

Growth and Infrastructure Overview and Scrutiny Committee



Date of meeting:	14 February 2024
Title of Report:	Plan for Homes 4
Lead Member:	Councillor Chris Penberthy (Cabinet Member for Housing, Cooperative Development, and Communities)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Nick Carter (Head of Housing and Regeneration)
Contact Email:	nick.carter@plymouth.gov.uk
Your Reference:	NJC 1
Key Decision:	Yes
Confidentiality:	Part 1 - Official

Purpose of Report

This report sets out our approach to the development of Plan for Homes 4, to reinforce our overall ambition to deliver 5,000 new homes over the next five years.

Building more homes for both social rent and affordable homeownership is a corporate priority. Plymouth is in the midst of an unprecedented housing crisis and needs more homes to meet our identified housing needs.

The current Plan for Homes 3 has provided a housing delivery framework since 2019 and has delivered many successes. Yet despite our strong track record of achievement, we need to do more.

Plan for Homes 4 will move us into the next stage of delivery as it seeks to continue, and wherever possible accelerate, existing activity, as well as identify and bring forward new initiatives. We need to respond to our many housing challenges of increasing housing needs, homelessness and temporary accommodation, poor housing conditions and energy efficiency of existing homes, and the need for more homes.

Plan for Homes 4 sets out six housing themes of activity to address these challenges: affordable housing; market housing; private rented housing; partnerships; supported and specialist housing; with a cross cutting theme of climate action.

We are keen for the Growth and Infrastructure Overview and Scrutiny Committee to gain an understanding of our housing needs and challenges and to recognise some of our achievements to date, but primarily to help identify potential housing initiatives and further action that we can develop and deliver in partnership with key delivery and funding partners in Plan for Homes 4..

Recommendations and Reasons

1. To note the report

Reason: To support understanding of our housing needs, challenges, and Plan for Homes 3 achievements. To consider housing themes and identify potential new housing initiatives as part of developing Plan for Homes 4.

Alternative options considered and rejected

1. Continue with existing Plan for Homes 3 activity. This has primarily been aimed at maintaining levels of housing delivery and estate regeneration in increasingly difficult housing market conditions. It has had much less focus on the wider aspects of housing that include tackling homelessness and improving conditions in the private rented sector. It is considered that a more holistic and comprehensive programme of initiatives across the wider housing agenda is required to better respond to our challenges and housing needs.

2. Leave the private sector to deliver more homes. Past experience of the general failure to of the market to build at sufficient delivery rates indicates that this would be insufficient to meet the city's needs and will not provide the range and mix of new and affordable homes required. A more direct and interventionist approach is required.

3. Do nothing. This option would not address the issues identified. In the context of the ongoing delivery shortfall against meeting affordable housing needs and the increased costs of temporary accommodation, this option is discounted.

Relevance to the Corporate Plan and/or the Plymouth Plan

Policy HEA8 of the Plymouth Plan - Meeting local housing needs aims to ensure that everyone has access to a decent, safe and affordable home, which is suited to their needs, promotes health and is located in a community where they want to live.

Policy GRO3 of the Plymouth Plan - Accelerating the delivery of new homes aims to implement a range of initiatives in a 'Plan for Homes' to ensure that a proactive approach is taken to driving and accelerating the delivery of the new homes needed to meet the City's growth aspirations.

Policy GRO7 of the Plymouth Plan - Reducing carbon emissions and adapting to climate change aims to pursue approaches to deliver significant reductions in carbon emissions in Plymouth, aiming to achieve net-zero by 2030.

Corporate Plan priority to build more homes for social rent and affordable home ownership.

Implications for the Medium Term Financial Plan and Resource Implications:

1. There is a balance of funds from Plan for Homes 3 that is available to be carried forward into Plan for Homes 4 – current estimate of £2,625,961 summary below;

Income

- RTB Receipts: £7,000,000 (original allocation March 2019)
 - RTB Receipts: £2,652,000 (generated post August 2019)
 - SI06 funds for affordable housing received from various schemes: £802,361
 - PCC land receipts recycled: £82,600
 - Repayment of dev loan and any surplus from Broadland Gardens: £3,840,000 (current estimate)
- Total income: £14,376,961

Expenditure

- We have spent £4,440,000
- We have committed £3,450,000 (by Portfolio Holder decision)
- We have allocated £3,861,000 (to develop and support pipeline projects)

Total expenditure: £11,751,000

Balance available to c/f into Plan for Homes 4 = £2,625,961

2. On 11th December 2023 Cabinet approved the Business Case to allocate £10,000,000 for the purchase of temporary accommodation for homeless households into the Capital Programme funded by service borrowing.

3. At this stage there is no identified additional capital ask of Plymouth City Council.

4. We will be working to maximise investment from other sources including our partnership working with Homes England, bids to Government funding pots, investment from our Housing Association partners, future S106 contributions for affordable housing and future capital receipts from agreed PCC land disposals.

Financial Risks

We are currently forecasting that there will be no further RTB receipts able to fund Plan for Homes 4, as the remaining RTB receipts will be set off against the existing asbestos liability with PCH, until these obligations are fully met in 2028/29.

Carbon Footprint (Environmental) Implications:

Climate action is proposed to be a cross cutting theme for Plan for Homes 4 in support of our aims to reduce carbon emissions and improve the energy efficiency of homes.

Plan for Homes 4 will contribute towards the delivery of the Council's Net Zero Action Plan (NZAP) to reduce emissions in the city through encouraging and enabling large scale uptake of retrofit insulation, and renewable/low carbon energy generation equipment and infrastructure to existing buildings, and promoting other energy demand reduction measures. Also promoting and supporting exemplar low carbon development that adopts higher design and construction standards.

A climate impact assessment will be completed to accompany the Plan for Homes 4 Cabinet report in March 2024.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

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Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable)						
		If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
		1	2	3	4	5	6	7
A	Plan for Homes 4 Background Report							
B	Plan for Homes 4 – Presentation Slides							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Paul Barnard											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 05/02/2024											
Cabinet Member approval: Councillor Penberthy verbally Date approved: 01/02/2024											