

**view:** shaping the north east

# **REGIONAL SPATIAL STRATEGY FOR THE NORTH EAST**

**SUBMISSION DRAFT**

**EXAMINATION IN PUBLIC  
INFORMATION NOTE 5**

**HOUSING MARKET  
ASSESSMENTS**



**NORTH EAST  
ASSEMBLY**  
THE VOICE FOR  
THE REGION

# **HOUSING MARKET ASSESSMENTS (HMA)**

## **Introduction**

1. This paper outlines the progress made to date on housing market assessment in the North East Region. It takes the position outlined in the Regional Housing Strategy (RHS) (2005) and elaborates to include more recent activity where appropriate.

## **Current Regional Position**

2. Sub-regional housing market assessments are currently at varying stages. Government Office for the North East is working with local authorities and other partners to develop Housing Market Assessment projects around the region. These will establish a series of discrete sub-regional market areas and will assist in identifying the major factors affecting demand and market strength.

## **County Durham**

3. A group of local authority housing officers first met in 2004; this developed into a larger partnership that included planning officers and the Durham Rural Housing Enabler (RHE). This partnership developed the HMA process and began working through its different stages. The partnership opted to appoint a consultant to help with the work and accelerate progress. Early discussions, across the different groups, have covered the full range of issues in the HMA process. However, no agreement has yet been made on defining spatial limitations to any separate HMA areas within the Durham sub-region. The partnership accepts market areas do not conform to standard administrative boundaries and have had dialogue with the partnerships developing HMA in neighbouring Tees Valley and Tyne & Wear.

## **Northumberland**

4. Initial work has been carried out within the SENNTRi area and by Alnwick, Berwick and Castle Morpeth. More recently a partnership has been established, lead by the Northumberland Strategic Partnership (NSP), which is at an early stage of development. Membership of the group is currently limited to local authority housing and planning officers from across the county. This group has broadly identified 4 HMA areas but these have not been substantiated and tightly defined spatially through any data or modelling process. The work of the group has the full commitment of all the authorities who have now agreed funding for a consultancy project that will help it to develop the next stages of the HMA process. This exercise was completed in December 2005. Once the partnership has a much firmer understanding of the HMA areas, they plan to establish smaller, more localised HMA partnerships with membership drawn from a wider cross-section of public and private sector interests.

## **Tees Valley**

5. The Partnership (Tees Valley Living) has made significant progress and has addressed all ten stages of the HMA toolkit. This has provided a clear understanding of the different markets within Tees Valley sub-region, how they operate and the inter-relationship with North Yorkshire. A key part of the work which both helped define the areas (and prioritise them for market renewal purposes) has been a Vitality and Viability Index (VVI). There is a strong partnership which has greatly benefited by its co-location with the Joint Strategy Unit (JSU) which is

economy-focused and has a ready source of information and data expertise. Having gone through the process the partnership has now commissioned a consultancy project with DTZ Pineda to look at governance and delivery issues. A key part of this will be the link with the private sector, which is keen to be involved. However, this must be based on a clear understanding of what the partnership is aiming to deliver, the timing of the delivery and in language which is meaningful to both public and private sectors interests.

### **Tyne & Wear**

6. A partnership has been established and defined spatial boundaries within the sub-region. It is recognised these need further development. The Tyne & Wear Housing Partnership has representatives from a wide range of public and private sector bodies. Beneath this a Partnership Board has been established which comprises only local authority housing representatives in the form of elected members and senior housing officers. Reporting directly to this Board is a subgroup of Tyne & Wear local authority housing strategy officers which has been tasked with delivering the HMA process working closely with their planning colleagues. One of the first actions of the housing and planning officers group was the commissioning of work to help define the boundaries of the HMA areas. This was carried out by CURDS at Newcastle University based on the methodology and approach used for Travel to Work Areas and used migration data taken from the Census 2001. Depending on the level of self containment applied in this methodology the outcome was to identify between 4 or 5 discreet HMA areas. Further research is planned for this using new census data which has recently become available and using a slightly different assumption regarding the relationship between the Pathfinder area and the rest of the sub-region. Other research and analysis work needs to be updated and fed into the HMA process. In 2005 the partnership also produced a sub-regional housing statement which reflected on some key indicators and data to illustrate the strategic housing issues and priorities. The Partnership Board has appointed a Director, part of whose duties are to drive forward the HMA work and commission a consultant to accelerate the development of the HMA process.

### **Conclusion**

7. Housing Market Assessment work is progressing at sub-regional level within each of the North East's four sub-regional areas. The most advanced is the Tees Valley study. This work is unlikely to be completed prior to the RSS EiP in March 2006. The results of the HMA process will need to be incorporated into the next review of RSS. This will allow for the work to be completed and for it to be digested and debated within the region. By the time the next review of RSS comes about there should be greater understanding of this issue.