



**Community  
Foundation**  
Tyne & Wear and Northumberland



# County Durham and Darlington's Vital Issues 2017

## Housing and homelessness

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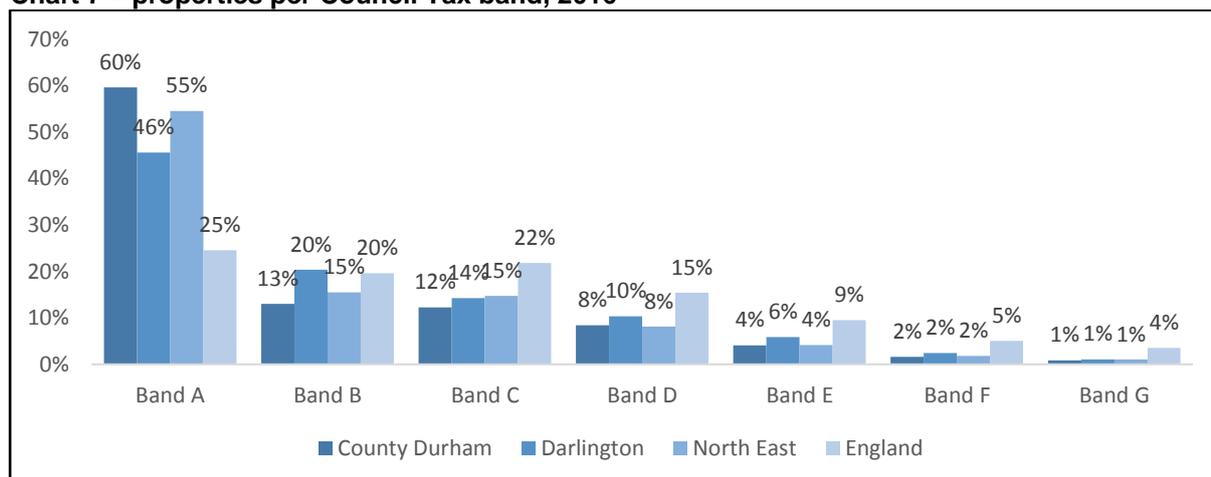
## 1.1 Overview

The national housing shortage has been big news for a long time in the UK, with Councils being encouraged to build far more homes, including on green belt land, and house prices continuing to soar in areas where demand exceeds supply. In the NE region, the shortage is less acute, reflected in lower house prices in most areas, but issues remain around the affordability, condition and appropriateness of the housing stock for current and future needs, while changes to benefits mean many people are increasingly struggling to afford to cover their housing costs.

## 1.2 Housing stock and tenure

Most of the housing stock in County Durham falls into Council tax band A, which is the lowest band and applies to the lowest value properties. In Darlington, 46% of homes are in this band and 20% in band B. This implies that in both areas the average housing valuation is lower than the England average, and in the case of Durham, also lower than the NE average. This should imply that County Durham and Darlington are very affordable places to live.

Chart 7 – properties per Council Tax band, 2016<sup>i</sup>



In 2016, there were 239,685 homes in County Durham, of which 11,522 (4.8%) were unoccupied.<sup>ii</sup> The occupancy rate varies considerably across the county, ranging from 90% occupancy in Weardale to 98% in Great Ayton and Middridge<sup>iii</sup>. Shelter (the national housing and homelessness charity) estimates that over 1/3 of all unoccupied homes have been so for at least six months, so meet the definition of an 'empty home'<sup>iv</sup> suggesting approximately 1.3%, or over 3,200 individual dwellings in County Durham have been empty for at least six months. In Darlington, approximately 1% of homes are empty, and 230 dwellings have been empty for at least 2 years<sup>v</sup>.

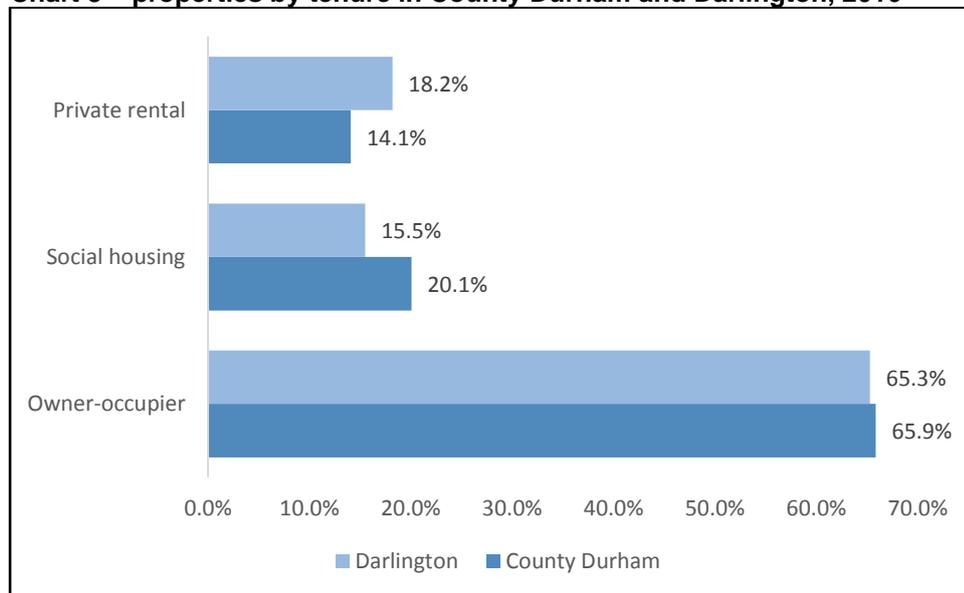
The Department for Communities and Local Government has provided funding for some empty homes to be redeveloped, and regional charities including Five Lamps and Changing Lives were able to access funding to support the redevelopment of some properties in County Durham. Given the number of empty homes in communities across County Durham and Darlington, there would be scope for more of this kind of development to take place, though it will be important to ensure that

there are local jobs and amenities available to guarantee that tenancies can be sustained. This means a more cross-cutting approach may be required, with whole community regeneration involving all sections of the local community, rather than just focusing on homes.

Empty homes can also be brought back into use to provide housing for specific groups, for instance, the charity Single Homeless: Action Initiative Durham (SHAID) in Stanley were able to secure funding from the Police & Crime Commissioner's fund to refurbish two houses and provide accommodation for ex-convicts who would otherwise have struggled to secure appropriate accommodation.

Chart 8, below, shows the tenure of properties across County Durham. Almost two thirds of properties are owner occupied, 36% mortgage-free, and 30% with a mortgage. A further 20% rent from social providers and 14% rent privately. In Darlington, a very similar proportion are owner-occupiers, but there is a reversal in the rental sector, with 18% in private rentals and 15% in social housing.

**Chart 8 – properties by tenure in County Durham and Darlington, 2016<sup>vi vii</sup>**



### 1.3 Average property prices

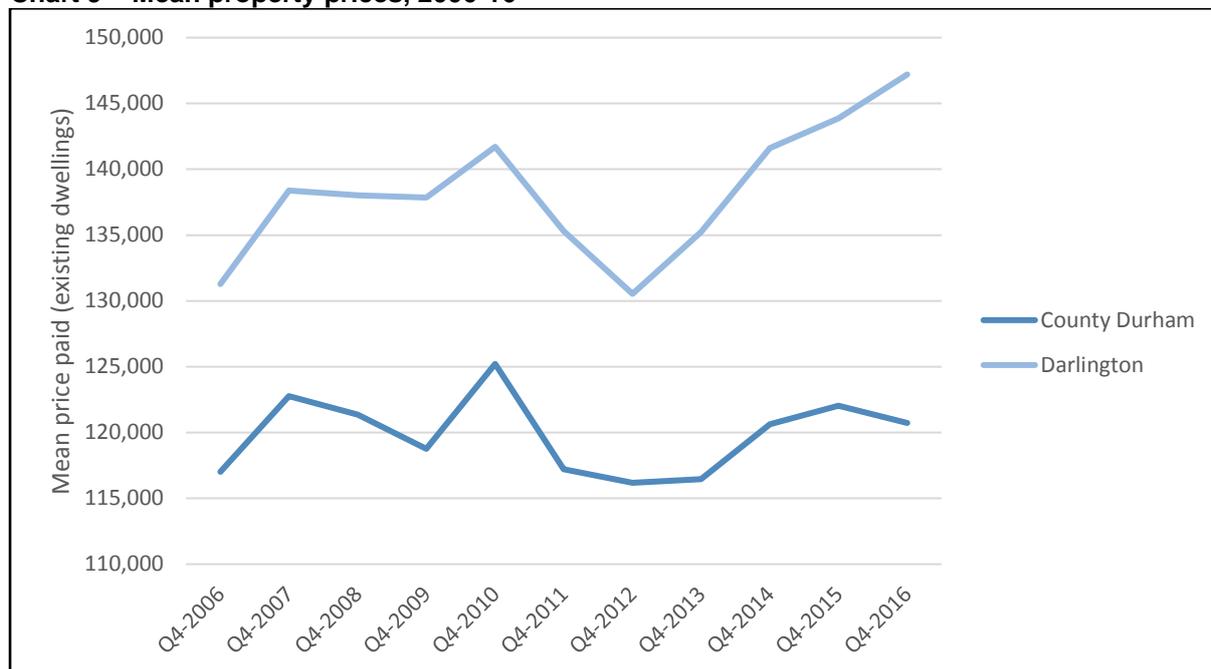
The NE region has not had the rapid property price inflation experienced in the South of the country. After the economic crash of 2008, prices fell rapidly in many areas, and, in some places, have taken many years to recover to their pre-crash levels, while in other neighbourhoods prices are rising more quickly again.

Prices have risen far more quickly in Darlington than County Durham, with the average Darlington property increasing from £130k to £148 in the ten years 2006-16, whereas in County Durham prices have been more variable, and by 2016 were only about £4k more than a decade earlier.

Again, this masks a range of different outcomes in different areas. In Durham City, prices rose by 7% between 2008 and 2014, and in the 4 Together AAP (which stretches from Chilton to Cornforth) the rise was 8%. At the same time, prices

crashed by 15% in Weardale and 20% in Stanley<sup>viii</sup>, potentially leaving people with negative equity.

**Chart 9 – Mean property prices, 2006-16<sup>ix</sup>**



Nevertheless, looking at house prices in isolation doesn't tell you whether people's wages are sufficient to be able to afford to buy. In Darlington, the average ratio of earnings to house prices fell from 5.7 to 4.92 between 2006 and 2016, meaning that homes should be becoming more affordable. Earlier figures are not available for County Durham, but in 2016 the ratio was 4.55, suggesting that homes in County Durham should be even more affordable, given the wages in the area<sup>x</sup>.

These ratios suggest that homes in Darlington and County Durham are among the most affordable in the country, and are even low for the NE region.

Despite this, young people in rural areas are often priced out of the housing market. There is a shortage of housing available, particularly in areas where there is antipathy towards new housing being built, meaning prices remain high. Where wages are low this makes house-buying unaffordable. This is exacerbated when people inherit houses and use them as holiday homes, often only visiting for a few weekends a year, contributing little to the local economy, and leaving the house empty most of the time.

#### 1.4 Rental market

Table 37 shows that average rental costs in Darlington and County Durham are very similar, with just a £5/wk difference in social housing rents. Private rental costs are also very similar in Darlington and County Durham, and £31 to £35 per week higher than in social housing (over £1,500 pa). This creates a significant barrier to entry of the private sector.

Another barrier can be the requirement to pay a bond and/or rent in advance, which is not affordable for many people, including a lot of young people and people on benefits or limited incomes.

**Table 37 - Average weekly rents by landlord, 2015**

	Local authority	Housing Assoc / Private registered provider	Private landlord
County Durham		£75.61	£107.02
Darlington	£72.88	£80.72	£107.94

For many people working in agriculture in the Durham Dales, being a tenanted hill farmer means they have little control over the condition of their property, or the services available to them, and there are big differences in the amount of rent payable depending on how vocal the tenant is, who the landlord is, and the relationship between the two of them. Some landlords are quite progressive and will invest in their properties, whereas others are not interested in change and apply pressure to prevent it happening, for instance attempting to block broadband installation on their land.

### 1.5 Changes to housing and other benefits

Recent changes to eligibility criteria for housing benefit mean that many more people may find themselves unable to secure and maintain a tenancy due to restrictions on the amount of rent that will be covered through housing benefit:

- single young people aged 18-21 are not eligible for any housing benefit
- single people aged 22-35 can only get housing benefit to pay for a single room in shared accommodation or a bedsit
- the introduction of the underoccupancy charge (bedroom tax) means that those with more bedrooms than deemed necessary are expected to pay a proportion of their rent themselves
- the introduction of the benefits cap for those on Housing Benefit and Universal Credit means the total amount payable for all benefits per week is limited to £384.62/wk (or £257.69 for single people without children).

In addition, further issues are caused by:

- most benefits being subject to a benefits freeze until 2020, meaning they will not increase in monetary terms during that time, further reducing the value of the benefits payable
- the difficulties in rolling out Universal Credit, meaning that claimants wait a minimum of 6 weeks, and up to 12 weeks to receive any benefit, leaving them without any resources to pay rent
- a lack of one-bedroom rental accommodation, meaning some people are locked into larger properties and face having to pay the bedroom tax, while others cannot find suitable accommodation in which to live
- where new property is built it tends to be for sale only, locking out people who cannot afford, or cannot access, mortgage finance.

As a result, more and more people will struggle to meet their monthly rent, leaving them in danger of facing eviction.

## 1.6 Homelessness

The number of people officially recognised as homeless appears to be falling throughout the NE region including in County Durham and Darlington. This is contrary to the national picture of rising homelessness, however organisations working in the homelessness field argue the recorded figures vastly underestimate the size of the problem due to the tight restrictions on who is eligible to be counted as 'homeless'. Anyone deemed to be intentionally homeless (for example because of failure to pay rent, or giving up a home where they reasonably could have lived) is excluded from the figures.

**Table 38 - Local authorities' actions in relation to homelessness applications<sup>xi</sup>**

	County Durham		Darlington		North East	
	2012	2016	2012	2016	2012	2016
<b>Decisions taken:</b>						
Accepted as being homeless and a priority need	339	170	28	14	1800	1334
<i>Number per 1,000 households</i>	<i>1.51</i>	<i>0.74</i>	<i>0.6</i>	<i>0.3</i>	<i>1.62</i>	<i>1.15</i>
<b>Eligible but not accepted:</b>						
Homeless and in priority need, but intentionally	51	30	19	14	210	123
Homeless but not in priority need	172	51	1	5	1270	743
Not homeless	248	10	2	14	1340	1020
<b>Total decisions</b>	<b>810</b>	<b>261</b>	<b>50</b>	<b>47</b>	<b>4630</b>	<b>3700</b>
<b>Accommodation secured by LA:</b>						
Bed and breakfast (including shared annexe)	1				60	0
Hostels	3				20	8
LA/HA stock	20			8	120	100
Private sector leased (by LA or HA)		5				14
Other types (including private landlord)						
<b>Total in temporary accommodation</b>	<b>24</b>	<b>8</b>		<b>12</b>	<b>210</b>	<b>141</b>
<i>Number per 1,000 households</i>	<i>0.11</i>	<i>0.03</i>	<i>0</i>	<i>0.25</i>	<i>0.19</i>	<i>0.12</i>
Duty owed but no accommodation has been secured at end of March 2015	76	21			450	337

During the period 2012-16 there was a massive drop in the number of homelessness decisions made in County Durham from 810 to 261. The number of people accepted as homeless and a priority halved in this time, and there were drops in each of the 'eligible' categories too. In Darlington, the number of decisions made only fell by 3, but again there was a drop of around 50% in the number of people accepted as homeless and a priority.

The Youth Homelessness Databank established by Centrepoin provides estimates of the number of young people who are homeless or at risk of homelessness in an area. Their analysis for the County Durham and Darlington is given at Table 39 below. Although several of the figures are missing (the databank is still in development), across the whole dataset there appears to be a reasonably consistent pattern of central government estimates being lower than local authority and/or charity estimates. This is because the local government and charity estimates are based on actual consultations with young people who are, or at risk of, homelessness, so includes all those young people who are sofa-surfing, rough sleeping, or sleeping in cars and do not count as homeless because they are judged to have become so intentionally.

This is likely to be an increasingly useful source of information on youth homelessness as the datasets increase.

**Table 39 – different agencies' analysis of numbers of homeless young people<sup>xii</sup>**

Area	Central government		Local government		Charities	
	2012-13	2015-16	2012-13	2015-16	2012-13	2015-16
County Durham	156	15	<i>no data</i>	325	162	<i>no data</i>
Darlington	32	18	<i>no data</i>	<i>no data</i>	<i>no data</i>	15

## 1.7 Rough Sleeping

Recent reports have indicated a massive increase in the number of people sleeping rough throughout the UK<sup>xiii</sup> and there are concerns that this figure will continue to increase with widespread cuts to housing support services traditionally provided or funded by local authorities. While recorded rates of rough sleeping are relatively low in Darlington and County Durham, many suspect the official figures underestimate the size of the problem, especially since in many areas the figures provided are estimates and not based on a physical count of people (in Table 40, shaded cells indicate an actual count has taken place).

2016 rates in Darlington are roughly twice as high as in County Durham, and both are higher than the NE average, though well below the England average. What is more worrying is that there appears to be an increase in the numbers of people sleeping rough in both areas.

**Table 40 - Rough sleeping rates – autumn count 2011-16<sup>xiv</sup>**

Local Authority	2011	2012	2013	2014	2015	2016	2016 Rough Sleeping Rate (per 1,000 households)
County Durham	2	11	3	13	3	12	0.05
Darlington	-	1	2	1	1	5	0.11
North East	32	62	25	35	38	45	0.04
Rest of England	1,735	1,752	1,871	2,002	2,629	3,170	0.16

### Potential roles for philanthropy

Although housing is relatively cheap to purchase in both County Durham and Darlington, for those who are unable to buy, changes to eligibility for benefits and the way benefits are paid out risk leaving more people unable to obtain and sustain a tenancy. Specific areas in which philanthropic giving could play a key role include:

- establishing a fund for bonds / advance rent payments to enable people to take on tenancies
- funding to enable the refurbishment and reuse of empty homes

- provision of truly affordable smaller accommodation for single people and couples
- support and advice for people at risk of homelessness
- collection of accurate data to uncover the true scale of homelessness.

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<sup>ii</sup> **Durham County Council (2016)** *County Durham Issues and Options Stage - Strategic Housing Market Assessment (Part 1)*, downloaded from: [durhamcc-consult.limehouse.co.uk/file/4013288](http://durhamcc-consult.limehouse.co.uk/file/4013288), 14/6/17 13:45

<sup>iii</sup> **Durham County Council (2016)** AAP area profiles, downloaded from: <http://www.durham.gov.uk/AAPs> 1/6/17 07:00

<sup>iv</sup> **Shelter**, quoted at: [http://england.shelter.org.uk/campaigns/\\_why\\_we\\_campaign/housing\\_facts\\_and\\_figures/subsection?section=housing\\_supply#hf\\_6](http://england.shelter.org.uk/campaigns/_why_we_campaign/housing_facts_and_figures/subsection?section=housing_supply#hf_6) accessed 6/7/17 12:53

<sup>v</sup> **Tees Valley Combined Authority (2017)** *Instant Atlas*, extracted from: [https://teesvalley-ca.gov.uk/InstantAtlas/DISTRICTS/report\\_District\\_I179\\_Mid%202016.html](https://teesvalley-ca.gov.uk/InstantAtlas/DISTRICTS/report_District_I179_Mid%202016.html) 23/5/17 13:32

<sup>vi</sup> **Durham County Council (2016)** *County Durham Issues and Options Stage - Strategic Housing Market Assessment (Part 1)*, downloaded from: [durhamcc-consult.limehouse.co.uk/file/4013288](http://durhamcc-consult.limehouse.co.uk/file/4013288), 14/6/17 13:45

<sup>vii</sup> **Tees Valley Combined Authority (2017)** *Instant Atlas*, extracted from: [https://teesvalley-ca.gov.uk/InstantAtlas/DISTRICTS/report\\_District\\_I179\\_Mid%202016.html](https://teesvalley-ca.gov.uk/InstantAtlas/DISTRICTS/report_District_I179_Mid%202016.html) 23/5/17 13:32

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<sup>xii</sup> **Centrepoint (2017)** *Young Homelessness Databank*, accessed at: <https://www.yhatabank.com>, 3/7/16 16:32

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<sup>xiv</sup> **Dept for Communities and Local Government (2017)** *Rough sleeping statistics autumn 2016 tables 1 and 2*, downloaded from: <https://www.gov.uk/government/statistics/rough-sleeping-in-england-autumn-2016> 3/6/17 15:17