

Meeting: Housing Sub-Committee

Date: 22nd July 2019

Title: Progress Update on the Affordable Homes Programme

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Service: Environment, Housing & Leisure

Wards affected: All

1. Purpose of Report

To provide the Housing Sub-Committee with a summary of the delivery of affordable homes in 2018/19 and provide an update on the plans for 2019/20.

2. Recommendations

- To note the progress to date and anticipated delivery going forward.

3. Details

The Mayor and Cabinet clearly stated their policy intention in the Our North Tyneside Plan that the Authority will deliver “more quality affordable homes.”

In the 10 years to 2013, a total of 789 new affordable homes were delivered within the Borough. In October 2013, Cabinet agreed an ambitious target to increase the pace and scale of the Affordable Homes Programme within North Tyneside through the delivery of 3,000 affordable homes over the next 10 years. This includes new Council housing as well as delivery through the Authority’s strategic and enabling role, working with Homes England, Registered Providers (RPs) and developers to meet a range of housing needs including the needs of vulnerable groups. The Authority is also bringing empty properties back into use as affordable housing.

The Housing Strategy 2016-2021: a Great Place to Live was adopted at Cabinet in January 2017 and sets out the aspirations for housing, including affordable housing, in the borough over a 5 year period.

The need for affordable housing is further supported by the Strategic Housing Market Assessment (SHMA) 2014; this provides a clear evidence base on the level of housing need within the Borough, including the need for affordable housing. A Market Position Statement for Specialist Housing has also been developed by Housing Services with support from Adult Social Care and Children’s Services. This sets out the type and number of specialist homes needed in the future in the borough.

In addition, an Affordable Housing Needs Assessment tool has been developed. This brings together a range of information (e.g. SHMA, Census data, Market Position Statement, demand from our housing register) and is used to assess the type and size of affordable housing needed on individual sites.

4. Affordable Homes Programme Overview

Since the inception of the Affordable Homes Programme, the total number of new affordable homes delivered stands at 1,430. To date this year, 50 new affordable homes have been delivered and we remain on target to achieve 200 new homes this financial year. A breakdown of the overall delivery programme is given in Appendix 1.

4.1 Housing Revenue Account (HRA)

The Council directly delivered 26 affordable homes in 2018/19 with 20 new build homes delivered at the site of the former Dudley and Weetslade Club and the conversion of the council building at Perth Gardens into 6 flats.

The Council has already completed 22 new affordable homes in 2019/20 on the former sites of Bonchester Court and Beadnell Court with substantial preparation work also undertaken to bring forward a range of sites for future development by the Authority. Details of proposed HRA schemes that were approved by Cabinet on the 28th May 2019 include:

Former Bonchester Court - The construction phase is now complete on 13 homes consisting of 5 x 2 bed bungalows and 8 x 1 bed apartments.



Former Beadnell Court - 9 properties are now complete at the site of the former Beadnell Court. The development consists of 3 x 2 bed bungalows and 6 x 1 bed apartments.

Site of former care home ‘The Cedars’, Morwick Road (12 homes) – Following Cabinet approval for the scheme to progress, the design team are working up the detailed plans. Civil and structural design services are in the process of being procured to complete the studies required for the mineshaft mitigation and enabling works on the access road leading to the site. This project remains on programme to begin work on site in early in 2020.

Edwin Grove, Wallsend (3 homes) – A Pre-Planning Consultation Event was held on 10th June with local residents along with staff from the Commissioning Team with the plans well received. The Design Team have begun to progress with detailed design stages and this project remains on programme to begin work on site in early in 2020.

Bawtry Court, Battle Hill (10 homes) – Pre-Planning Application comments have been sought in relation to this scheme, with early design work suggesting that a 10, 2-bed general needs scheme could be brought forward.

Wellington Avenue, Wellfield (2 homes) – The Council is currently awaiting for a Compulsory Purchase Order (CPO) to be signed-off to bring the long-term empty property into Council ownership. Currently plans for this would see the demolition of the existing buildings and the construction of 2 new council dwellings.

Murton West (100 homes) – Design work for this scheme will be completed this year and will it is proposed that a 100 affordable homes will be provided on the site. This will include a new 45-bed extra care scheme and 55 new bungalows of which 26 will be specialist. The planning application for our site will be submitted as part of the hybrid planning application for the whole of the Murton site led by Persimmon later this year.

4.2 Working with Registered Providers (RPs)

RPs delivered 10 affordable homes in 2018/19 including 6 new build homes at Glebe Crescent, Forest Hall, and 4 at Western Terrace, Dudley.

In 2019/20 13 new homes for clients with learning disabilities will be delivered by Home Housing at Charlton Court, Monkseaton this will be completed in July 2019. The Authority continues to work closely with RPs to identify opportunities and funding to meet housing need in the Borough.

The Authority is working with Bernicia to assess the feasibility of developing affordable homes at Castle Square in Backworth. The potential scheme would see Bernicia deliver 30 new affordable homes and improved open green space.

Registered Providers remain keen to develop homes in North Tyneside and are looking to source their own land in order to provide new homes. Bernicia has recently submitted a request for planning permission to build 11 affordable homes on the site of the former Miners Welfare Club in Dudley.

4.3 Empty Homes

In 2018/19, the team dealt with issues relating to 25 long-term problematic empty homes, 4 of which were returned to use as affordable housing units. In addition over 860 owners were contacted directly to offer assistance in dealing with their empty homes with assistance provided to the owners of 50 long term empty properties to help return them to occupation.

After successfully securing a grant commitment from Homes England of £0.347m work continues to achieve the target of 10 properties for 2019-20. Currently 9 properties from across the borough have been surveyed and instruction given to the Councils legal team to negotiate and enter into appropriate leases. Refurbishments will start on site on 2 properties in Park Road, Wallsend (pictured) in August.



Further opportunities are being explored to tackle rogue landlords and work is underway to assess the feasibility of dealing with a number of long-term empty properties owned by a single “rogue” landlord in Charlotte Street in Wallsend.

The Empty Homes Programme will continue to target the properties which have the greatest impact on communities within North Tyneside and which support vulnerable housing markets. The aim is to recycle as much of the capital investment in our schemes as possible to allow sustainable on-going support for empty homes work.

4.4 Volume Builders

Delivering affordable housing through planning obligations is central to meeting the need for affordable housing in the Borough. Section 106 Town and Country Planning Act 1991 Agreements (S106 agreements) are used by the Authority to secure 25% affordable housing on the majority of relevant sites (developments with 11 or more units).

197 new affordable homes were delivered through S106 agreements in 2018/19 and in quarter 1 of 2019/20, 12 S106 affordable homes have been secured against a target of 124. The market for housing remains strong across North Tyneside and the delivery of affordable homes should increase once the strategic sites at Murton and Killingworth commence development.

4.5 North Tyneside Development Company

In October 2013, Cabinet acknowledged that there were gaps in the Affordable Homes Delivery Programme and that the Authority needed to act to create capacity and capability to fill those gaps. It was also recognised that new creative models for the development of affordable homes were emerging in response to the difficult market and that these should be investigated and tested to explore whether they would be applicable in North Tyneside. This Committee played a key role in option appraisal of this.

Cabinet agreed in March 2015 to the establishment of a wholly owned subsidiary of the North Tyneside Trading Company, North Tyneside Trading Company (Development) Limited, to deliver affordable homes within existing resources.

To increase the pace of delivery, the Company has since pursued an acquisition strategy buying homes from the open market across the borough. This has been very successful and the Company purchased 13 homes in 2018/19 bringing the total number of homes owned up to 35. The Company's Business Plan will see a further 15 homes purchased by 31st March 2020. So far this year the Company has already purchased 3 homes and has had offers accepted on a further 3 more. These properties are all for affordable rent.



4.6 Specialist Housing

To date, good progress is being made delivering specialist homes through the Specialist Housing Project.

Planning permission has been granted at Oswin Road, Forest Hall for two residential buildings comprising a total of 16 supported living apartments. The site will be developed by Mersten Limited for clients with mental health issues.

Planning permission has also been granted for 32 specialist homes on land north west of Briardene Way in Backworth. 28 extra care apartments will be provided specialising in clients with dementia and 4 bungalows for clients with autism.

Karbon Homes are working in partnership with the Percy Hedley Foundation to provide 32 homes for persons with cerebral palsy, communication impairments, sensory impairments and complex learning, social care and therapeutic needs. The site is currently going through planning permission.

5. Summary

Delivery of affordable homes continues to be a success in North Tyneside and we remain on course to achieve the target of 200 new homes this year within the Affordable Homes Programme and remain confident that the programme will deliver the target of 3,000 much needed new affordable homes by 2024.

6. Background Information

The following documents have been used in the compilation of this report and may be inspected at the offices of the author.

- (1) [Cabinet Paper May 28 2019 ITEM 5d title: "Delivering Affordable Homes"](#)
- (2) [Cabinet Paper April 9 2019 ITEM 6b title: "Delivering the Affordable Homes Programme"](#)
- (3) [Cabinet Paper February 13 2017 ITEM title: "North Tyneside Council's Housing Strategy - 2016-2021: A Great Place to Live"](#)
- (4) [Cabinet Paper November 2016 ITEM title: "Delivering Housing Growth through the North Tyneside Trading Company"](#)
- (5) [Cabinet Paper September 14 2015 ITEM title: "Delivering Affordable Homes"](#)
- (6) [Core Strategy Preferred Options 2010](#)

Appendix 1 - Indicative Affordable Homes Delivery Programme 2014-2024

Delivery Method	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Total
HRA	14	99	6	6	26	22	36	35	35	35	314
Registered Provider	87	18	52	81	10	13	32	33	33	33	392
Volume Builders	55	41	77	146	197	124	181	227	209	191	1,448
Empty Homes	13	8	4	1	4	10	5	5	5	10	65
NT Living	96	72	195	0	0	0	0	0	0	0	363
NTTC	0	0	13	9	13	15	14	15	17	16	112
Specialist Housing	0	0	0	37	0	16	98	50	50	55	306
Total	265	238	347	280	250	200	366	365	349	340	3,000