

Shifting the balance of Durham City housing availability towards families and permanent residents

During canvassing prior to the May 2013 local elections I visited every house in the Neville's Cross electoral division and have started this campaign as the conversion of family homes into Houses of Multiple Occupation (HMOs) reserved for student letting was identified by most permanent residents as their main concern. Most students also expressed sympathy with the problems this has created; however, I should start by saying that there are no short term and simple solutions to this problem as it relates to the long term transformation of the City housing market.

To put the issue into perspective, prior to the 1980's most students lived in college owned accommodation located at the centre of the city. More recently and especially during the last two decades the university has undergone a period of expansion and the 2011 census now reveals that students make up 79% of the population of Elvet Ward. The provision of college accommodation by the university has not grown to match this rapid expansion in student numbers which has instead been accommodated by the private rental market. Streets within central areas of the city (and in particular the Viaduct, Elvet and Whinney Hill areas) are now almost completely converted to HMOs reserved for student rental and streets further away from the City Centre are undergoing a transition towards student rented accommodation.

I should stress at this point that most of the permanent residents I canvassed living on student dominated streets considered the university as a valuable asset to the city, especially in terms of its contribution to the local economy, but without exception expressed concerns and often anger in relation to one or more of the following impacts:

- Garden spaces have become untidy and buildings often fall into a state of disrepair as students have no long term stake in their upkeep
- Shouting late at night as students returned from bars caused considerable tension
- Back alleys suffer a build up of litter and household refuse as many students are unaware of the Council waste disposal and recycling arrangements
- HMOs have created additional pressure on available parking
- Many residents expressed concern in relation to the economic impact caused by all students leaving the city between terms. This was seen as the cause for a number of cited shop closures.
- The disappearance of permanent residents (and inability of new families to move into these areas) has negatively affected residents' sense of community as there is little point getting to know neighbours if they are transient
- Families are prevented from renting accommodation in the student dominated areas as only students are accepted by landlords
- The high profits to be made from renting accommodation to students has skewed the house prices within the city centre and increasingly towards the outskirts, further excluding families from purchase and incentivising the conversion of family houses into student accommodation

- The considerable dominance of a specific age group within the population has put pressure on the provision of services that might not be required by this age group (E.g. schools and leisure facilities)

Considered collectively, these issues amount to a serious cumulative impact on the cohesion of the settled communities that remain within the centre of Durham, and if left unchecked will increasingly affect streets further from the centre.

So what can be done?

Durham University

Durham University is an incredibly valuable and historically important asset to the City of Durham however it is clear that the increasing levels of 'studentification' seen over the last two decades resulted from the creation of market conditions that favoured conversion of family houses to student accommodation. Other collegiate universities in the UK have faced the same problem and have implemented various actions to minimise their impact on settled local communities. In particular, they have sought to reduce their impact on the local housing market through adopting challenging targets for accommodation of students in university colleges. 43% of students currently live in Durham University Colleges and the University Accommodation Strategy sets a target of 50% by 2020. By comparison at Oxford University 77% of students already live in college accommodation and Oxford City Council intend to introduce planning constraints to ensure that future university expansion includes sufficient new college accommodation to for all additional students. The target set by Durham University seems un-ambitious and their Residential Accommodation Strategy makes no commitment to the accommodation of the new students that result from future university expansion.

Having discussed the issue of accommodation with numerous students in the City Centre and outskirts of Durham many students reported that they would prefer to live in college accommodation but private rented accommodation is cheaper. So for many students the choice between collage and private rented accommodation is a simple matter of cost, therefore a reduction in collage fees would attract more students back into colleges. This would also force a reduction in private rental values so reducing the profitability of HMOs and strengthening the market for alternative uses of private accommodation. Students in HMOs also reported dissatisfaction with the standards of their accommodation and with the distance they had to travel to study on campus.

Durham County Council

Durham County Council has a regulatory role with regards the licensing of HMOs. Rented accommodation housing 5 or more individuals from two or more families over 3 or more floors is classified by the Housing Act, 2004 as an HMO. Owners of such HMOs currently require a licence from DCC which ensures the property meets required standards. There are currently 350 licensed HMOs in Durham with about 325 in Durham City. The Act requires a mandatory licensing of HMOs that align within the national definition but also contains enabling provisions under Part 2 to extend licensing for a period of up to five years to other categories of HMO, to address particular issues or problems that may exist in smaller HMOs or sub-standard self contained converted flats. The Council estimate that should an Additional Licensing Scheme be extended to cover properties with 3 or more tenants, then a further 1100 properties would require an HMO licence in Durham City.

For most Council's including DCC, 'change of use' of a property to an HMO will not require planning permission unless the property meets the above mentioned national definition of an HMO. However, in October 2010 the government changed planning law allowing individual councils to issue an Article 4 Direction and widen the national definition of an HMO such that 'change of use' of smaller properties to HMO would also require planning permission.

During March to May 2012, Durham County Council conducted consultation across Durham City with regards proposals to introduce an Additional Licensing Scheme to be complimented by the issuing of an Article 4 Direction. Together these measures would enable the Council to regulate the future conversion of housing into HMOs, and enforce standards within existing and future HMOs. Should these measures be implemented, it is easy to appreciate the benefit they might have with regards managing future loss of family housing spreading out from the city centre. The consultation exercise was conducted by the Building Research Establishment BRE and though completed more than a year ago, a report presenting the findings of the consultation has still not been presented to Cabinet, and so the findings are not yet publically available.

Options to re-balance the Durham housing market

It is incumbent on all stake holders within this situation to collectively identify solutions which will initiate a market transition towards provision of accommodation for families and residents. In Durham the options would appear to include the following:

1. Reduce college accommodation fees
2. Significantly increase the targets in the University Residential Accommodation Strategy for housing of students in college accommodation such that they align with other Russell Group universities
3. Build additional college accommodation (without the loss of precious green spaces)
4. Issue an Article 4 Direction enabling use of the planning system to control further conversion of houses to HMOs reserved for students
5. Amend the licensing regime for HMOs such that houses with 3 or more unrelated tenants need to meet required standards to obtain a licence

None of these options have yet been introduced in Durham City, but are regularly used to manage housing market impacts in other university towns.

Recommended Action

The Council and the University are the key players within this situation as together their policies and practise have principally influence to the city housing market. Any attempt to redress the historic market impact created by the runaway growth of HMOs in the city therefore requires cooperation and bi-lateral strategy making by these organisations. **DCC and the University should cooperate on the production of a joint 'Blueprint for a balanced community' for Durham City that seeks to implement one or all of the abovementioned market interventions.** To develop the 'Blueprint', both organisations should ensure that strategic outcomes are designed to meet the needs and aspirations of the permanent residents and communities of Durham City, and the commercial benefit of others organisations and individuals should be a secondary consideration.