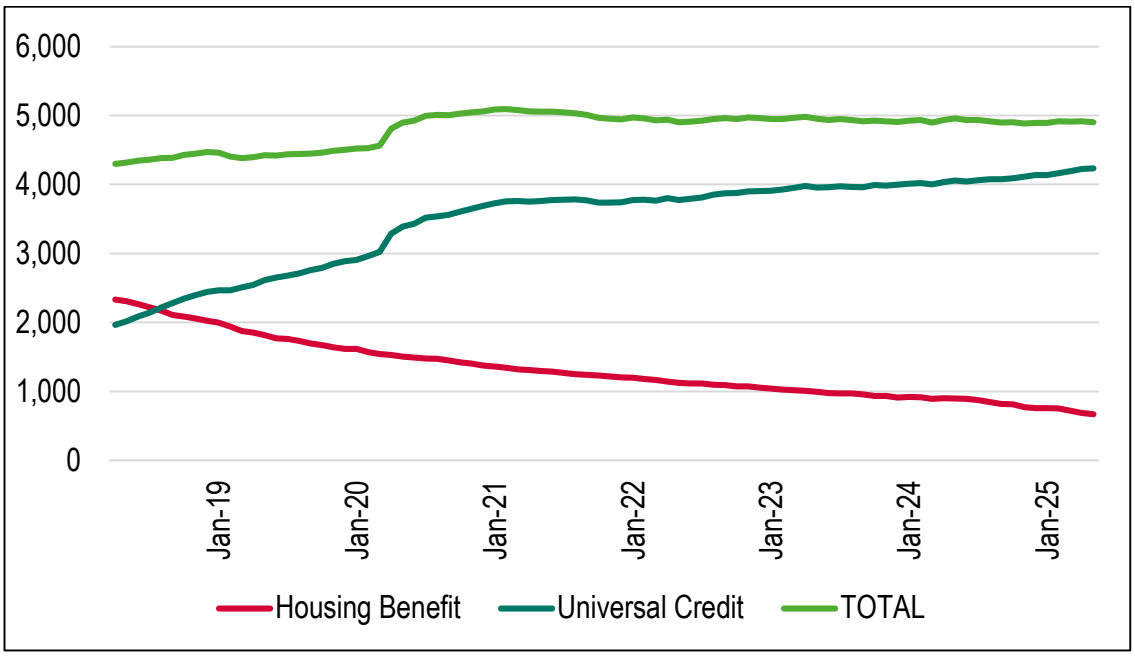
7.81 However, even the more historical data shows a substantial number of households claiming benefit support for their housing in the private sector (typically 4,500 households).

7.82 The data regarding the number of claimants does not indicate how many new lettings are made each year in the PRS. However, data from the English Housing Survey (EHS) over the past three years suggests that nationally, approximately 7% of private sector tenants are new to the sector each year.

7.83 If this figure is applied to the number of households claiming HB/UC, then this would imply approximately 340 new benefit-supported lettings in the sector.

7.84 Whilst we would not recommend including PRS supply as part of the modelling, not least as it is uncertain whether the availability of homes will remain at this level, as well as concerns regarding the security of tenure, it is the case that the sector does provide housing. Again, the overall analysis does not indicate a need to increase overall provision.

Figure 7.1 Number of Housing Benefit/Universal Credit claimants in the PRS



Source: Department of Work and Pensions

7.85 Whilst housing delivery through the Local Plan can be expected to secure additional affordable housing it needs to be noted that delivery of affordable housing through planning obligations is an important, but not the only means, of delivering affordable housing; and the Council should also work with housing providers to secure funding to support enhanced affordable housing delivery on some sites and through use of its own land assets.

7.86 Overall, it is difficult to link the need for affordable housing to the overall housing need; indeed, there is no justification for trying to make the link. Put simply, the two do not measure the same thing, and when interpreting the affordable need figure, consideration must be given to

the fact that many households already live in housing and therefore do not generate an overall net need for an additional home.

7.87 Further issues arise as the need for affordable housing is complex, and additionally, the extent of concealed and homeless households needs to be understood, as well as the role played by the private rented sector.

7.88 Regardless of the discussion above, the analysis identifies a notable need for affordable housing, and it is clear that the provision of new affordable housing is an important and pressing issue across the Borough.

7.89 It does, however, need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided. As noted previously, the evidence does, however, suggest that affordable housing delivery should be maximised where opportunities arise.

Types of Affordable Housing

7.90 The analysis above has clearly pointed to a need for affordable housing, and particularly for households who are unable to buy OR rent in the market.

7.91 There are a range of affordable housing options that could meet the need which will include rented forms of affordable housing (such as social or affordable rents) and products which might be described as intermediate housing (such as shared ownership or discounted market housing/First Homes). These are discussed in turn below.

Social and Affordable Rented Housing

7.92 The table below shows current rent levels in the Borough for a range of products along with relevant local housing allowance (LHA) rates. Hartlepool falls within the Teesside Broad Rental Market Area (BRMA), which has been used for comparative purposes.

7.93 Data regarding average social and affordable rents has been taken from the Regulator of Social Housing (RSH), and this is compared with lower quartile market rents. This analysis reveals that social rents are lower than affordable rents, and that affordable rents are below the lower quartile of market rents – particularly for larger property sizes.

7.94 The LHA rates for all sizes of home are slightly below the lower quartile market rents for all sizes of accommodation. This potentially means that households seeking accommodation in some locations may struggle to secure sufficient benefits to cover their rent – this is particularly likely to be the case in the West and Seaton Carew & Greatham areas. The figures in the 'ALL' row are a mean average when looking at social and affordable rents.

Table 7.17 Comparison of rent levels for different products – Hartlepool

	Social rent	Affordable rent (AR)	Lower quartile (LQ) market rent	LHA (Teesside)
1-bedroom	£353	£358	£425	£409
2-bedrooms	£408	£453	£475	£474
3-bedrooms	£441	£504	£575	£549
4-bedrooms	£477	£556	£1,100	£748
ALL	£409	£474	£500	-

Source: RSH and VOA

7.95 To some extent, it is easier to consider the data above in terms of the percentage one housing cost is of another, and this is shown in the

table below. Generally, for smaller homes (1- and 2-bedroom), the differences in rent levels between different products are quite small.

Table 7.18 Difference between rent levels for different products – Hartlepool

	Social rent as % of affordable rent	Social rent as % of LQ market rent	Affordable rent as % of LQ market rent
1-bedroom	99%	83%	84%
2-bedrooms	90%	86%	95%
3-bedrooms	87%	77%	88%
4-bedrooms	86%	43%	51%
ALL	86%	82%	95%

Source: RSH and VOA

7.96 The table below suggests that approximately 4% of households that cannot afford to rent privately could afford an affordable rent at the current cost. There are also an estimated 11% who can afford a social rent (but not an affordable one).

7.97 A total of 85% of households would need some degree of benefit support (or spend more than 30% of income on housing) to be able to afford their housing (regardless of the tenure).

Table 7.19 Estimated need for affordable rented housing (% of households able to afford to buy OR rent)

	% of households able to afford
Afford current affordable rent	4%
Afford social rent	11%
Need benefit support	85%
All unable to afford market	100%

Source: Affordability analysis

7.98 Whilst this analysis arguably shows a strong need for social rented housing, the reality is that the cost of affordable rents is not much higher than social rents (or indeed market rents). Therefore provision of

different types of rented accommodation is unlikely to have any significant impact on affordability.

7.99 In addition, given that the vast majority of households living in social/affordable rented housing claim Housing Benefit (or Universal Credit with a housing element), the rent changed will generally make little difference, as it will be covered by benefits – as of May 2025 data from DWP shows over 8,400 benefit claimants in the social sector.

Intermediate Housing

7.100 As well as rented forms of affordable housing, the Council could seek to provide forms of intermediate housing, with the analysis below considering the potential affordability of shared ownership and discounted market sale housing (which could include First Homes).

7.101 Generally, intermediate housing will be a newbuild product, sold at a discount (or on a part buy, part rent arrangement with shared ownership). It will therefore be based on the Open Market Value (OMV) of a new home.

7.102 The table below sets out a suggested maximum purchase price for affordable home ownership/First Homes in Hartlepool by size. It works through first (on the left-hand side) what households with an affordable home ownership need could afford (based on a 10% deposit and a mortgage at 3.5 times' income).

7.103 The right-hand side of the table then sets out what Open Market Value (OMV) this might support, based on a 30% discount. The able to afford figure is based on a midpoint between the house price a household (just) able to rent privately might be able to afford and the lower quartile house price (or just the lower quartile price where this is higher).

7.104 Focussing on 3-bedroom homes, it is suggested that an affordable price is no more than £89,700 and therefore the open market value of homes

would need to be in no more than £128,200 (if discounted by 30%). The higher the discount the more affordable it is for the buyer, i

Table 7.20 Affordable home ownership prices – Hartlepool

	What households that are able to rent but not buy could afford	Open Market Value (OMV) of Home with 30% Discount
1-bedroom	£45,000	£64,300
2-bedrooms	£65,000	£92,900
3-bedrooms	£89,700	£128,200
4+-bedrooms	£193,100	£275,800

Source: Iceni analysis

7.105 It is difficult to definitively analyse the cost of newbuild homes as these will vary from site to site and will be dependent on a range of factors such as location, built form and plot size.

7.106 We have, however, looked at newbuild schemes currently advertised on Rightmove, with the table below providing a general summary of existing schemes.

7.107 This analysis is interesting as it shows the median newbuild price for all sizes of homes is above the top end of the OMV required to make homes affordable to those in the gap between buying and renting (for sizes where sufficient data was available).

7.108 That said, homes at the bottom end of the price range could potentially be discounted by 30% and considered as affordable.

7.109 This analysis shows how important it will be to know the OMV of housing before discount to be able to determine if a product is going to be genuinely affordable in a local context – providing a discount of 30% will not automatically mean it becomes affordable housing.

7.110 Overall, it is considered that the evidence does not support a need for First Homes (or other discounted market products) in a local context due to the cost of newbuild housing.

Table 7.21 Estimated newbuild housing cost by size – Hartlepool

	No. of homes advertised	Range of prices	Median price
1-bedroom	0	-	-
2-bedrooms	2	£195,000-£440,000	-
3-bedrooms	32	£125,000-£475,000	£190,000
4-bedrooms	30	£230,000-£435,000	£300,000

Source: Iceni analysis from Rightmove

7.111 The analysis below moves on to consider shared ownership. For this analysis, an assessment of monthly outgoings has been undertaken, with the core assumption being that the outgoings should be comparable to those for renting privately, thereby making this tenure genuinely affordable. The analysis has examined what the OMV would need to be for a shared ownership arrangement to be affordable with 10%, 25%, and 50% shares.

7.112 To work out outgoings, the mortgage part is based on a 10% deposit (for the equity share) and a repayment mortgage over 25 years at 5% with a rent at 2.75% per annum on unsold equity.

7.113 The findings for this analysis are interesting and do point to the possibility of shared ownership being a more affordable tenure than discounted market housing (including First Homes).

7.114 By way of an explanation of this table (focusing on 3-bedroom homes), if a 50% equity share scheme came forward, then it is estimated that the OMV could not be above £152,000 if it is to be genuinely affordable (due to the outgoings being in excess of the cost of privately renting).

7.115 However, given the subsidised rents, the same level of outgoings could be expected with a 10% equity share but a much higher OMV of £222,000.

7.116 Although affordability can only be considered on a scheme-by-scheme basis, it is notable that we estimate a median 3-bedroom newbuild to cost approximately £190,000. This suggests that shared ownership and an equity share level of approximately 25% are genuinely affordable, although lower shares could increase the number of households able to afford them.

Table 7.22 Estimated OMV of Shared Ownership with a 50%, 25% and 10% Equity Share by Size – Hartlepool

	50% share	25% share	10% share
1-bedroom	£113,000	£140,000	£164,000
2-bedroom	£126,000	£156,000	£183,000
3-bedroom	£152,000	£189,000	£222,000
4-bedrooms	£291,000	£362,000	£425,000

Source: Iceni analysis

7.117 A further affordable option is Rent to Buy; this is a Government scheme designed to ease the transition from renting to buying the same home. Initially (typically for five years), the newly built home will be provided at the equivalent of an affordable rent (approximately 20% below the market rate).

7.118 The expectation is that the discount provided in the first five years is saved in order to put towards a deposit on the purchase of the same property. Rent to Buy can be advantageous for some households as it allows for a smaller ‘step’ to be taken onto the home ownership ladder.

7.119 At the end of the five years, depending on the scheme, the property is either sold as a shared ownership product or purchased outright as a full market property. If the occupant is unable to do either of these, then the property is vacated.

7.120 In order to access this tenure, it effectively requires the same income threshold for the initial phase as a market rental property. However, the cost of accommodation will be that of affordable rent.

7.121 The lower-than-market rent will allow the household to save for a deposit for the eventual shared ownership or market property. In considering the affordability of rent-to-buy schemes, there is a direct read across to the income required to access affordable home ownership (including shared ownership). It should therefore be treated as part of the affordable home ownership products suggested by the NPPF.

Policy Response

7.122 It is not possible through the SHMA to set out the amount of affordable housing to be required through policy, as this will largely depend on the viability of provision.

7.123 We do, however, note the Council's policy position from the Local Plan adopted in 2018, which is to seek 18% of homes as affordable housing with tenure and mix to be negotiated on a site-by-site basis.

7.124 The overall target is Borough-wide, and given the wide variation in housing costs in different parts of the Borough, it is considered prudent for the Council to look at different overall targets in different locations through the next viability assessment – this, at a minimum might be to look at the Hartlepool urban area and the rest of the Borough as two separate locations.

7.125 Whilst not advising on overall targets, this report can provide advice on the tenure split, particularly in light of the December 2024 NPPF, which says (in paragraph 64) that *'planning policies should specify the type of*

affordable housing required (including the minimum proportion of Social Rent homes required)'.

7.126 Regarding social rents specifically, the difference in cost between different rented products (social vs. affordable rents) is not particularly large, and therefore it is recommended that any policy not seek to differentiate between the two.

7.127 In terms of the split between rented and intermediate housing, it is recommended that the Council consider seeking all housing in the Hartlepool urban area to be rented products with a split between rented and intermediate housing in a 75:25 ratio across the rest of the Borough.

7.128 For the Hartlepool urban area, this is considered justified due to the current low prices of homes to buy and the fact that the analysis above showed a very low need from households who are able to rent but not buy (just 10% of the overall need).

7.129 For the rest of the Borough, whilst the primary analysis in this report identified a split of 55:45 between those unable to buy OR rent and those able to rent but not buy, it was noted that these figures do not include the sizeable amount of market housing available for sale at a price below the lower quartile and which could be available for some households in the latter group.

7.130 In addition, it is considered justified as those households with a need for rented products are more likely to have acute needs and fewer options in the housing market. These latter two points are also relevant to conclusions for the Hartlepool urban area.

7.131 It is also noted that while a majority of the affordable housing need arises in the Hartlepool urban area, the nature of land supply across the borough means that much of the new affordable stock is being

delivered on greenfield land outside of the urban area. This could lead to households who may wish to stay in the town to be closer to services and family being required to move to another location in order to find appropriate housing.

7.132 In order to address this the council could consider a policy that looks at requiring a proportion of affordable housing contribution on larger sites to be commuted sums, rather than on site delivery. Allowing this would provide the council with funds that can enable the development of affordable housing on urban sites that may not be most attractive to private developers.

7.133 This would ensure that homes are provided across the borough as well as aide in the regeneration and upkeep of Hartlepool urban area.

7.134 Regarding types of intermediate housing, the analysis suggests there is unlikely to be a role for discounted market housing (including First Homes), with the main focus likely to be on shared ownership (and possible rent-to-buy housing).

7.135 The following table sets out a suggested tenure split based on the evidence in this report. This would still be subject to viability and also the potential for alternative choices to be made by the Council – for example, it is possible that increasing levels of intermediate housing would increase overall delivery and this may be considered preferable to providing homes at social/affordable rents (of course the opposite could also be the decision made – more social rents, fewer homes overall).

7.136 The conclusions are split between the Hartlepool urban area and the rest of the Borough, and the categories used are consistent with the affordable housing definitions set out in Annexe 2 of the NPPF.

Table 7.23 Suggested mix of affordable housing – Hartlepool

Type of affordable housing	Recommended Target (subject to viability)	
	Hartlepool urban area	Rest of Borough
a) Social Rent	100%	75%
b) Other affordable housing to rent		
c) Discounted market sales housing (including First Homes)	N/A	N/A
d) Other affordable routes to home ownership (Shared Ownership, Rent to Buy)	N/A	25%

Source: Iceni analysis

Affordable Housing - Summary

7.137 The analysis has taken into account local housing costs (to both buy and rent) along with estimates of household income.

7.138 The evidence indicates that there is an acute need for affordable housing in the Borough and a need in all sub-areas.

7.139 The majority of need is from households who are unable to buy OR rent and therefore points particularly towards a need for rented affordable housing rather than affordable home ownership.

7.140 Despite the level of need being high, it is not considered that this points to any requirement for the Council to increase the Local Plan housing requirement due to affordable needs.

7.141 The link between affordable need and overall need (of all tenures) is complex, and in trying to make a link, it must be remembered that many

of those picked up as having an affordable need are already in housing (and therefore do not generate a net additional need for a home).

7.142 That said, the level of affordable need does suggest the Council should maximise the delivery of such housing at every opportunity.

7.143 Although a clear need for rented forms of affordable housing was identified, the study also considers different types of intermediate housing (or Affordable Home Ownership (AHO)), as these may have a role to play.

7.144 Shared ownership is likely to be suitable for households with more marginal affordability (those only just able to afford to rent privately) as it has the advantage of a lower deposit and subsidised rent.

7.145 There was no strong evidence of a need for First Homes or discounted market housing more generally.

7.146 In deciding what types of affordable housing to provide, including a split between rented and home ownership products, the Council will need to consider the relative levels of need and also viability issues.

7.147 For example, providing AHO may be more viable. It may therefore allow more units to be delivered; however, it is also noted that households with a need for rented housing are likely to have more acute needs and fewer housing options.

7.148 Overall, the analysis identifies a notable need for affordable housing, and it is clear that the provision of new affordable housing is an important and pressing issue in the area.

7.149 It does, however, need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided.

7.150 The evidence does, however, suggest that affordable housing delivery should be maximised where opportunities arise.

8. Housing Mix

Introduction

8.1 This section considers the appropriate mix of housing across Hartlepool, with a particular focus on the sizes of homes required in different tenure groups.

8.2 This section looks at a range of statistics in relation to families (generally described as households with dependent children) before moving on to look at how the number of households in different age groups is projected to change moving forward.

Background Data

8.3 The number of families in Hartlepool (defined for the purpose of this assessment as any household which contains at least one dependent child) totalled 11,300 as of the 2021 Census, accounting for 28% of households.

8.4 This proportion is similar to that seen across other areas. In terms of particular household types, a high proportion of lone parent households is notable, as well as relatively few married couple households (with dependent children).

Table 8.1 Households with Dependent Children (2021)

	Hartlepool		North East	England
	No.	%	%	%
All households with dependent children	11,280	27.6%	26.0%	28.5%
Led by a Married couple	*4,275*	*10.4%*	*11.5%*	*14.4%*
Led by a Cohabiting couple	*2,432*	*5.9%*	*4.9%*	*4.5%*
Led by a Lone parent	*3,886*	*9.5%*	*8.0%*	*6.9%*
Other households (with dependent children)	*687*	*1.7%*	*1.6%*	*2.7%*
Households without dependent children	29,650	72.4%	74.0%	71.5%
Total	40,930	100.0%	100.0%	100.0%

Source: Census (2021)

8.5 The table below shows the same information for each of the sub-areas. There are notable variations in the proportion of households with dependent children, with the highest rate in the West area (32% of households) and the lowest in Seaton Carew & Greatham (26% of households).

8.6 There are also notable differences in the more detailed household types, in particular the high proportion of lone parent households in Urban Hartlepool and a high proportion of married couples (with dependent children) in the West area.

Table 8.2 Households with dependent children (2021) – sub-areas

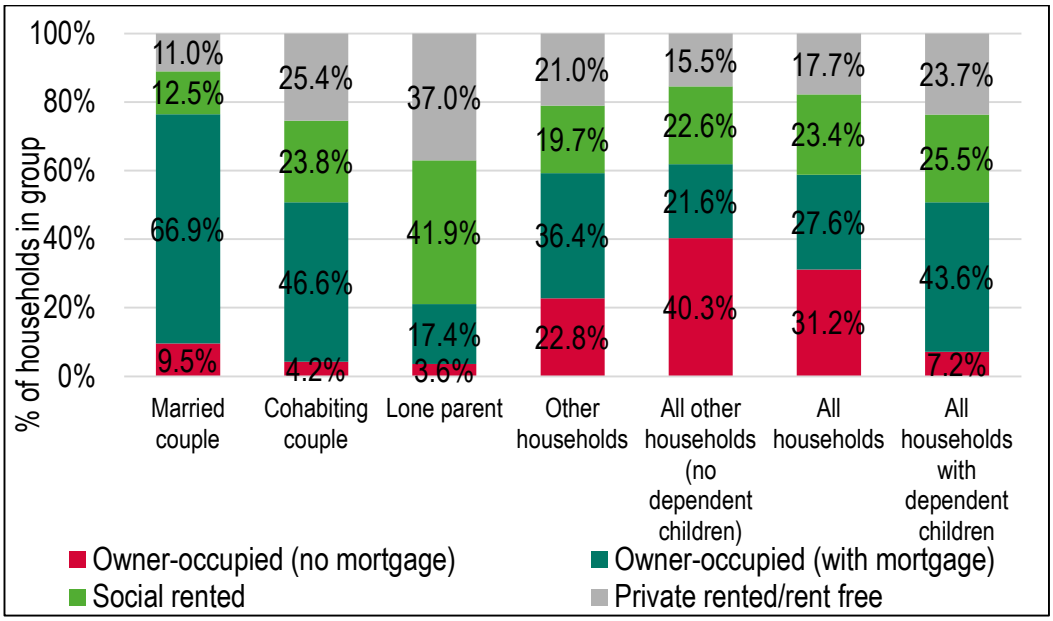
	Urban Hartle-pool	West Area	Seaton Carew & Greatham	TOTAL
All households with dependent children	27.5%	32.1%	25.6%	27.5%
Led by a Married couple	*9.7%*	*21.3%*	*11.8%*	*10.4%*
Led by a Cohabiting couple	*6.0%*	*5.5%*	*5.7%*	*5.9%*
Led by a Lone parent	*10.1%*	*3.8%*	*6.5%*	*9.5%*
Other households (with dependent children)	*1.7%*	*1.6%*	*1.7%*	*1.7%*
Households without dependent children	72.5%	67.9%	74.4%	72.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: Census (2021)

8.7 The figure below shows the current tenure of households with dependent children. There are some considerable differences by household type, with lone parents having a very high proportion living in the social and private rented sectors.

8.8 Across the Borough, only 21% of lone-parent households are owner-occupiers compared with 76% of married couples with children.

Figure 8.1 Tenure of households with dependent children (2021) – Hartlepool

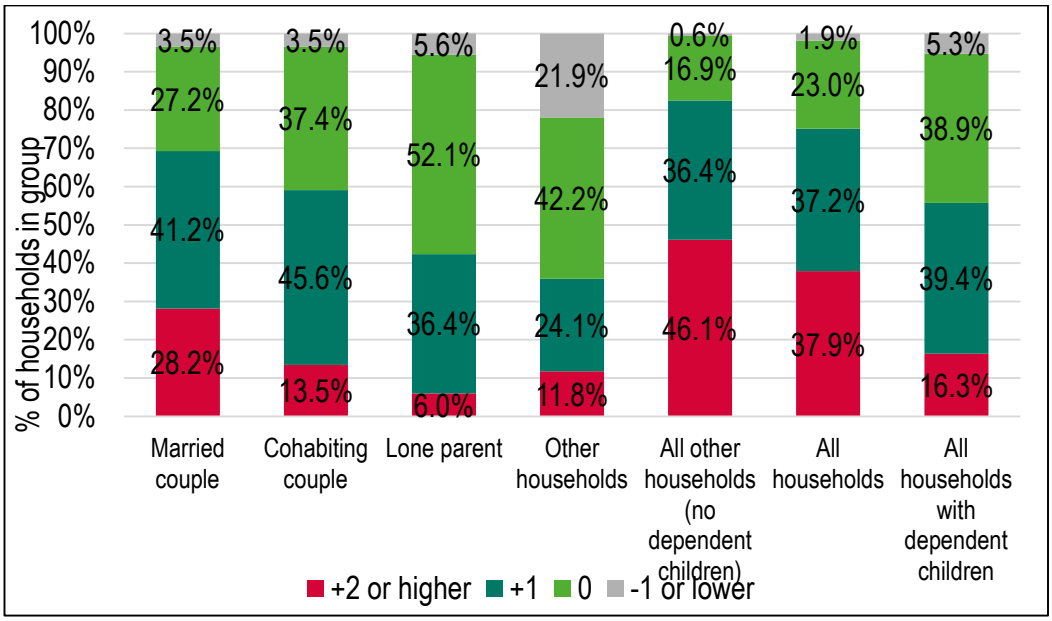


Source: Census (2021)

8.9 The figure below shows levels of overcrowding and under-occupancy of households with dependent children. This indicates higher levels of overcrowding (minus figure) for all household types with dependent children, with 6% of all lone parents and 22% of 'other' households experiencing overcrowding.

8.10 Overall, some 5% of households with dependent children are overcrowded, compared with less than 1% of other households. Levels of under-occupancy (positive figures) are also notably lower in households with dependent children.

Figure 8.2 Occupancy rating of households with dependent children (2021) – Hartlepool



Source: Census (2021)

The Mix of Housing

8.11 A model has been developed that begins with the current profile of housing in terms of size (number of bedrooms) and tenure. Within the data, information is available regarding the age of households and the typical sizes of homes they occupy. By using demographic projections, it is possible to see which age groups are expected to change in number, and by how much.

8.12 On the assumption that occupancy patterns for each age group (within each tenure) remain the same, it is therefore possible to assess the profile of housing needed over the assessment period (taken to be 2024-46 to be consistent with other analyses in this report).

8.13 An important starting point is to understand the current balance of housing in the area – the table below profiles the sizes of homes in different tenure groups across areas.

8.14 The data shows a market stock (owner-occupied) that is dominated by 3+-bedroom homes (making up 80% of the total in this tenure group, a slightly higher proportion than that seen in other areas).

8.15 The profile of the social rented sector is broadly similar across areas, whilst the private rented sector is generally slightly larger than seen in other locations, particularly in terms of the low proportion of 1-bedroom homes when compared with the national position.

8.16 Observations on the current mix feed into conclusions regarding future mix later in this section.

Table 8.3 Number of Bedrooms by Tenure, 2021

		Hartlepool	North East	England
Owner-occupied	1-bedroom	1%	2%	4%
	2-bedrooms	19%	23%	21%
	3-bedrooms	52%	51%	46%
	4+-bedrooms	28%	25%	29%
	Total	100%	100%	100%
	Ave. no. beds	3.06	2.98	3.01
Social rented	1-bedroom	25%	24%	29%
	2-bedrooms	40%	40%	36%
	3-bedrooms	32%	33%	31%
	4+-bedrooms	3%	3%	4%
	Total	100%	100%	100%
	Ave. no. beds	2.13	2.14	2.10
Private rented	1-bedroom	9%	10%	21%
	2-bedrooms	39%	44%	39%
	3-bedrooms	43%	37%	29%
	4+-bedrooms	9%	9%	11%
	Total	100%	100%	100%
	Ave. no. beds	2.51	2.45	2.30

Source: Census (2021)

Overview of Methodology

8.17 The method to consider future housing mix looks at the ages of the Household Reference Persons and how these are projected to change over time. The sub-sections to follow describe some of the key analyses.

Understanding How Households Occupy Homes

8.18 Whilst the demographic projections provide a good indication of how the population and household structure will develop, it is not a simple task to convert the net increase in the number of households into a suggested profile for additional housing to be provided.

8.19 The main reason for this is that in the market sector, households are able to buy or rent any size of property (subject to what they can afford) and therefore, knowledge of the profile of households in an area does not directly transfer into the sizes of property to be provided.

8.20 The size of housing which households occupy relates more to their wealth and age than the number of people they contain. For example, there is no reason why a single person cannot buy (or choose to live in) a 4-bedroom home, as long as they can afford it. Hence, projecting an increase in single-person households does not automatically translate into a need for smaller units.

8.21 That said, issues of supply can also impact occupancy patterns. For example, it may be that a supply of additional smaller-level access homes would encourage older people to downsize; however, in the absence of such accommodation, these households remain living in their larger homes.

8.22 The issue of choice is less relevant in the affordable sector (particularly since the introduction of the social sector size criteria), where

households are allocated properties which reflect the size of the household. However, there will still be some level of under-occupation moving forward with regard to older person and working households who may be able to under-occupy housing (e.g. those who can afford to pay the spare room subsidy ('bedroom tax')).

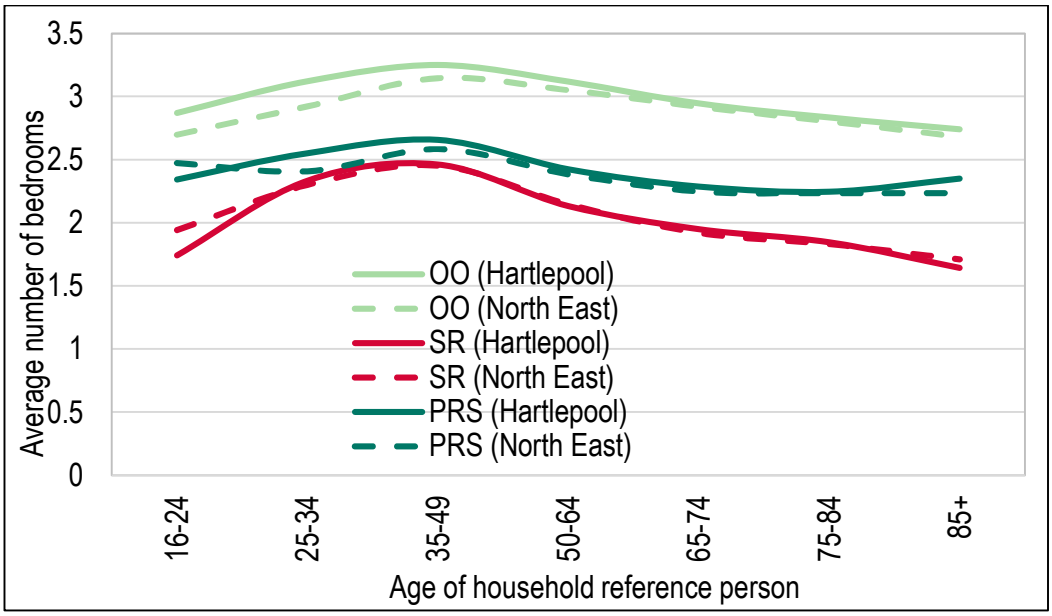
8.23 The approach used is to interrogate information derived from the projections relating to the number of household reference persons (HRPs) in each age group and apply this to the profile of housing within these groups (data being drawn from the 2021 Census).

8.24 The figure below shows an estimate of how the average number of bedrooms varies by different ages of HRP and broad tenure group for Hartlepool and the North East region.

8.25 In all sectors, the average size of accommodation rises over time to typically reach a peak at around the age of 50. After peaking, the average dwelling size decreases, as many households typically downsize as their occupants age.

8.26 The analysis also shows Hartlepool as having broadly similar dwelling sizes across age and tenure groups, as is seen regionally.

Figure 8.3 Average Bedrooms by Age and Tenure in Hartlepool and the region



Source: Census (2021)

8.27 The analysis uses the existing occupancy patterns at a local and regional level as a starting point for analysis. It applies these to the projected changes in Household Reference Person by age discussed below.

8.28 The analysis has been used to derive outputs for three broad categories. These are:

- **Market Housing** – which is taken to follow the occupancy profiles in the market sector (i.e. owner-occupiers and the private rented sector);
- **Affordable Home Ownership** – which is taken to follow the occupancy profile in the private rented sector (this is seen as reasonable, as the Government's desired growth in home ownership looks to be primarily driven by a wish to see households move out of private renting); and
- **Rented Affordable Housing** – which is taken to follow the occupancy profile in the social rented sector. The affordable sector, as analysed in the following, would include social and affordable rented housing.

Changes to Households by Age

8.29 The table below presents the projected change in households by age of household reference person under the Standard Method.

8.30 This shows growth as being expected in all age groups and in particular older age groups (notably 85+). However, some high growth is also projected in younger age groups, in part due to an assumption that household formation could improve over time (and from a low base in the Under 25 age group).

Table 8.4 Projected Change in Household by Age of HRP in Hartlepool

	2024	2046	Change in Households	% Change
Under 25	1,448	1,806	358	24.7%
25-34	5,944	6,551	607	10.2%
35-49	10,377	12,399	2,023	19.5%
50-64	12,481	13,178	697	5.6%
65-74	6,488	6,617	129	2.0%
75-84	4,766	7,262	2,497	52.4%
85+	1,820	3,328	1,507	82.8%
TOTAL	43,324	51,141	7,818	18.0%

Source: Iceni Analysis

Modelled Outputs

8.31 By following the methodology set out above and drawing on the sources shown, a series of outputs has been derived to consider the likely size requirement of housing within each of the three broad tenures at a local authority level.

8.32 The analysis is based on considering both local and regional occupancy patterns. The data linking to local occupancy will, to some extent, reflect the role and function of the local area. In contrast, the regional data will

help establish any particular gaps (or relative surpluses) in different sizes/tenures of homes when considered in a wider context.

8.33 The table below shows the modelled outputs of need by dwelling size in the three broad tenures. Market housing focuses on 3+ bedroom homes, affordable homeownership on 2- and 3-bedroom accommodations, and rented affordable housing, which shows a slightly smaller profile again.

Table 8.5 Initial Modelled Mix of Housing by Size and Tenure – Hartlepool

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	4%	29%	50%	18%
Affordable home ownership	10%	42%	39%	10%
Affordable housing (rented)	29%	40%	28%	3%

Source: Housing Market Model

Rightsizing

8.34 The analysis above sets out the potential need for housing if occupancy patterns remain the same as they were in 2021 (with differences from the current stock profile being driven by demographic change).

8.35 It is, however, worth also considering that the 2021 profile will have included households who are overcrowded (and therefore need a larger home than they actually live in) and also those who under-occupy (have more bedrooms than they need).

8.36 There is a case to seek for new stock to more closely match actual size requirements. Whilst it would not be reasonable to expect to eliminate all under-occupancy (particularly in the market sector), it is prudent to seek to reduce this over time, in order to make the most efficient use of

land. Further analysis has been undertaken to take account of overcrowding and under-occupancy (by tenure).

8.37 The table below shows a cross-tabulation of a household's occupancy rating and the number of bedrooms in their home (for owner-occupiers). This indicates a high number of households with at least two spare bedrooms that are living in homes with three or more bedrooms. There are also a small number of overcrowded households.

8.38 In the owner-occupied sector in 2021, there were 21,300 households with some degree of under-occupation and approximately 260 overcrowded households – some 89% of all owner-occupiers have some degree of under-occupancy.

Table 8.6 Cross-tabulation of occupancy rating and number of bedrooms (owner-occupied sector) – Hartlepool

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	0	0	7,648	5,424	13,072
+1 spare bedrooms	0	3,771	3,485	1,019	8,275
0 "Right sized"	254	768	1,286	158	2,466
-1 too few bedrooms	13	99	120	24	256
TOTAL	267	4,638	12,539	6,625	24,069

Source: Census (2021)

8.39 For completeness, the tables below show the same information for the social and private rented sectors. In both cases, there are more under-occupying households than overcrowded ones; however, the differences are less pronounced than those observed for owner-occupied housing.

Table 8.7 Cross-tabulation of occupancy rating and number of bedrooms (social rented sector) – Hartlepool

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	0	0	893	122	1,015
+1 spare bedrooms	0	2,370	1,039	109	3,518
0 “Right sized”	2,345	1,359	1,013	54	4,771
-1 too few bedrooms	42	115	120	13	290
TOTAL	2,387	3,844	3,065	298	9,594

Source: Census (2021)

Table 8.8 Cross-tabulation of occupancy rating and number of bedrooms (private rented sector) – Hartlepool

Occupancy rating	Number of bedrooms				
	1-bed	2-bed	3-bed	4+-bed	TOTAL
+2 spare bedrooms	0	0	1,078	354	1,432
+1 spare bedrooms	0	2,018	1,242	185	3,445
0 “Right sized”	648	729	721	71	2,169
-1 too few bedrooms	35	76	92	14	217
TOTAL	683	2,823	3,133	624	7,263

Source: Census (2021)

8.40 In using this data in the modelling, an adjustment is made to move some of those who would have been picked up in the modelling as under-occupying into smaller accommodation. Where there is under-occupation by two or more bedrooms, the adjustment takes 25% of this group and assigns to a ‘+1’ occupancy.

8.41 This does need to be recognised as an assumption, but can be seen to be reasonable as they do retain some (considerable) degree of under-

occupation (which is likely), but do also seek to model a better match between household needs and the size of their home.

8.42 For overcrowded households, a move in the other direction is made; in this case, households are moved up by as many bedrooms as is needed to resolve the problems (this is applied to all overcrowded households).

8.43 The adjustments for under-occupation and overcrowding lead to the suggested mix as set out in the following tables. It can be seen that this tends to suggest a smaller profile of homes is needed (compared to the initial modelling), with the most significant change being in the market sector, which is the sector where under-occupation is currently most notable.

Table 8.9 Modelled Mix of Housing by Size and Tenure – Hartlepool

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	3%	36%	46%	15%
Affordable home ownership	10%	45%	36%	10%
Affordable housing (rented)	29%	42%	26%	4%

Source: Housing Market Model

8.44 Across the Borough, the analysis points to over a quarter of the social/affordable housing need being for 1-bedroom homes, and it is of interest to see how much of this is due to older person households. In the future, household sizes are projected to decrease, while the population of older people is expected to increase.

8.45 Older person households (as shown earlier) are more likely to occupy smaller dwellings. The impact that older people have on the demand for smaller stock is outlined in the table below.

8.46 This indeed identifies a larger profile of homes needed for households where the household reference person is aged under 65, with a concentration of 1-bedroom homes for older people.

8.47 This information can be used to inform the mix required for housing for older people (e.g. age restricted), although it does need to be noted that not all older people would be expected to live in homes solely for older people.

8.48 The 2, 3, and 4+-bedroom categories have been merged for the purposes of older persons, as we would not generally expect many (if any) households in this category to need (or indeed be able to be allocated) more than two bedrooms in the rented affordable housing sector.

Table 8.10 Modelled Mix of Housing by Size and Age – affordable housing (rented) – Hartlepool

	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Under 65	20%	38%	36%	6%
65 and over	38%	62%		
All affordable housing (rented)	29%	42%	26%	4%

Source: Housing Market Model

8.49 A further analysis of the need for rented affordable housing is to compare the need with the supply (turnover) of different sizes of accommodation.

8.50 This links back to estimates of need in the previous section (an annual need for 101 dwellings per annum from households unable to buy OR rent) with additional data from CoRe about the sizes of homes let over the past three years.

8.51 This analysis is quite evident in showing the lower supply of larger homes relative to the need for 4+-bedroom accommodation in particular, where it is estimated the supply is approximately 64% of the need arising each year. In contrast, for all other sizes, approximately 80% of the need can be met.

Table 8.11 Need for rented affordable housing by number of bedrooms – Hartlepool

	Gross Annual Need	Gross Annual Supply	Net Annual Need	As a % of total net annual need	Supply as a % of gross need
1-bedroom	165	136	29	28.8%	82.5%
2-bedrooms	207	165	42	41.9%	79.6%
3-bedrooms	145	119	26	25.8%	82.0%
4+-bedrooms	10	6	4	3.5%	63.7%
Total	527	426	101	100.0%	80.9%

Source: Iceni analysis

Indicative Targets for Different Sizes of Property by Tenure

8.52 The analysis below provides some indicative targets for different sizes of home (by tenure). The conclusions take into account a range of factors, including the modelled outputs and an understanding of the stock profile, as well as levels of under-occupancy and overcrowding.

8.53 The analysis (for rented affordable housing) also draws on data from the local authority Housing Register with regard to the profile of need, as well as taking a broader view of issues such as the flexibility of homes to accommodate changes to households (e.g. the lack of flexibility offered by a 1-bedroom home for a couple looking to start a family).

8.54 The Housing Register data below shows a pattern of need which is focused on 1- and 2-bedroom homes, but with approximately a fifth of households requiring 3+-bedroom accommodation.

Table 8.12 Size of Social/Affordable Rented Housing Needed – Housing Register Information (March 2024)

	Number of households	% of households
1-bedroom	1,199	45.5%
2-bedrooms	954	36.2%
3-bedrooms	373	14.1%
4+-bedrooms	111	4.2%
TOTAL	2,637	100.0%

Source: LAHS

Social/Affordable Rented

8.55 Bringing together the above, a number of factors are recognised. This includes recognising that it is unlikely that all affordable housing needs will be met and that it is likely that households with a need for larger homes will have greater priority (as they are more likely to contain children). The following mix of social/affordable rented housing is therefore suggested:

- 1-bedroom: 30%
- 2-bedrooms: 40%
- 3-bedrooms: 20%
- 4+-bedrooms: 10%

8.56 If a development is to include housing specifically for older people (e.g. forms of age-restricted housing), then broadly a 50:50 split between 1- and 2-bedroom homes is recommended.

8.57 The inclusion of some 2-bedroom homes is considered sensible with the aim to promote the opportunity for older person households to

downsize – a 2-bed offering being more likely to encourage this than 1-bed homes.

8.58 Also, whilst technically most older person households will only have a 'need' for a 1-bed home, a larger property remains affordable as the bedroom tax/spare room subsidy does not impact most older person households.

8.59 It should be noted that the above recommendations are to a considerable degree based on projecting the need forward to 2046 and will vary over time. At a point in time, the Housing Register data may identify a shortage of housing of a particular size/type, which could lead to the mix of housing being altered from the overall suggested requirement.

Affordable Home Ownership

8.60 In the affordable home ownership sector, a profile of housing that more closely matches the outputs of the modelling is suggested. It is considered that the provision of affordable home ownership should be more explicitly focused on delivering smaller family housing for younger households and childless couples.

8.61 The conclusions also take account of the earlier observation that it may be challenging to make homes genuinely affordable for AHO due to newbuild prices, and this may particularly impact larger homes. Based on this analysis, it is suggested that the following mix of affordable home ownership would be appropriate:

- 1-bedroom: 10%
- 2-bedrooms: 45%
- 3-bedrooms: 35%
- 4+-bedrooms: 10%

Market Housing

8.62 Finally, in the market sector, a balance of dwellings is suggested that takes account of both the demand for homes and the changing demographic profile (as well as observations on the current mix when compared with other locations and also the potential to reduce levels of under-occupancy slightly).

8.63 We have also had regard to the potential for rightsizing, but also recognise that in the market sector, there is limited ability to control what households purchase. This results in a slightly larger recommended profile compared to other tenure groups.

- 1-bedroom: 5%
- 2-bedrooms: 35%
- 3-bedrooms: 45%
- 4+-bedrooms: 15%

8.64 Although the analysis has quantified this on the basis of the market modelling and an understanding of the current housing market (including the stock profile in different tenures as set out earlier in this section).

8.65 It does not necessarily follow that such prescriptive figures should be included in the plan-making process (although it will be useful to include an indication of the broad mix to be sought across the Borough) – demand can change over time, linked to macro-economic factors and local supply. Policy aspirations could also influence the mix sought.

8.66 The suggested figures can be used as a monitoring tool to ensure that future delivery is not unbalanced when compared with the likely requirements as driven by demographic change in the area.

8.67 The recommendations can also be used as a set of guidelines to consider the appropriate mix on larger development sites, and the Council could expect justification for a housing mix on such sites which significantly differs from that modelled herein. Site location and area character are also relevant considerations in determining the appropriate mix of market housing on individual development sites.

Smaller-area Housing Mix

8.68 The analysis above has focused on overall study Borough-wide needs with conclusions at the strategic level. It should, however, be recognised that there will be variations in the need within the area due to the different roles and functions of a location and the specific characteristics of local households (which can also vary over time).

8.69 This report does not seek to model a smaller-area housing mix. However, data is available that can help inform specific local issues (including data on household composition, current housing mix and overcrowding/under-occupation). Below are some points for consideration when looking at needs in any specific location:

a) Whilst there are differences in the stock profile in different locations, this should not necessarily be seen as indicating particular surpluses or shortfalls of particular types and sizes of homes;
b) As well as looking at the stock, an understanding of the role and function of areas is important. For example, areas traditionally favoured by family households might be expected to provide a greater proportion of larger homes;
c) That said, some of these areas will have very few small/cheaper stocks, and so consideration needs to be given to diversifying the stock; and

d) The location/quality of sites will also have an impact on the mix of housing. For example, brownfield sites in urban locations may be more suited to flatted development (as well as recognising the point above on role and function) whereas a more suburban/rural site may be more appropriate for family housing. Other considerations (such as proximity to public transport) may impact on a reasonable mix at a local level.

8.70 Overall, it is suggested that the Council should broadly seek the same mix of housing in all locations as a starting point in policy but would be flexible to a different mix where specific local characteristics suggest (such as site characteristics and location).

8.71 Additionally, in the affordable sector, it may be the case that Housing Register data for a smaller area identifies a shortage of housing of a particular size/type, which could lead to the mix of housing being altered from the overall suggested requirement.

Housing Mix - Summary

8.72 Analysis of the future mix of housing required takes account of demographic change, including potential changes to the number of family households and the ageing of the population.

8.73 The proportion of households with dependent children in Hartlepool is fairly average with approximately 28% of all households containing dependent children in 2021 – although the Borough does see a higher proportion of lone parent households (particularly in Urban Hartlepool).

8.74 There are notable differences between different types of households, with married couples (with dependent children) seeing a high level of owner-occupation, whereas as lone parents are particularly likely to live in social and private rented accommodation.

8.75 There is a range of factors which will influence demand for different sizes of homes, including demographic changes, future growth in real earnings, households' ability to save, economic performance and housing affordability.

8.76 The analysis linked to future demographic change concludes that the following represents an appropriate mix of affordable and market homes.

8.77 This takes account of both household changes and the ageing of the population, as well as seeking to make more efficient use of new stock by not projecting forward the high levels of under-occupancy (which is notable in the market sector).

8.78 In all sectors, the analysis points to a particular need for 2- and 3-bedroom accommodation, with varying proportions of 1- and 4+-bedroom homes.

8.79 For rented affordable housing, there is a clear need for a range of different sizes of homes, including 30% to have at least 3-bedrooms, of which 10% should have at least 4-bedrooms. Our recommended mix is set out below:

Table 8.13 Suggested size mix of housing by tenure – Hartlepool

	Market	Affordable home ownership	Rented affordable housing
1-bedroom	5%	10%	30%
2-bedrooms	35%	45%	40%
3-bedrooms	45%	35%	20%
4+-bedrooms	15%	10%	10%

Source: Iceni analysis

8.80 The strategic conclusions in the affordable sector recognise the role which the delivery of larger family homes can play in releasing a supply

of smaller properties for other households. Also recognised is the limited flexibility which 1-bedroom properties offer to changing household circumstances, which feed through into higher turnover and management issues.

8.81 The conclusions also take account of the current mix of housing by tenure and also the size requirements shown on the Housing Register.

8.82 The mix identified above could inform strategic policies, although a flexible approach should be adopted. For example, in some areas, affordable housing registered providers face difficulties selling one-bedroom affordable home ownership (AHO) homes. Therefore, the one-bedroom elements of AHO might be better provided as two-bedroom accommodation.

8.83 That said, given current house prices, there are potential difficulties in making (larger) AHO genuinely affordable.

8.84 Additionally, in applying the mix to individual development sites, regard should be had to the nature of the site and character of the area, and to up-to-date evidence of need as well as the existing mix and turnover of properties at the local level.

8.85 The Council should also monitor the mix of housing delivered.

9. Needs of Older and Disabled People

Introduction

9.1 This section studies the characteristics and housing needs of the older person population and the population with some form of disability. The two groups are taken together as there is a clear link between age and disability.

9.2 It responds to the Planning Practice Guidance on Housing for Older and Disabled People published by the Government in June 2019. It includes an assessment of the need for specialist accommodation for older people and the potential requirements for housing to be built to M4(2) and M4(3) housing technical standards (accessibility and wheelchair standards).

Older People

9.3 The table below provides baseline population data relating to older persons in Hartlepool and compares this with other areas. The table shows the Borough has a similar age structure to that seen regionally and nationally, with 20% of the population being aged 65 and over. The proportion of people aged 75 and over is also broadly in line with equivalent figures for other areas.

Table 9.1 Older Persons Population, 2024

	Hartlepool		North East	England
	No.	%	%	%
Under 65	78,532	80.0%	79.1%	81.3%
65-74	10,622	10.8%	11.0%	9.4%
75-84	6,567	6.7%	7.3%	6.8%
85+	2,459	2.5%	2.6%	2.5%
Total	98,180	100.0%	100.0%	100.0%
Total 65+	19,648	20.0%	20.9%	18.7%
Total 75+	9,026	9.2%	9.9%	9.3%

Source: ONS

9.4 The table below shows the same data for sub-areas. The analysis points to some variation in the proportion of older people, this being notably higher in Seaton Carew & Greatham.

Table 9.2 Older Persons Population, 2024 – sub-areas

	Urban Hartlepool	West Area	Seaton Carew & Greatham	TOTAL
Under 65	80.3%	83.7%	75.4%	80.0%
65-74	10.8%	8.1%	12.7%	10.8%
75-84	6.5%	5.9%	8.5%	6.7%
85+	2.4%	2.3%	3.3%	2.5%
Total	100.0%	100.0%	100.0%	100.0%
Total 65+	19.7%	16.3%	24.6%	20.0%
Total 75+	8.9%	8.2%	11.9%	9.2%

Source: ONS

Projected Future Change in the Population of Older People

9.5 Population projections can next be used to indicate how the number of older persons might change in the future, with the table below showing that Hartlepool is projected to see a notable increase in the older person population – the projection is based on the Standard Method.

9.6 For the 2024-46 period, a projected increase in the population aged 65+ of approximately 29% is shown – the population aged under 65 is, in contrast, projected to see a more modest increase (of 4%). In total population terms, the projections indicate an increase of 5,700 people in the population aged 65 and over.

9.7 This is against a backdrop of an overall increase of 8,500; population growth of people aged 65 and over, therefore, accounts for 67% of the total projected population change. The vast majority of the projected increase in the population aged 65 and over is in the 75 and over age group.

Table 9.3 Projected Change in Population of Older Persons, 2024 to 2046 – Hartlepool

	2024	2046	Change in population	% change
Under 65	78,532	81,331	2,799	3.6%
65-74	10,622	10,863	241	2.3%
75-84	6,567	9,960	3,393	51.7%
85+	2,459	4,489	2,030	82.5%
Total	98,180	106,643	8,462	8.6%
Total 65+	19,648	25,312	5,663	28.8%
Total 75+	9,026	14,449	5,422	60.1%

Source: Iceni Analysis

Characteristics of Older Person Households

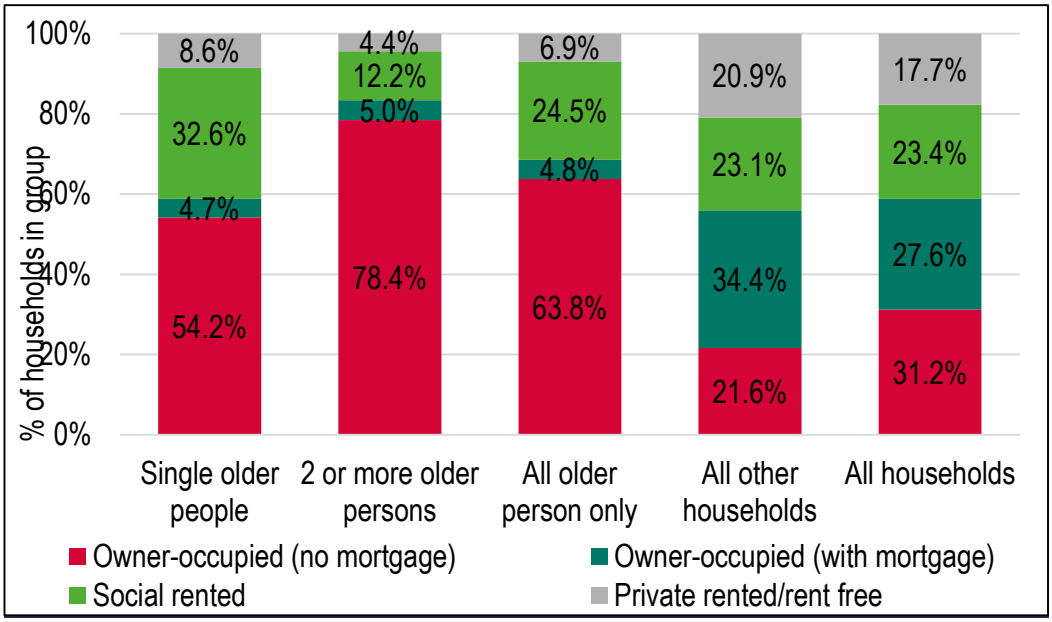
9.8 The figure below shows the tenure of older-person households. The data has been split between single older person households and those with two or more older people (which will largely be couples).

9.9 The data shows that the majority of older persons' households are owner occupiers (69% of older person households), and indeed most are owner-occupiers with no mortgage and thus may have significant equity which can be put towards the purchase of a new home.

9.10 Some 25% of older persons households live in the social rented sector and the proportion of older person households living in the private rented sector is relatively low (approximately 7%).

9.11 There are also notable differences for different types of older person households, with single older people having a lower level of owner-occupation than larger older person households – this group also has a higher proportion living in the social rented sector.

Figure 4.1: Tenure of Older Persons Households in Hartlepool, 2021



Source: 2021 Census

9.12 The table below shows the tenure of older person households by sub-area (figures are for all older person households). This shows significant differences between areas, with a range from 67% of older persons being owner-occupiers in Urban Hartlepool, up to 83% in the West sub-area.

Table 9.4 Tenure of Older Persons Households in Hartlepool, 2021 – sub-areas

	Owner-occupied (no mortgage)	Owner-occupied (with mortgage)	Social rented	Private rented	TOTAL
Urban Hartlepool	62.1%	4.8%	26.3%	6.9%	100.0%
West Area	76.0%	7.2%	9.8%	6.9%	100.0%
Seaton Carew & Greatham	70.6%	3.8%	19.6%	6.0%	100.0%
TOTAL	63.7%	4.7%	24.8%	6.8%	100.0%

Source: 2021 Census

9.13 Figures for the proportions living in social rented housing show the opposite pattern, varying from 10% in the West, up to 26% in Urban Hartlepool. There is little variance in the proportions living in the private rented sector – between 6% and 7% in all areas.

Disabilities

9.14 The table below shows the proportion of people who are considered disabled under the definition within the 2010 Equality Act[25], drawn from 2021 Census data, and the proportion of households where at least one person has a disability.

9.15 The data suggests that some 40% of households in the Borough contain someone with a disability. This figure is slightly higher than seen in the North East and notably above the equivalent figure for England.

[25] The Census uses the same definition of disability as described in the Equality Act. This defines disability as a person with a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on their ability to do normal daily activities.

9.16 The figures for the population with a disability also show the same pattern in comparison with other areas – some 23% of the population having a disability (17% nationally).

Table 9.5 Households and People with a Disability, 2021

	Households Containing Someone with a Disability		Population with a Disability	
	No.	%	No.	%
Hartlepool	16,230	39.7%	21,145	22.9%
North East	436,105	37.1%	567,304	21.4%
England	7,507,887	32.0%	9,774,510	17.3%

Source: 2021 Census

9.17 The table below shows the same information for sub-areas; this shows a much higher proportion of the population and households with a disability in Urban Hartlepool, with notably lower figures in the West area.

Table 9.6 Households and People with a Disability, 2021 – sub-areas

	Households Containing Someone with a Disability		Population with a Disability	
	No.	%	No.	%
Urban Hartlepool	14,223	40.6%	18,479	23.6%
West Area	431	26.9%	584	14.3%
Seaton Carew & Greatham	1,550	36.0%	2,060	20.9%
TOTAL	16,204	39.6%	21,123	22.9%

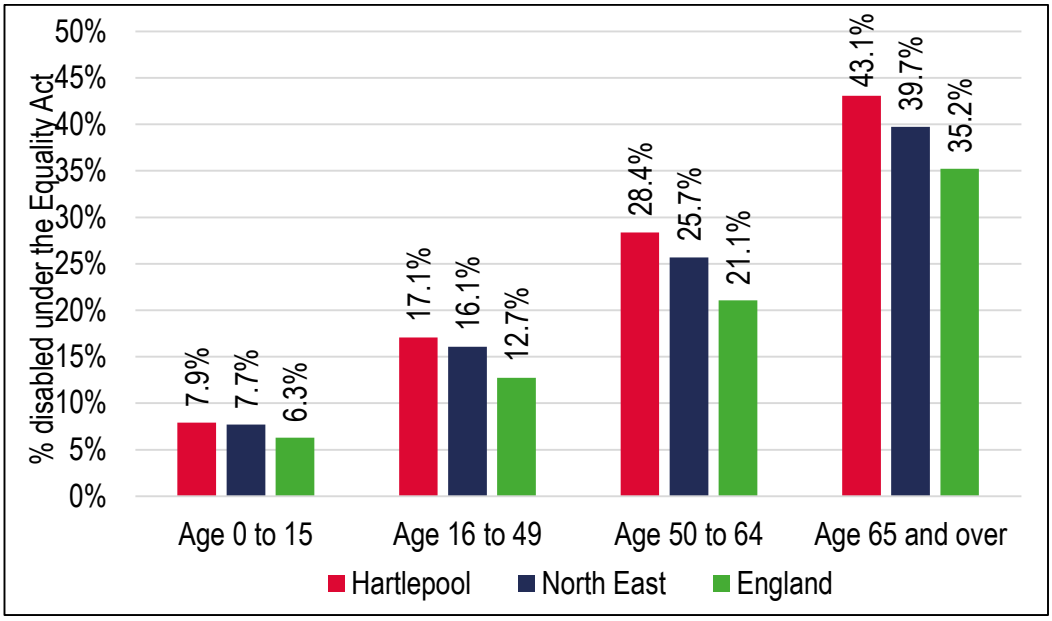
Source: 2021 Census

9.18 As noted, it is likely that the age profile will impact the number of people with a disability, as older people tend to be more likely to have a disability.

9.19 The figure below shows the age bands of people with a disability. It is clear from this analysis that those people in the oldest age bands are

more likely to have a disability. The analysis also shows higher age-specific levels of disability when compared with the regional and national position.

Figure 4.2: Population with Disability by Age



Source: 2021 Census

Health Related Population Projections

9.20 The incidence of a range of health conditions is an important component in understanding the potential need for care or support for an ageing population.

9.21 The analysis undertaken covers both younger and older age groups. It draws on prevalence rates from the PANSI (Projecting Adult Needs and Service Information) and POPPI (Projecting Older People Population Information) websites. Adjustments have been made to account for the age-specific health conditions and disabilities previously reported.

9.22 Of particular note are the significant increases in the number of older people with dementia (increasing by 61% from 2024 to 2046 and mobility problems (up 48% over the same period).

9.23 Changes for younger age groups are smaller, reflecting the fact that projections expect older age groups to see the most significant proportional increases in population.

9.24 When related to the total projected change to the population, the increase in people aged 65+ with a mobility problem represents approximately 24% of the total projected population growth.

Table 9.7 Projected Changes to Population with a Range of Disabilities – Hartlepool

Disability	Age Range	2024	2046	Change	% change
Dementia	65+	1,591	2,555	964	60.6%
Mobility problems	65+	4,279	6,324	2,045	47.8%
Autistic Spectrum Disorders	18-64	754	846	92	12.2%
	65+	226	284	58	25.6%
Learning Disabilities	15-64	2,011	2,178	167	8.3%
	65+	500	637	137	27.4%
Impaired mobility	16-64	4,491	4,810	319	7.1%

Source: POPPI/PANSI and Demographic Projections

9.25 Invariably, there will be a combination of those with disabilities and long-term health problems who continue to live at home with family, those who choose to live independently with the possibility of incorporating adaptations into their homes and those who decide to move into supported housing.

9.26 The projected change shown in the number of people with disabilities provides clear evidence justifying delivering ‘accessible and adaptable’ homes as defined in Part M4(2) of Building Regulations, subject to viability and site suitability.

Need for Specialist Accommodation for Older People

9.27 Given the ageing population and higher levels of disability and health problems amongst older people, there is likely to be an increased requirement for specialist housing options moving forward. The box below shows the different types of housing for older persons that are considered.

Definitions of Different Types of Older Persons' Accommodation

Age-restricted general market housing: This type of housing is typically designed for individuals aged 55 and over, as well as the active elderly. It may include some shared amenities, such as communal gardens, but does not include support or care services.

Retirement living or sheltered housing (housing with support): This typically consists of purpose-built flats or bungalows with limited communal facilities, such as a lounge, laundry room, and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager.

Extra care housing or housing-with-care (housing with care): This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an on-site care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages, with the intention for residents to benefit from varying levels of care as time progresses.

Residential care homes and nursing homes (care bedspaces): These have individual rooms within a residential building and provide a high level of care, meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes.

Source: Planning Practice Guidance [63-010]

9.28 The need for specialist housing for older persons is typically modelled by applying prevalence rates to current and projected population changes and considering the level of existing supply.

9.29 The approach taken below considers a range of publications from Housing LIN (including that mentioned in the PPG) to derive a series of prevalence rates. The rates also take into account the health of the population in Hartlepool and levels of deprivation (which will impact on the tenure split between market and affordable housing).

9.30 The following prevalence rates, expressed as a need per 1,000 people aged 75 and over, have been used in the analysis:

- Housing with support (market) – 34 units;
- Housing with support (affordable) – 113 units;
- Housing with care (market) – 16 units;
- Housing with care (affordable) – 37 units;
- Residential care– 47 bedspaces; and
- Nursing care– 53 bedspaces

9.31 It is also important to understand the supply of different types of specialist accommodation, with the table below showing various categories of accommodation. Figures are expressed as a total and as a proportion of the population aged 75 and over (estimated to be 9,026 in 2024).

9.32 The analysis shows a total of 1,291 units of housing with support, which represents approximately 143 per 1,000 people aged 75 and over – some 93% of this in the affordable sector.

9.33 For housing with care, a much lower current supply is shown (just 412 units – all in the affordable sector). For nursing and residential care, a

total of 710 bedspaces is shown, with the majority (65%) being allocated to residential care.

Table 9.8 Current supply of housing for older people – Hartlepool

		Current supply	Supply per 1,000 aged 75+
Housing with support	Market	89	10
	Affordable	1,202	133
Total (housing with support)		1,291	143
Housing with care	Market	0	0
	Affordable	412	46
Total (housing with care)		412	46
Residential care bedspaces		463	51
Nursing care bedspaces		247	27
Total bedspaces		710	78

Source: Elderly Accommodation Counsel (EAC)

9.34 Taking the supply forward and using the prevalence rates, the tables below show estimated needs for different types of housing linked to the population projections.

9.35 The analysis is separated into the various types and tenures. However, it should be recognised that there could be some overlap between categories (i.e. some households might be suited to more than one type of accommodation).

9.36 The analysis suggests that for many types and tenures of accommodation, there is a modest current need; the exceptions being an apparent surplus of affordable housing with both support and care (e.g. sheltered/retirement housing and extra-care housing) and a surplus of residential care bedspaces.

9.37 When projecting forward to 2046, it is estimated that there will need to be some additional provision of all types and tenures of housing – this includes an estimated need for 800 units of housing with support

(approximately half in the market sector) and a need for 350 units of housing with care (two-thirds in the market sector).

9.38 The analysis also suggests a need for some additional nursing and residential care bedspaces (particularly nursing care).

Table 9.9 Specialist Housing Need for Older Persons, 2024-46 – Hartlepool

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall/ surplus (-ve)	Additional demand to 2046	Shortfall /surplus by 2046
Housing with support	Market	34	89	304	215	183	398
	Affordable	113	1,202	1,019	-183	612	429
Total (housing with support)		**147**	**1,291**	**1,323**	**32**	**795**	**827**
Housing with care	Market	16	0	146	146	88	234
	Affordable	37	412	330	-82	198	116
Total (housing with care)		**53**	**412**	**476**	**64**	**286**	**351**
Residential care bedspaces		47	463	423	-40	254	214
Nursing care bedspaces		53	247	476	229	286	515
Total bedspaces		**100**	**710**	**899**	**190**	**541**	**731**

Source: Iceni analysis/EAC

Wheelchair User Housing

9.39 The analysis below draws on secondary data sources to estimate the number of current and future wheelchair users and to estimate the number of wheelchair accessible/adaptable dwellings that might be required in the future. Estimates of need presented in this report are based on data from the English Housing Survey (EHS), primarily from the 2020/21 data.

9.40 The EHS data used includes the age structure of wheelchair users, information relating to adaptations needed to homes to make them

'visitable' for wheelchair users and data regarding wheelchair users by tenure.

9.41 The table below shows, at a national level, the proportion of wheelchair user households by the age of the household reference person. Nationally, approximately 3.1% of households contain a wheelchair user, with approximately 1% of these individuals using a wheelchair indoors.

9.42 There is a clear correlation between the age of the household reference person and the likelihood of there being a wheelchair user in the household.

Table 9.10 Proportion of wheelchair user households by age of household reference person – England

Age of household reference person	No household members use a wheel-chair	Uses wheel-chair all the time	Uses wheel-chair indoors only	Uses wheel-chair outdoors only	TOTAL
24 and under	99.4%	0.4%	0.0%	0.1%	100.0%
25-34	99.4%	0.1%	0.1%	0.3%	100.0%
35-49	97.9%	0.4%	0.3%	1.4%	100.0%
50-64	97.1%	0.5%	0.2%	2.2%	100.0%
65 and over	94.3%	1.3%	0.5%	4.0%	100.0%
All households	96.9%	0.6%	0.3%	2.2%	100.0%

Source: English Housing Survey (2020/21)

9.43 The prevalence rate data can be brought together with information regarding the household age structure and how this is likely to change moving forward – adjustments have also been made to take account of the relative health (by age) of the population.

9.44 The data estimates a total of 2,088 wheelchair user households in 2024, and that this will rise to 2,529 by 2046.

Table 9.11 Estimated number of wheelchair user households (2024-46) – Hartlepool

	Prevalence rate (% of households)	Households 2024	Households 2046	Wheelchair user households (2024)	Wheelchair user households (2046)
24 and under	1.0%	1,448	1,806	14	18
25-34	1.0%	5,944	6,551	60	66
35-49	3.7%	10,377	12,399	382	456
50-64	4.9%	12,481	13,178	610	644
65 and over	7.8%	13,074	17,207	1,022	1,345
All households	-	43,324	51,141	2,088	2,529

Source: Iceni analysis

9.45 The finding of an estimated current number of wheelchair user households does not indicate how many homes might be needed for this group – some households will be living in a home that is suitable for wheelchair use, whilst others may require improvements to accommodation, or a move to an alternative home.

9.46 Data from the EHS shows that of the 814,000 wheelchair user households, some 200,000 live in a home that would either be problematic or not feasible to make fully 'visitable' – this is approximately 25% of wheelchair user households.

9.47 Applying this to the current number of wheelchair user households across the Borough gives a current need for 522 additional wheelchair user homes.

9.48 If the projected need is also discounted to 25% of the total (on the basis that many additional wheelchair user households will already be in

accommodation), then a further need for 110 homes in the 2024-46 period can be identified.

9.49 Added together, this leads to a need estimate of 632 wheelchair user homes, equating to 29 dwellings per annum.

Table 9.12 Estimated need for wheelchair user homes, 2024-46

	Current need	Projected need (2024-46)	Total current and future need
Hartlepool	522	110	632

Source: Iceni Analysis

9.50 Furthermore, information in the EHS (for 2020/21) also provides national data relating to wheelchair users by tenure. This showed that, at that time, approximately 6.7% of social tenants were wheelchair users (including 1.8% who used a wheelchair indoors/all the time), compared with 2.6% of owner-occupiers (0.8% who used a wheelchair indoors/all the time).

9.51 These proportions can be expected to increase with an ageing population but do highlight the likely need for a greater proportion of social (affordable) homes to be for wheelchair users.

Table 9.13 Proportion of wheelchair user households by tenure of household reference person – England

Tenure	No household members use a wheel-chair	Uses wheel-chair all the time	Uses wheel-chair indoors only	Uses wheel-chair outdoors only	TOTAL
Owners	97.4%	0.6%	0.2%	1.8%	100.0%
Social sector	93.3%	1.3%	0.5%	4.9%	100.0%
Private renters	98.6%	0.2%	0.2%	1.0%	100.0%
All households	96.9%	0.6%	0.3%	2.2%	100.0%

Source: English Housing Survey (2020/21)

9.52 To meet the identified need, the Council could seek a proportion (potentially up to 5%) of all new market homes to be M4(3) compliant and possibly a higher figure in the affordable sector (potentially up to 10%).

9.53 These figures reflect that not all sites would be able to deliver homes of this type. In the market sector, these homes would be M4(3)A (adaptable) and M4(3)B (accessible) for affordable housing.

9.54 As with M4(2) homes, it may not be possible for some schemes to be built to these higher standards due to built-form, topography, flooding, etc. Furthermore, the provision of this type of property may, in some cases, challenge the viability of delivery due to the reasonably high build-out costs.

9.55 It is worth noting that the Government has now reported on a consultation (Raising Accessibility Standards for New Homes[26]) on changes to the way the needs of people with disabilities and wheelchair users are planned for as a result of concerns that, in the drive to achieve housing numbers, the delivery of housing that suits the needs of the households (in particular those with disabilities) is being compromised on viability grounds.

9.56 The key outcome is: ‘Government is committed to raising accessibility standards for new homes. We have listened carefully to the feedback on the options set out in the consultation, and the government response sets out our plans to mandate the current M4(2) requirement in Building Regulations as a minimum standard for all new homes. This change is due to be implemented through a change to building regulations shortly.

[26] https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes

9.57 The consultation outcome still requires a need for M4(3) dwellings to be evidenced, stating ‘M4(3) (Category 3: Wheelchair user dwellings) would continue as now, where there is a local planning policy in place in which a need has been identified and evidenced. Local authorities will need to continue tailoring the supply of wheelchair-accessible dwellings to local demand.

9.58 As well as evidence of need, the viability challenge is particularly relevant for M4(3)(B) standards. These make properties accessible from the moment they are built and involve high additional costs that could, in some cases, challenge the feasibility of delivering all or any of a policy target.

9.59 It should be noted that local authorities only have the right to request M4(3)(B) accessible compliance from homes for which they have nomination rights. They can, however, request M4(3)(A) adaptable compliance from the wider (market) housing stock.

Consultation with Adult Social Care

9.60 Iceni have also engaged with the Adult Social Care (ASC) team at Hartlepool Borough Council to understand its strategy for accommodating older people and those with disabilities.

9.61 The overarching aim of the ASC team is to ensure that people are able to remain living independently for as long as possible. While this is a key aim, the team is aware that as a person's care needs change, this will not always be feasible.

9.62 Consequently, the team seeks to commission care across various types of specialist accommodation to ensure people receive the proper support.

9.63 The Council currently commissions care across a number of different types of schemes, including Extra Care, nursing/residential care and supported living providers.

9.64 There are five Extra Care developments in Hartlepool, including three that are only available on a social rented basis and two that offer a mixture of tenures.

9.65 These properties are available to people over the age of 65 who do not have care needs and to people over the age of 55 who do have care needs. The Council considers these schemes to be very attractive and successful.

9.66 The Council also commission care across 22 care homes that have a range of residential, nursing and dementia care options. All these homes are rated as “Good” by the Care Quality Commission, with the council reporting apparent demand, as most are operating at approximately 93% occupancy.

9.67 The Council are aiming to reduce this occupancy to between 88-90% which is to allow for more flexibility in accommodation availability and for providers to better focus on residents. The Council aim to work on this over the next few years through encouraging more people to remain in their own homes for longer.

9.68 One of the key issues in Hartlepool is the ability of people to self-fund care. In order to qualify for Local Authority support, residents must not exceed the Upper Capital Limit of £23,250 in their own savings or investments. This makes care decisions for older people in Hartlepool who own a home difficult.

9.69 If the average house price of a home in Hartlepool is £140,000 and the average cost of care sitting at approximately £1,000 per week, a sale of a house will only be able to fund care for a short amount of time (<3 years).

9.70 For many older people, this means that they may be required to move from a self-funded placement into one funded by the local authority at a very late stage in life, potentially putting undue stress on their health.

9.71 Another key area the ASC team were keen to consider was homes for people with disabilities. In much of Hartlepool's existing housing stock, it is difficult and often impossible to retrofit systems to adapt to the occupants' care needs.

9.72 While this issue has been solved in some newer dwellings, the team did anecdotally report some developers fitting wheelchair user homes with things such as baths instead of wet rooms, making the dwellings unliveable for wheelchair users and expensive for the council to rectify.

9.73 This aspect becomes particularly difficult when considering wheelchair users who are children, when the property needs to be larger in order to ensure the family unit can stay together.

9.74 With this in mind, it may be appropriate to consult the ASC team on new planning applications for housing specifically for older people or those with disabilities.

9.75 Occupational therapists working within the team at the Council may be able to offer advice on how to ensure that properties work properly for older and disabled people prior to the site gaining planning permission.

Older and Disabled Persons - Summary

9.76 Hartlepool has a similar age structure to that seen regionally and nationally, but much higher levels of disability (particularly when compared with the national position).

9.77 The older person population shows high proportions of owner-occupation, and particularly outright owners who may have significant

equity in their homes (64% of all older person households are outright owners).

9.78 The older person population is projected to increase notably moving forward. An ageing population means that the number of people with disabilities is likely to increase. Key findings for the 2024-46 period include:

- a 29% increase in the population aged 65+ (potentially accounting for 67% of total population growth);
- a 61% increase in the number of people aged 65+ with dementia and a 48% increase in those aged 65+ with mobility problems;
- a need for approximately 800 additional housing units with support (sheltered/retirement housing) – approximately half in the market sector;
- a need for approximately 350 additional housing units with care (e.g. extra-care) – approximately two-thirds in the market sector;
- a need for additional nursing and residential care bedspaces (approximately 700 in the period); and
- a need for approximately 600 dwellings to be for wheelchair users (meeting technical standard M4(3)).

9.79 This suggests that there is a clear need to increase the supply of accessible and adaptable dwellings and wheelchair-user dwellings, as well as providing specific provision of older persons' housing.

9.80 Given the evidence, the Council could consider (as a starting point) requiring all dwellings (in all tenures) to meet the M4(2) standards and 5% of homes meeting M4(3) – wheelchair user dwellings in the market sector (a higher proportion of approximately 10% in the affordable sector).

9.81 Where the authority has nomination rights, the supply of M4(3) dwellings would be wheelchair-accessible dwellings (constructed for immediate occupation). In the market sector, they should be wheelchair-user adaptable dwellings (built to be adjustable for occupation by a wheelchair user).

9.82 It should, however, be noted that there will be cases where this may not be possible (e.g. due to viability or site-specific circumstances). Therefore, any policy should be applied flexibly.

9.83 In framing policies for the provision of specialist older persons accommodation, the Council will need to consider a range of issues. This will include the different use classes of accommodation (i.e., C2 vs. C3) and the requirements for affordable housing contributions (linked to this, the viability of provision).

9.84 There may also be some practical issues to consider, such as the ability of any individual development being mixed tenure, given the way care and support services are paid for.

10. Specific Groups

10.1 This chapter of the report examines the housing needs for a range of other specific groups outlined in the NPPF. This includes looked-after children, students, those seeking to self-build and customise homes, as well as service people and their families.

Looked After Children and Care Leavers

10.2 Key legislation relating to the accommodation and maintenance of a looked-after child is set out in Section 22G of the Children Act 1989. The act places a duty on local authorities to plan strategically for the children in their care, ensuring that, where aligned with the child's welfare, accommodation should be provided within the authority's own area.

10.3 This means councils must take steps to ensure sufficient local provision is available. Looked-after children can remain close to their home community, family and support networks whenever possible.

10.4 The legislation provides a framework within which decisions regarding the most appropriate way to accommodate and maintain children must be considered:

- Section 22A of the Children Act 1989 imposes a duty on the responsible authority when a child is in their care to provide the child with accommodation.
- Section 22B of the Children Act 1989 sets out the duty of the responsible authority to maintain a looked-after child in other respects apart from providing accommodation.
- Section 22C of the Children Act 1989 sets out the ways in which a looked-after child is to be accommodated.

- Section 22D of the Children Act 1989 imposes a duty on the responsible authority to formally review the child's case prior to making alternative arrangements for accommodation.
- Section 22G of the Children Act 1989 requires local authorities to take strategic action with respect to those children they look after and for whom it would be consistent with their welfare for them to be provided with accommodation within their own local authority area.

10.5 In a Written Ministerial Statement[27] (WMS) made in May 2023, the Housing and Planning Minister reminded local authorities of their requirement to assess the housing need of different groups in the community including "accommodation for children in need of social services care".

10.6 The WMS statement said, "Local planning authorities should give due weight to and be supportive of applications, where appropriate, for all types of accommodation for looked after children in their area that reflect local needs and all parties in the development process should work together closely to facilitate the timely delivery of such vital accommodation for children across the country".

10.7 The WMS follows on from the Department of Education Implementation Strategy[28] to fix children's social care from February 2023. The "Stable Homes Built on Love" Strategy has undergone a recent consultation, the results of which have not yet been published.

10.8 The strategy outlines an ambition to transform Children's Care through six pillars. The first of these pillars makes it clear that providing support to families is the priority. This ensures that children can remain in their

[27] https://questions-statements.parliament.uk/written-statements/detail/2023-05-23/hcws795

[28] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147317/Children_s_social_care_stable_homes_consultation_February_2023.pdf

family home for as long as possible (Pillar 1) and, if this is not possible, within their wider family (Pillar 3).

10.9 If both the immediate and wider family cannot look after a child, then Pillar 4 seeks to ensure that "when care is the best choice for a child, the care system must provide stable, loving homes close to children's communities."

10.10 To achieve this, the strategy aims to increase and support foster carers and develop a programme to support improvements in the quality of leadership and management in the children's homes sector.

10.11 The report sets out a mission to "see an increase of high-quality, stable and loving homes available for every child in care, local to where they are from".

10.12 To do this it suggests that an immediate action is to "boost the number of the right homes in the right places available for children as a matter of urgency."

10.13 The strategy notes "Local authorities have primary responsibility for the children in their care. This includes ensuring there is sufficient accommodation locally to meet the range of needs of children in care in their area" and that there is a "statutory duty to ensure there is sufficient provision for their children in care".

10.14 It also states that the DfE "will continue to build on our work reforming supported accommodation for 16- to 17-year-olds. Semi-independent provision, including supported lodgings, can be the right option for some older children, but only where it is high-quality, and the young person is ready for the level of independence it promotes."

10.15 The Department will also continue "with the Children's Home Capital Programme, which has seen £259 million of capital funding invested to increase provision in local authority-run open and secure children's

homes. We are working with local authorities to create new children's homes and increase provision in their local area."

10.16 At a similar time, the government also launched a consultation on the "Children's Social Care National Framework[29]" and the "Children's Social Care Dashboard". The Framework sets out some of the outcomes to be measured, including Outcome 4 relating to those seeking to ensure "children in care and care leavers have stable, loving homes".

10.17 The indicators include the percentage of children in care living in foster care and living in residential care, and the distance of placements from home. This is important to ensure the stability of schooling and contact with their siblings. The framework recognises that this will mean prioritising foster homes rather than residential homes.

10.18 The outcome can also be achieved by leaders undertaking "sufficiency planning and work with other local authorities and partners to jointly invest in care options that meet the future needs of children."

Projected Growth

10.19 The Council has not published a sufficiency strategy for this group, nor was anyone available to speak to us in relation to this study. It is therefore difficult for us to reflect on the needs of this group either currently or in future.

10.20 However, what we do know is that the population projection linked to the standard method, the school-aged population (under 16), is projected to decline significantly between now and the end of the plan period (-14%).

[29] Children in Care Sufficiency and Commissioning Strategy 2023 to 2026

Table 10.1 Population Growth in under 16s – Linked to the Standard Method

	2024	2046	Change in population	% change
Under 16	18,544	15,916	-2,628	-14.2%

Source: Iceni Projects, 2025

10.21 This indicates that the need for children's care homes is also likely to fall, although a range of other factors need to be considered. This includes the success of the local fostering program, current capacity and demand, the quality of accommodation, and the number of children placed outside the borough.

Students

10.22 Hartlepool is home to the Northern School of Art as well as Hartlepool College, both of which offer Further and Higher Education level qualifications.

10.23 The Northern School of Art is split across two campuses, with its Higher Education offer based in Hartlepool and Further Education in Middlesbrough.

10.24 The School's 2025 access plan states that in the 2023/24 year, they have 500 students registered across undergraduate courses and 44 on postgraduate courses.

10.25 A high percentage of students at the School come from the local area, with 36.6% originating from Teesside in the 2023/24 year. As such, the impact on the housing market in Hartlepool is likely to be limited.

10.26 Hartlepool College is principally a further education college and as such will most likely draw students from the local area. Consequently, many

of these students will already be in accommodation, with parental homes the most likely residence.

10.27 The College also delivers some higher education courses in partnership with Teesside University. Courses on offer are often only two years in length; most are offered on a part-time basis, with some also available on a full-time basis. Most courses provide the opportunity for students to progress to other degree-level courses at Teesside University.

10.28 Again, this would suggest that the impact of students at the College on the local housing market is likely to be limited in Hartlepool.

10.29 Data from the 2021 Census indicates that there are approximately 2,500 students over the age of 18 who live in Hartlepool. Of these, the large majority live with their parents (60.5%). Only 274 students lived in all student households at the time of the Census[30].

10.30 Given the generally small number of students within Hartlepool who are living within all student households, it is not considered that there is a significant need to consider policy that deals explicitly with purpose-built student accommodation.

Service Families

10.31 Statistics from the Ministry of Defence on the location of service people across the UK detail that there are fewer than 10 MOD personnel stationed within Hartlepool. A significant majority of service people in the North East region are based in Northumberland.

[30] It should be noted that due to the timing of the 2021 Census day during Covid this may not be completely representative of the current picture.

10.32 Overall, the presence of regular forces in Hartlepool is not significant and is unlikely to have any implications on local affordability or the demand for housing. Therefore, a specific Local Plan policy for this group is not required.

10.33 That said, Annexe 2 of the NPPF identifies Military Personnel as Essential Key Workers. As such, accommodation comes explicitly under the definition of affordable housing.

10.34 Depending on their incomes, this group will already be accounted for within the affordable housing need and will essentially not be additional to it.

10.35 Although we do not recommend delivery of First Homes and the government has moved away from it as a product, the Planning Practice Guidance for First Homes allows local authorities to set out criteria for accessing such housing.

10.36 One such criterion could be a key worker requirement, which would include service personnel, should the council seek to deliver first homes.

10.37 The PPG also stipulates that “local connection criteria should be disapplied for all active members of the Armed Forces, divorced/separated spouses or civil partners of current members of the Armed Forces, spouses or civil partners of a deceased member of the armed forces (if their death was wholly or partly caused by their service) and veterans within 5 years of leaving the armed forces”.

10.38 The most acute and pressing issue is likely to be finding accommodation for those transitioning out of the forces, as well as existing personnel who are seeking to buy in the Borough.

10.39 Affordable Home Ownership could play a part in meeting this demand as it would provide a discounted route to home ownership. However, as

noted previously, this could be at the expense of other tenures, which typically address households in more acute need, i.e., affordable homes to rent.

10.40 In addition, the Allocation of Housing (Qualification Criteria for Armed Forces) (England) Regulations ensure that service personnel (including bereaved spouses or civil partners) are allowed to establish a 'local connection' with the area in which they are serving or have served.

10.41 This means that ex-service personnel would not suffer a disadvantage from any 'residence' criteria chosen by the Local Authority in their allocations policy.

Self and Custom Build

10.42 As of 1st April 2016, and in line with the Act and the Right to Build, relevant authorities in England are required to have established and publicised a self-build and custom housebuilding register which records those seeking to acquire serviced plots of land in the authority's area to build their own self-build and custom houses.

10.43 Furthermore, in line with the continued Government drive to support the self and custom-build sector, the latest National Planning Policy Framework (paragraphs 71 and 73(b), December 2024) duly recognises that it is important that a sufficient amount and variety of land can come forward where it is needed and that the needs of groups with specific housing requirements are addressed.

10.44 As part of this, the Framework (paragraph 63) states that:

"the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies, including…people wishing to commission or build their own homes" (our emphasis)

10.45 The Self-Build and Custom Housebuilding Planning Practice Guidance is a material consideration and draws on legislation set out under the 2015 Act and the 2016 Act but provides wider guidance on assessing demand and supporting self-build development.

10.46 In line with the legal duty placed on local authorities by the 2016 Act, the PPG reminds us that relevant authorities must give suitable development permission to enough suitable serviced plots of land to meet the demand for self-build and custom housebuilding in their area.

10.47 The level of demand is established by reference to the number of entries added to an authority's register during a 'base period'.

10.48 The first base period began on the day on which the register is established. Each subsequent base period is 12 months beginning immediately after the end of the previous base period. Subsequent base periods will therefore run from October 31st to October 30th each year.

10.49 At the end of each base period, relevant authorities have 3 years in which to meet their legal duty and grant permission for an equivalent number of plots of land, which are suitable for self-build and custom housebuilding, as there are entries for that base period.

10.50 The PPG states that local planning authorities should use the demand data from the registers in their area, but this should also be supported as necessary by additional data from secondary sources, to understand and consider the future need for this type of housing in their area when preparing housing needs assessments.

10.51 Concerning what a 'duty to grant planning permission etc' means, the PPG states that:

> *"Relevant authorities must give suitable development permission to enough suitable serviced plots of land to meet the demand for*

self-build and custom housebuilding in their area. The level of demand is established by reference to the number of entries added to an authority's register during a base period."

10.52 In respect of what having a 'duty as regards registers' means, the PPG states that:

"Section 2(1) of the Self-build and Custom Housebuilding Act 2015 places a duty on relevant bodies to have regard to each self-build and custom housebuilding register, including Part 2 of the register (where a register is in two parts), that relates to their area when carrying out their planning, housing, land disposal and regeneration functions." (our emphasis)

10.53 The PPG[31] is clear that self-build or custom build helps to diversify the housing market and increase consumer choice. Self-build and custom housebuilders choose the design and layout of their homes and can be innovative in both their design and construction.

Levelling Up and Regeneration Act (2023)

10.54 The Levelling Up and Regeneration Act (2023) made some amendments to the 2015 Self and Custom Housebuilding Act which advised how the supply and demand of self and custom build housing plots can be assessed.

10.55 When assessing demand, the LURA inserted in section 6 of the 2015 Act the following:

"(a) the demand for self-build and custom housebuilding in an authority's area in respect of a base period is the aggregate of—

(i) the demand for self-build and custom housebuilding arising in the authority's area in the base period; and

(ii) any demand for self-build and custom housebuilding that arose in the authority's area in an earlier base period and in relation to which—

[31] Paragraph: 16a Reference ID: 57-016a-20210208

(A) the time allowed for complying with the duty in subsection (2) expired during the base period in question, and

(B) the duty in subsection (2) has not been met;

(aa) the demand for self-build and custom housebuilding arising in an authority's area in a base period is evidenced by the number of entries added during that period to the register under section 1 kept by the authority;"

10.56 As a result, although each authority still has 3 years to meet the need that arises from the register, this need must now be counted cumulatively. For example, as of October 30, 2024, the need will be the cumulative demand shown in all base periods prior to October 30, 2021.

10.57 When considering the supply of plots LURA removes section 6(c) of the 2015 Act which read:

"development permission is 'suitable' if it is permission in respect of development that could include self-build and custom housebuilding"

10.58 This change means that the Council will therefore need to demonstrate that serviced plots have resulted in self and custom-build development rather than what could be self and custom-build plots, for example, on the assumption of a CIL exemption.

10.59 Essentially, this means that in order for planning permissions to be counted towards the supply of self and custom build homes, there needs to be evidence to show that this is what the development is for.

10.60 The exact detail of what can be considered appropriate evidence of a dwelling or planning application being specifically for self and custom build is still to be confirmed. Still, appeal case law gives some indication of what this may be.

10.61 Evidence that would confirm that a development is specifically for self and custom-build may include:

- Planning Condition attached to approval requiring the development to be carried out for self-build; or
- Confirmation through S106 agreement for self-build; or
- Requirement for the self-build nature of the scheme to be included within the description of the development.

10.62 On historic permissions, further evidence will likely be required to demonstrate that the development was self and custom-built, often this will be in the Design and Access Statement.

10.63 Although the regulations for what constitutes an appropriate permission for self-build are not yet known. It can be expected that regulations will reflect the 2015 Act (as amended) and existing PPG, demonstrating that the applicant/occupant has had “primary input” into the design of the scheme.

10.64 It is also likely that applications to replace existing dwellings with new self-build properties will constitute a fair proportion of the self-build supply, even though they do not result in a net gain of housing.

10.65 Going forward, the Authority will need to continue to monitor applications for self-build dwellings in Hartlepool. Ensuring that all supply permissions are evidenced as self-build will also be important to ensure that an assessment can be made on whether the duty is met correctly.

10.66 It may also be prudent for the Council to retrospectively assess supply permissions to properly ascertain which permissions are specifically for the carrying out of self and custom-build development.

Council Register

10.67 The Table below shows the register data for Hartlepool based on council monitoring as well as MHCLG right to build register monitoring.

Table 10.2 Self and Custom Build Register

Base Period	Annual Entries
Base Period 1 (1st April 2016 to 30th October 2016)	200
Base Period 2 (31st October 2016 to 30th October 2017)	11
Base Period 3 (31st October 2017 to 30th October 2018)	10
Base Period 4 (31st October 2018 to 30th October 2019)	8
Base Period 5 (31st October 2019 to 30th October 2020)	9
Base Period 6 (31st October 2020 to 30th October 2021)	13
Base Period 7 (31st October 2021 to 30th October 2022)	2
Base Period 8 (31st October 2022 to 30th October 2023)	2
Base Period 9 (31st October 2023 to 30th October 2024)	6
Total	**261**
Average	**35**

Source: Right to Build Register Monitoring

10.68 The council have 3 years from an individual's entry to the register to permit a plot to satisfy the need they create. Therefore, as of October 30, 2025, the need is the cumulative total entries on the register at the end of Base Period 6 (October 30, 2022), which was 253.

10.69 On the 30th of October 2026, the need will rise to the cumulative total entries on the register at the end of Base Period 7 (30th of October 2022), which would be 255.

10.70 The Council have provided data on the number of self-build planning approvals that have been made since 2016, these are split by calendar year rather that by base period and are shown below.

Table 10.3 Self and Custom Build Permissions

Base Period	Permissions
2016	2
2017	1
2018	9
2019	10
2020	1
2021	30
2022	2
Total	**55**
Average	**7.8**

Source: Council Data

10.71 With 55 self and custom build permissions allowed in Hartlepool since 2016, the need is currently not being met with an overall supply shortfall of 196 plots; this would rise to 197 plots in October 2026 if no further suitable permissions are allowed in the current base period.

10.72 As well as the backlog need, in taking this assessment forward, the council will need to address the scale of any future registrations. An indication of this can be gleaned from past trends, which suggest a need for 35 suitable plots per base period.

Supply Monitoring

10.73 As discussed earlier, changes made by the Levelling Up and Regeneration Act (2023) have amended how supply permissions can be counted.

10.74 Going forward, we recommend that the Council consider monitoring receipts of CIL Self-Build Exemption Form 7 **Part 1 and Part 2** if received (providing these are filled out correctly and contain other evidence proving that a development is self or custom build). The Council can also count permissions given through the development management process.

10.75 The Council could also consider all planning applications for self-build development to submit a Self-Build Delivery Statement at the validation stage or during the decision-making process to confirm the development will be brought forward as self or custom build.

10.76 Examples of this include those sought in Mid-Sussex[32] as well as in East Suffolk[33]. This would enable the council to stay ahead of the supply process and ensure that all supply permissions are accounted for, not just those that are fully developed.

10.77 Supply permissions should be able to demonstrate that they will result in the delivery of a self and custom build dwelling. Legal agreements, such as Unilateral Undertakings and S106 agreements, can also confirm this, as can conditions attached to planning permissions and descriptions of development specifying self and custom build.

Broader demand evidence

10.78 To supplement the data from the Council's register(s), we have looked to secondary sources as recommended by the PPG, which, for this report, is data from NaCSBA – the National Custom and Self-build Association.

10.79 First, it is worth highlighting that the October 2020 survey undertaken by YouGov on behalf of NaCSBA found that 1 in 3 people (32%) are interested in building their own home at some point in the future, including 12% who said they were very interested.

10.80 Notably, almost half (48%) of those aged between 18 and 24 were interested in building their own home, compared to just 18% of those aged 55 and over.

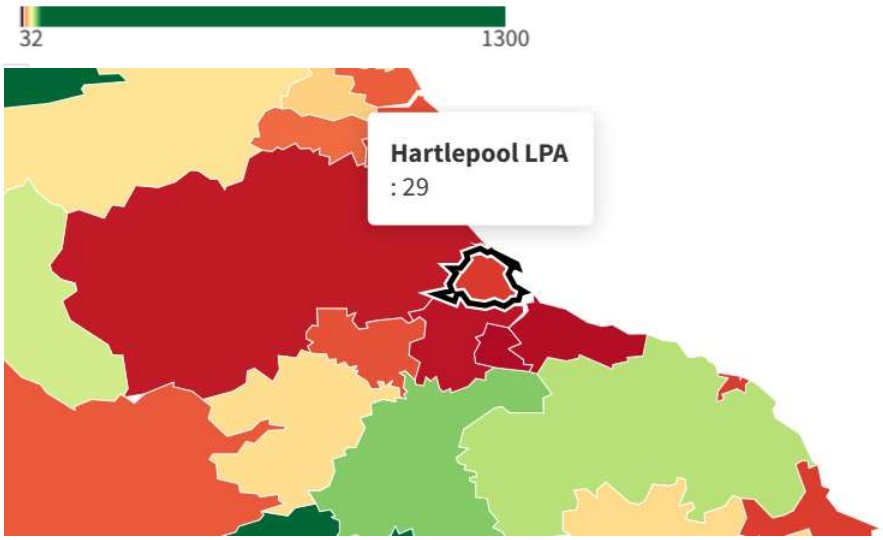
[32] Self-build and Custom Build Statement
[33] Custom-and-Self-build-Delivery-Statement-Template.pdf

10.81 This is notable as, traditionally, self-build has been seen as the reserve of older members of society aged 55 and over, with equity in their property.

10.82 Secondly, we can draw on NaCSBA data to better understand the level of demand for serviced plots in Hartlepool in relative terms. The association published an analysis with supporting maps and commentary titled “Mapping the Right to Build” in 2020.

10.83 This document includes an output on the demand for serviced plots as a proportion of the total population relative to all other local authorities across England (see Figure below).

Figure 10.1 Total registrations per 100,000 population in Hartlepool (2020)



Source: NaCSBA

10.84 This shows that the demand in Hartlepool was 29 per 100,000 population. Based on the population of Hartlepool in 2021, this would equate to a need for 26 serviced plots.

10.85 Despite the figure from NaCSBA being lower than the level of demand shown on the register, the Council still must permit enough plots for self and custom build as indicated by the register.

Policy Response

10.86 The Self-Build and Custom Housebuilding PPG sets out how authorities can increase the number of planning permissions which are suitable for self-build and custom housebuilding and support the sector.

10.87 The PPG[34] Is clear that authorities should consider how local planning policies may address identified requirements for self and custom housebuilding to ensure enough serviced plots with suitable permission come forward and can focus on playing a key role in facilitating relationships to bring land forward.

10.88 There are several measures which can be used to do this, including but not limited to:

- supporting Neighbourhood Planning groups where they choose to include self-build and custom-build housing policies in their plans;
- working with Homes England to unlock land and sites in wider public ownership to deliver self-build and custom-build housing;
- when engaging with developers and landowners who own sites that are suitable for housing, encouraging them to consider self-build and custom housebuilding, and facilitating access to those on the register where the landowner is interested; and
- working with local partners, such as Housing Associations and third sector groups, to custom build affordable housing for veterans and other groups in acute housing need.

10.89 An increasing number of local planning authorities have adopted specific self-build and custom housebuilding policies in their respective Local Plans to encourage delivery, promote and boost housing supply.

10.90 There are also several appeal decisions in the context of decision-making which have found that paragraph 11(d) of the Framework is

[34] Paragraph: 025 Reference ID: 57-025-20210508

engaged in the absence of a specific policy on self-build housing when this is the focus of a planning application.

10.91 There are a number of policy levers which the council could consider as part of their response to the historic unmet need for custom and self-build housing in the borough. These include:

- **General Support Policies** - Although these set out the council's intentions to support housing, they are weak unless supplemented with clear guidance and expectations regarding how self and custom build can be delivered.
- **Housing Mix Policies** – Such policies are more of strategic in nature but could address Self and Custom Build need as well as built form and the size and tenure of homes. However, such policies are unlikely to be applicable to every site.
- **Percentage Policies –** This approach seeks a specific percentage of plots from typically large sites. It is a good way of generating supply, but the council need to ensure the supply is reliable. The scale of the site and the percentage to be applied should reflect the identified need and the likely delivery.
- **Site Allocations –** The Council could also consider allocating sites specifically for Self and Custom Build use. This could be council-owned sites or smaller sites in a particular location of high demand. Such sites provide greater certainty for delivery but may not be welcomed by the site owner.
- **Exception Sites –** Allows Self and Custom Build homes to be built where the market will not deliver, e.g. small sites in remote areas
- **Criteria-Based Polices – Establish criteria that must be met for planning to be supported, e.g. limiting the number of developments in each parish, garden sites, infill sites,** etc.

10.92 No single policy choice will be fully effective; therefore, the Council should consider which suite of policies will be most effective in Hartlepool.

10.93 When examining the future supply, either through site allocations or that resultant from percentage policies, the council should ensure that a mix of sites is forthcoming.

This should include both small sites that are primed for early delivery and large sites that could be sustained later into the plan period. There should also be a wide spread of sites across the borough, not just in one settlement. The register can inform the location of these sites.

10.94 If the Council do not wish to pursue a percentage policy, then, given typical build-out rates, it should only seek to enforce such plots on larger sites.

10.95 This could be applied to sites of 70 dwellings or more based on average annual completions on sites with one sales outlet of 69 units. This means that anything above this threshold would deliver over a more extended period than 12 months.

10.96 These plots should be marketed appropriately for 6 months (online and offline at realistic prices). Then the developer can revert to delivering these sites as market accommodation without significantly elongating the build-out period.

10.97 The Council may also wish to consider making the first three months of marketing these plots to those with a local connection or on the custom and self-build register, with the remaining time widening it out to anyone else.

10.98 In order to provide greater clarity to the development industry, the council may wish to consider publishing supporting text or additional guidance on matters relating to:

- Design codes
- Phasing
- Marketing strategies
- S106 Clauses
- Validation requirements (e.g. delivery statements)

- Affordable Contributions

10.99 A further consideration for the Council is that, when demonstrating supply to meet this demand, the Levelling Up and Regeneration Bill makes it harder for Councils to count CIL exemption sites.

10.100 They now must demonstrate that these homes are specifically for self or custom-built occupiers. The Council should therefore adapt its monitoring accordingly.

Other Specific Groups - Summary

Looked after Children and Care Leavers

10.101 The Council has not published a sufficiency strategy for this group, nor was anyone available to speak to us in relation to this study. It is therefore difficult for us to reflect on the needs of this group either currently or in future.

10.102 However, what we do know is that the population projection linked to the standard method, the school-aged population (under 16), is projected to decline significantly between now and the end of the plan period (-14%).

Students

10.103 Hartlepool is home to the Northern School of Art as well as Hartlepool College, which both offer Further and Higher Education level qualifications.

10.104 Data from the 2021 Census indicates that there are approximately 2,500 students over the age of 18, most of whom live with their parents (60.5%).

10.105 Given the generally small number of students within Hartlepool who are living within all student households, it is not considered that there is a

significant need to consider policy that deals explicitly with student accommodation.

Service Families

10.106 MOD statistics suggest that there are fewer than 10 MOD personnel stationed within Hartlepool.

10.107 Overall, the presence of regular forces in Hartlepool is not significant and is unlikely to have any implications on local affordability or the demand for housing. Therefore, a specific Local Plan policy for this group is not required.

Self and Custom Build

10.108 The Council's Self and Custom build register currently contains 261 entries; this is set against three permissions having been granted for self and custom build since the register was introduced.

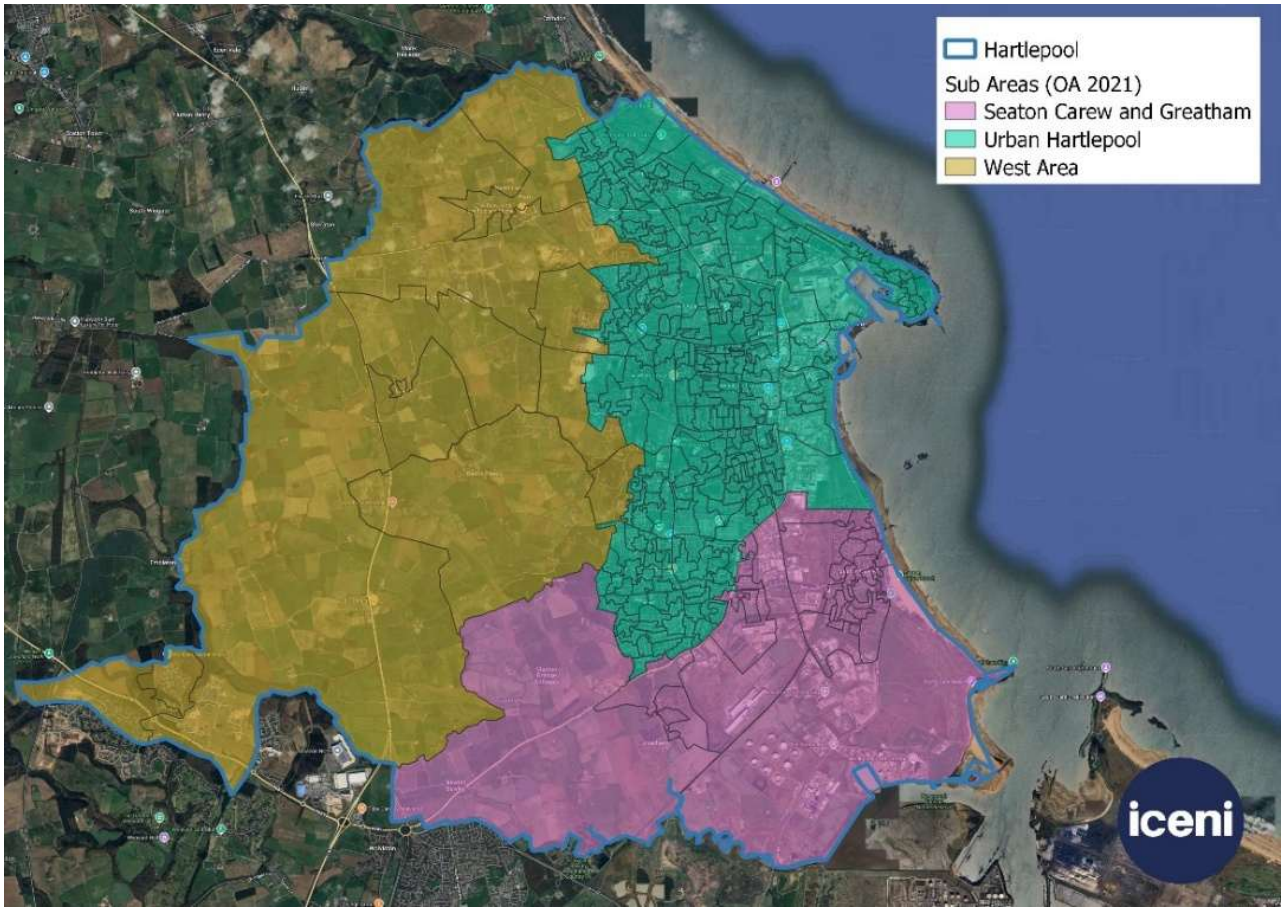
10.109 Therefore, there is currently a shortfall against the need for self and custom-built housing in Hartlepool.

10.110 Going forward, the council may wish to consider the supply of permissions in more detail. Requiring all applications for this type of development to submit a Self-Build Delivery Statement is one example of this.

10.111 The Council could also seek to introduce specific policies on self and custom housebuilding.

10.112 These policies typically express support for self-build and custom housebuilding, require that a minimum proportion of plots within development schemes (often over a certain size) be offered to self-builders or as custom-build plots and/or allocation of sites solely for their use.

A1. Sub Areas


Hartlepool
Sub Areas (OA 2021)
Seaton Carew and Greatham
Urban Hartlepool
West Area
iceni

A2. Glossary

- **A4D - Article 4 Direction:** A direction made by a local planning authority that removes specified permitted development rights in a defined area (e.g., requiring planning permission for change of use from C3 to C4 HMOs).
- **Affordable Housing:** Housing for sale or rent for people whose needs are not met by the market, as defined in the National Planning Policy Framework (NPPF). Includes rented products and affordable home ownership products.
- **AHO - Affordable Home Ownership:** Affordable housing products intended to support home ownership (e.g. shared ownership, First Homes, discounted market sale), subject to NPPF definitions and local policy.
- **Affordable Private Rent:** A form of affordable housing commonly associated with Build-to-Rent, typically provided at a discount to market rent and managed alongside market rent homes.
- **BRMA - Broad Rental Market Area**: A geographical area used to set Local Housing Allowance (LHA) rates, reflecting the local rental market.
- **Buy-to-Let:** Purchase of residential property with the intention of renting it out, usually financed via a buy-to-let mortgage product.
- **BTR - Build-to-Rent:** Purpose-built housing that is typically 100% rented out and held in single ownership/management, intended for long-term rent rather than sale.
- **DPA - Dwellings Per Annum:** Dwellings per annum (a yearly housing delivery/need figure).
- **EAC** - Elderly Accommodation Counsel
- **EAR – Economic Activity Rate:** The proportion of the working-age population who are either in employment or unemployed but actively seeking work, representing those who are participating in the labour market rather than being economically inactive.
- **FTB - First-Time Buyer:** A household purchasing a home for the first time (i.e., not previously a homeowner).
- **HBC -** Hartlepool Borough Council.

- **HB - Housing Benefit:** A benefit supporting housing costs for eligible claimants (largely replaced for new working-age claimants by Universal Credit).
- **HMA - Housing Market Area:** A geographical area defined by household demand and preferences for housing, reflecting functional linkages between where people live and work (as described in Planning Practice Guidance).
- **HMO - House in Multiple Occupation:** A property occupied by multiple households who share facilities. In planning terms, small HMOs are typically C4 (3–6 occupants); larger HMOs may be sui generis.
- **LHA - Local Housing Allowance:** A set of maximum housing cost rates used to calculate Housing Benefit/Universal Credit housing support in the private rented sector, set by BRMA.
- **MHCLG / DLUHC - Ministry of Housing, Communities and Local Government / Department for Levelling Up, Housing and Communities:** Government department responsible for housing and local government policy. (Department names have changed over time; datasets/tables may still refer to MHCLG or DLUHC depending on the date data was published)
- **MSOA - Middle Layer Super Output Area**: A statistical geography used for publishing data
- **MYE** – **Mid-year population estimates:** ONS annual population estimates
- **NPPF - National Planning Policy Framework**
- **OBR – Office for Budget Responsibility**
- **ONS - Office for National Statistics**
- **PAS - Planning Advisory Service**: Provides advice and resources to local authorities on plan-making and related matters
- **PPG - Planning Practice Guidance:** Online guidance supporting the NPPF
- **PRS - Private Rented Sector:** Homes rented from private landlords (including some institutional landlords), excluding social rented housing.
- **SHMA - Strategic Housing Market Assessment**
- **SM – Standard Method:** Government methodology (set out in PPG) used to calculate an indicative level of local housing need for plan-making

- **SNPP – Subnational Population Projections:** ONS projections of population by local authority
- **UC – Universal Credit**: A benefit that can include a housing costs element, replacing Housing Benefit for most working-age claimants.