

## Overview of hearing

The session examined Matter 7 Issue 1 of the South Tyneside Local Plan, focusing on securing **sustainable** residential development, including: existing housing (Policy 15), Houses in Multiple Occupation (HMOs) (Policy 16), housing for older people (Policy 17), housing mix and accessible standards (Policies 19–20), self/custom build, and affordable housing viability.

### 1. Attendance and procedural context

- Inspector: David Spencer (Planning Inspector, appointed by Secretary of State).
- Programme Officer: Annette Fenny (first point of contact for examination matters).
- South Tyneside Council team:
  - Kings Counsel: Paul Shadarevian KC.
  - Officers: Deborah Lamb (Operations Manager, Spatial Planning), Rachel Cooper (Senior Planning Policy Officer), Anna Dixon (Senior Manager, Strategic Housing & Regulation).
  - Viability consultant: David New (CP Viability).
- Development / landowner interests:
  - Chris Martin (Home Builders Federation).
  - Dominic W (Pegasus Group for Bellway Homes).
  - Jack Conroy (Savills for Laverick Hall Family Ltd and Durham Cathedral).
- Community / political representatives:
  - Cllr Gerald Dean Kilgour (Felgate & Hedworth ward).
  - Mvin Butler (Cleadow & East Boldon Labour Party).
  - Dave Hutchinson (East Boldon Neighbourhood Forum).
  - Cllr Sue Stonehouse (Beacon & Bents ward).

Housekeeping and recording arrangements were confirmed; sessions are recorded and carry equal weight to written representations.

### 2. Policy 15 – Existing housing stock

#### Main discussion points

- Policy 15(7) seeks to strictly control proposals involving a net loss of existing housing; all criteria must be met (not alternatives) and applicants must demonstrate that locality/character are no longer appropriate for residential use.
- Council justification:
  - Aim is to replace stock that fails modern safety, accessibility or energy-efficiency standards, allowing demolition only where retrofit is not viable or appropriate.
  - Strategic Housing Market Assessment (SHMA) evidences a proportion of dwellings falling below “Decent Homes” standards.
  - Demolitions are factored into the housing trajectory, but major renewal programmes are largely coming to an end and significant further demolition is not anticipated in the plan period.

#### Concerns / risks

- Inspector queried whether the policy could be applied “zealously”, inhibiting otherwise sustainable development that might result in a net increase in housing overall.
- Council accepted the policy is “rigid” but argued it is intended only for genuine cases where stock is not suitable and demolition/rebuild is the only realistic option.

#### Actions

- No specific modifications requested or offered on Policy 15; Inspector indicated no suggested changes in front of him and moved on.

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### 3. Policy 16 – HMOs (Houses in Multiple Occupation)

#### Council's rationale and framework

- Policy 16 is designed to:
  - Balance legitimate HMO provision (recognised in the SHMA as meeting a specific housing need) with managing concentrations and maintaining “balanced communities” as per NPPF.
  - Address impacts on amenity, character, parking, and community cohesion.
- Key tools within Policy 16:
  - Boroughwide control on over-concentration and HMO dominance in any area (no numeric threshold in main criterion; relies on judgment).
  - A specific 10% threshold within a 100m radius in the Law Top area (South Shields), based on National HMO Lobby guidance that 10% of properties or 20% of population represents a “tipping point”.
  - A “sandwiching” test preventing C3 dwellings being flanked on both sides by HMOs, to manage immediate amenity impacts even where wider thresholds are not breached.
- Monitoring and implementation:
  - Council acknowledged changes in the HMO market since Reg 19; monitoring of applications, spatial distribution, appeal decisions and committee outcomes will inform potential future policy review.
  - Pre-application advice is seen as the main route for applicants to understand whether thresholds/sandwiching would be triggered.

#### Article 4 Directions

- Existing Article 4 in Law Top (since 2014) has historically managed HMO concentrations there.
- New boroughwide Article 4 Direction:
  - Cabinet decision 19 November 2025 to introduce an immediate boroughwide Article 4 so that any new HMO (regardless of size) requires planning permission.
  - Around 20 planning applications for HMOs have already come forward under this regime.
  - Direction is intended to be permanent; there is a six-month confirmation process but not a fixed review/expiry date.

#### Requests and concerns from councillors and communities

##### 1. Cllr Kilgour and Cllr Stonehouse – strength and scope of policy

- Cllr Kilgour: wants more detail and clarity to reflect new patterns of HMO concentrations outside Law Top, particularly larger older properties in Jarrow and Hebburn, and fears a “monitoring” approach will allow problems to spread before policy catches up.
- Cllr Stonehouse (Beacon & Bents) argued:
  - Policy 16 is too weak, particularly in Law Top and Beacon & Bents, given significant HMO and supported accommodation numbers.
  - 10% threshold should be reduced to 5% in Law Top and the measure should be based on **occupants**, not just number of buildings, with demographic sensitivity.
  - Provided statistics for Beach Road and NE33/NE33 2 postcodes, showing very high proportions of licensed HMO occupants and concentrations in Beach Road.
  - Described serious incidents: fights between residents of different HMOs, vulnerable residents with mental health and addictions lacking support, drug paraphernalia found in a nursery play area, residents selling at a loss, business losses from shoplifting, and significant police resource use.

- Asserted that some HMO operators provide no support yet receive substantial income, and that residents and local MP have petitioned for stronger control.
- Claimed an annual increase of about 21.7% in licensed HMO occupants over three years and a steady monthly growth.
- Stated residents had asked the council for a housing intensity study in September 2023, which was refused, and that officers had said refusals would be overturned by the Secretary of State and incur fines.

## 2. Specific policy concerns

- “Detrimental impact on amenity (noise/disturbance)” is seen as difficult to evidence prospectively; amenity problems are often only clear after occupation.
- The 100m-radius / sandwiching approach may not capture over-concentration on short streets where even two HMOs in a row of 5–7 properties could be too much.
- Concern that the Law Top policy is displacing HMOs into other areas (Jarrow, Hebburn, Beacon & Bents), and that the plan should reflect boroughwide issues rather than only Law Top.

## Council and Inspector responses

- Council responses:
  - Occupancy-based caps would be extremely difficult to embed and monitor because of fluid occupancies and the distinction between small HMOs (3–6 persons) and larger HMOs already needing permission; council argued this is impractical for development management.
  - A 5% threshold in Law Top would likely act as a near-blanket ban and be too restrictive, given acknowledged need and existing concentration; 10% was chosen as a balance, evidenced through topic paper mapping.
  - Non-planning issues (management failings, anti-social behaviour, lack of support, nuisance) are governed by separate licensing, adult social care and enforcement regimes; planning can only regulate land use and conditions, not day-to-day management.
  - Council recognised need to update supporting text to reflect the new boroughwide Article 4, but does not consider a full policy rewrite essential for soundness.
- Inspector’s position:
  - Noted the need to balance lawful HMO use with justified controls; emphasised that Policy 16 provides a framework for judgment but inherently involves tension.
  - Indicated he does not currently see the need for main modifications to the core policy, but signalled support for a factual update in supporting text about the new Article 4.

## Actions agreed / implied

- Council to consider a factual supporting-text update to Policy 16 to reference the boroughwide Article 4 Direction and its confirmation process.
- No agreement to change the 10% Law Top threshold or introduce occupancy-based controls; Inspector to reflect on councillors’ evidence but signalled constraints of the Local Plan’s remit.

#### **4. Policies 17, 19, 20 – Older people’s housing, mix and accessibility**

##### **4.1 Policy 17 – Housing for older people**

###### **Council position**

- SHMA evidences a growing need for:
  - Residential care bedspaces,
  - Extra-care units, and
  - Specialist older persons accommodation.
- Policy 17 supports:
  - Extra-care and supported housing in sustainable, accessible locations with integration into wider communities.
  - Any form of specialist/supported/retirement accommodation, not just institutional or C2; intended also to support age-restricted retirement schemes with on-site management.
- Specific allocations:
  - Three extra-care sites positively identified in the plan; many SP4 housing allocations are council-owned and could be brought forward as older persons schemes.
  - Recent permissions at Tudor Reid and Hebburn Newtown demonstrate proactive delivery.

###### **Concerns from East Boldon Forum and Cleadon & East Boldon Labour Party**

- SHMA 2023 identifies ensuring older people’s housing needs as one of three main challenges and quantifies a total older person’s accommodation shortfall of 3,361 units by 2040.
- Forum and Labour Party argued:
  - Policies 17 and 19 are expressed in general terms and risk being ineffective without spatial direction.
  - NPPG advises that allocating sites for specialist housing may be appropriate where there is identified unmet need; they believe the plan does not sufficiently direct provision.
  - Windfall opportunities are limited in areas like Cleadon & East Boldon (few council-owned sites); therefore, the strategic allocations may be “the best and perhaps only” opportunity to secure older persons provision.
  - They request:
    - Policy SP7 and the GA2 North Farm allocation (and Cleadon Lane if allocated) explicitly require or strongly direct provision for older persons on those sites.

###### **Council/Inspector response and actions**

- Council:
  - Maintains that Policies 17, 19 and 20, applied on a site-by-site basis, already form a strong framework and it is not necessary for soundness to hard-wire older persons provision into the key considerations of specific allocations.
  - Seeks to avoid duplicating general policy tests in each allocation’s key considerations.
- Inspector:
  - Tested whether a positive cross-reference in Policy 17 (or 19) could be added, making explicit that allocations are opportunities for older persons housing where appropriate.
  - Council (via KC) agreed to consider a modification to Policy 17 or 19 so that plan allocations are explicitly recognised as potential locations for older persons housing, without specifying quotas; this would preserve flexibility while giving clearer direction.
  - Action: Council to think through wording and bring back proposed modification in the main modifications process; Inspector to consider whether this is needed for effectiveness.

#### **4.2 Policy 19 – Housing mix; older people; self/custom build**

##### **Mix and older persons**

- Proposed minor modification:
  - Replace “needs of the aging population are accessible to all” with a more NPPF-aligned reference to “older people”, and remove the phrase “are accessible to all”.

##### **Self and custom build (Policy 19 and SP8)**

- Evidence:
  - Council keeps a self-build register; currently nine entries and no self/custom build applications in the last 10 years, indicating low demand.
- Policy approach:
  - Policy 19 “encourages” self/custom build on “larger developments”, and SP8 (large allocation) specifically identifies opportunity for this.
- Concerns:
  - HBF (Chris Martin) unclear whether the policy makes self/custom build **mandatory** on larger sites or is only supportive; “larger” is undefined.
  - Risk that requiring plots on low-demand sites could leave vacant plots and stall delivery.
  - Cllr Kilgour suggested that, at least on large sites such as SP8, “encouraging” is too weak to be effective.
- Council/Inspector actions:
  - Council clarified its intention is encouragement, not a fixed quota, given low demand.
  - Council/Inspector agreed to consider defining thresholds (e.g. “major development” or a bespoke size) in the glossary or policy and to clarify that encouragement does not mandate a fixed proportion; Inspector suggested any change may be a main modification subject to consultation.

#### **4.3 Policy 20 – Accessible and adaptable housing (M4(2) and M4(3))**

##### **Council justification**

- SHMA and adult social care strategy show:
  - 12% of residents have long-term health problems/disabilities.
  - Identified requirement for wheelchair-accessible homes (M4(3)) in SHMA table 5.16.
- Policy 20 approach:
  - Requires a proportion of homes to meet optional technical standards:
    - 5% of new dwellings to M4(3) wheelchair accessible standard.
    - Wider use of M4(2) accessible/adaptable standard (specific percentage not fully detailed in transcript but indicated).
  - SHMA recommended a 5–10% range; council chose 5% as a balanced, viable figure.

##### **Clarifications and modifications**

- Higher M4(3) standard:
  - In line with PPG, applies to homes where the local authority has nomination rights; council proposed supporting-text change to make this explicit and confirm that the authority will assess and nominate occupants.
- Transitional arrangements:
  - There is a planned transitional period before Policy 20’s requirements take full effect; supporting text will explain how and when the higher standards apply, consistent with PPG.

### **5. Affordable housing (headline only, where relevant to actions)**

- Extensive discussion took place on tenure split, viability evidence, and first homes.
- Key actions:
  - Council proposed modification to remove explicit first homes requirement and revert to an evidence-based 75% affordable rent / 25% affordable home ownership split, while deleting bracketed reference to first homes under affordable home ownership to avoid confusion.
  - Concern raised that viability testing is based on a slightly different tenure mix (affordable rent + shared ownership rather than discount market sale/first homes).
  - Viability consultant judged in session that the change is unlikely to materially alter viability outcomes, but acknowledged this is an informed professional view rather than updated modelling.
  - HBF requested an updated viability run to fully align with the modified policy; consultant said he would undertake further work if the Inspector considered it helpful.
  - Inspector will decide (via post-hearing correspondence or main modifications) whether a “final sweep” of viability testing is necessary.

### **6. Key statements and actions (by person/body)**

#### **Inspector (David Spencer)**

- Set scope: focus on delivery and soundness of policies on existing housing, HMOs, older people’s housing, housing mix, self-build, affordable housing and accessible standards.
- Queried potential over-rigidity of Policy 15 and possible chilling effect on redevelopment that increases overall housing supply.
- Probed:
  - Basis for 10% Law Top HMO threshold and “sandwiching” test.
  - Whether boroughwide HMO issues and new Article 4 warrant policy modification.
  - Whether older persons needs justify explicit allocation requirements.
  - Meaning of “larger developments” for self-build.
  - Alignment of Policy 19/20 with viability evidence and national policy (first homes, M4(3)).
- Actions:
  - To reflect on:
    - Cllr Stonehouse’s 5% HMO threshold proposal and occupancy-based approach but within limits of what a Local Plan can realistically implement.
    - Whether to recommend a modification clarifying that strategic allocations may/should include older persons housing, and how (policy 17 or 19).
    - Whether additional viability work is required to underpin revised affordable housing tenure mix.
  - To set out any change of view on affordable housing percentages or East Boldon GA2 requirement in a post-hearing letter.

#### **South Tyneside Council**

- Defended Policy 15 as tightly controlling net loss of stock while allowing necessary renewal and reflecting SHMA “Decent Homes” concerns.

- On HMOs (Policy 16):
  - Explained 10% / 100m Law Top approach and boroughwide over-concentration test; emphasised case-by-case planning judgment.
  - Confirmed boroughwide Article 4 Direction, with decision date and intention for permanence.
  - Accepted need for supporting-text update on the new Article 4.
- On older people (Policy 17):
  - Confirmed breadth of policy and existing extra-care allocations; cited recent schemes as evidence of delivery.
  - Initially resisted allocation-specific requirements but then agreed to consider a modification explicitly supporting older persons provision on allocated sites, with flexible quantum.
- On self-build:
  - Confirmed low evidenced demand; intention is to encourage, not mandate, on larger sites and to consider clarifying “larger developments”.
- On accessible standards (Policy 20):
  - Justified 5% M4(3) and broader M4(2) via SHMA and adult social care evidence.
  - Proposed supporting-text clarification that M4(3) homes will be those under council nomination.
- On affordable housing:
  - Proffered modification to drop first homes requirement and revert to 75/25 split aligned with SHMA, and to tidy bracketed text.
  - Accepted need to review exact wording and the relationship to viability evidence.

### **Community / political representatives**

- Repeatedly emphasised local lived experience, particularly of:
  - HMO concentrations, anti-social behaviour, vulnerable residents without adequate support, and perceived failure of existing policy to protect amenities.
  - Strong local demand for older persons housing within existing communities (Cleadon & East Boldon), and concern that without explicit allocation requirements that need will not be met.

### **7. Topics of disagreement or conflict**

#### **HMOs (Policy 16)**

- Threshold and metric:
  - Council: 10% of properties within 100m radius in Law Top, properties-based approach; occupancy control impractical.
  - Cllr Stonehouse/communities: 10% is too high given local conditions; want 5% and a method based on occupants/demographics, plus stronger boroughwide safeguards.
- Spatial focus:
  - Council: Law Top evidenced as main cluster at plan preparation; new Article 4 plus boroughwide parts of Policy 16 can manage emerging patterns elsewhere.
  - Councillors: Law Top policy has displaced HMOs; current plan underplays issues in Jarrow, Hebburn, Beacon & Bents, etc.
- Evidence and responsiveness:
  - Community claims of refused housing intensity studies and perceptions that council is unwilling/unable to refuse HMO applications due to fear of appeal/Secretary of State intervention.
  - Council emphasises constraints of planning versus licensing and other regimes.

### **Older people's housing (Policies 17 & 19; allocations SP7/GA2 etc.)**

- Council: Policies 17/19/20, plus a handful of identified extra-care allocations and council land, are sufficient; older persons provision does not need to be named in specific allocations.
- East Boldon Forum & Labour Party:
  - View policies as too generic; want explicit requirements/directions in allocations (especially GA2 North Farm and Cleadon Lane) to ensure older persons housing is actually delivered where communities need it.
- Inspector steered towards a compromise: a policy-level cross-reference rather than allocation-specific quotas.

### **Self/custom build**

- Council: Encouragement on larger sites is proportionate and reflects low demand.
- HBF: Policy unclear and potentially de facto mandatory; fear of vacant plots and stalled delivery if demand is not there.
- Cllr Kilgour: Encouragement alone may be ineffective, particularly on very large sites like SP8.

### **Affordable housing and viability**

- Council & CP Viability: Tenure mix change (dropping first homes) unlikely to significantly alter viability; evidence robust.
- HBF: Want formal viability re-run aligned to modified tenure mix, not just professional oral assurance.

## **8. Consolidated list of risks, concerns and blockers raised**

### **Plan-level / housing supply**

- Risk that Policy 15's strict controls on net loss of housing could inhibit otherwise sustainable redevelopment schemes that deliver a net uplift in homes.
- Limited headroom in housing land supply; plan "just about" meets requirements, so any unanticipated demolitions or viability slippage are a concern.

### **HMOs**

- Over-concentration of HMOs in specific areas (Law Top, Beach Road, parts of NE33/NE33 2) undermining balanced communities.
- Displacement of HMO demand to other areas (Jarrow, Hebburn, East/Beacon & Bents) due to tighter Law Top controls.
- Inadequate reflection of recent HMO growth outside Law Top in the plan evidence base; HMO topic paper considered out of date by councillors.
- High levels of vulnerable residents with mental health and addiction issues in certain HMOs, without 24/7 staffing or adequate support.
- Anti-social behaviour, perceived increased crime, drug use, and safety issues (including near nurseries), with resulting fear and reduced quality of life for permanent residents.
- Property value depreciation and owner-occupiers selling at a loss to escape affected streets.
- Financial impacts on local businesses (shoplifting, disorder) and extra police/council enforcement resource demands.
- Lack of robust, up-to-date data on HMO occupant intensity (rejected local request for a housing intensity study).

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An AI(artificial intelligence) \* analysis of the transcript created at the session:  
Minutes of Matter 7 Issue 1 Securing Sustainable Residential Development Wed 14th Jan 2026

- Perceived reluctance by council to refuse HMO applications due to anticipated appeals and cost awards.
- Potential for Policy 16's reliance on ex ante amenity assessments (noise/disturbance) to miss issues that emerge only after occupation.
- Practical difficulties of occupancy-based planning controls (monitoring, compliance, fluid occupancy).

#### **Older people's housing**

- Large quantified shortfall (3,361 units) in older persons accommodation by 2040, with concern that generic policy wording will not translate into sufficient delivery.
- Risk that windfall opportunities for older persons housing are limited in high-value, low-vacancy areas like Cleadon & East Boldon, meaning allocations are critical and should be explicitly directed.
- Potential missed opportunity if strategic allocations come forward as standard market housing without any older persons component.

#### **Self/custom build**

- Low evidenced demand could leave self/custom plots on large schemes unbuilt if policy is interpreted as a requirement.
- Lack of clarity around "larger developments" causes uncertainty for developers and could complicate site layouts and phasing.

#### **Accessible housing standards (M4(2), M4(3))**

- Need to ensure optional technical standards do not undermine viability, especially where previous viability testing assumed higher percentages.
- Risk of confusion unless clearly stated that M4(3) applies only to homes under local authority nomination and that there is a transitional period.

#### **Affordable housing and viability**

- Misalignment between revised affordable housing tenure policy (discount market sale/affordable home ownership mix) and existing viability testing (affordable rent + shared ownership) could expose plan to challenge if not reconciled.
- Concern from HBF that without updated viability modelling, the plan may not be demonstrably deliverable as modified.

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**9. Summary of key actions and responsibilities**

Action	Responsible party	Type
Consider factual update to supporting text for Policy 16 to reference boroughwide Article 4	South Tyneside Council	Suggested
Consider whether to introduce policy-level wording (Policy 17/19) explicitly supporting older persons housing on allocations	South Tyneside Council (with Inspector’s oversight)	Agreed to consider
Bring forward draft modifications (including on first homes, older persons wording, M4(3) clarity, self-build thresholds) for main modifications schedule	South Tyneside Council	Required for MM stage
Decide whether updated viability testing is needed to reflect revised affordable tenure mix	Inspector (David Spencer)	To decide
If requested by Inspector, run updated viability scenarios aligned to revised affordable housing policy	CP Viability (David New), commissioned by Council	Conditional
Clarify and, if necessary, amend wording around self/custom build on “larger developments”, including definition of “larger”	South Tyneside Council	Suggested
Confirm and apply supporting-text change to clarify that M4(3) is linked to council nomination rights and explain transitional period	South Tyneside Council	In train

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