

BRIEFING REPORT

PLAN FOR HOMES 4 – YEAR 1 (2024/2025) UPDATE



I. BACKGROUND

I.1 Plan for Homes 4 was launched in March 2024 with the overall ambition to deliver a minimum of 5,000 new homes in the city over the next five years. It builds upon the successful Plan for Homes programme which has provided a housing delivery framework since first launched in November 2013.

I.2 This report provides a year 1 (2024/2025) update on the delivery of the Plan for Homes 4 Action Plan and Key Performance Indicators to report progress against our priority actions (see appendix B and C). It highlights our housing demands and the context of our challenges to deliver the Plan's priority actions to increase the supply of new homes and support the regeneration, improvement, and energy efficiency of existing homes of all tenures. Also to provide for a range of housing needs, including supported and specialist housing, whilst addressing the increase in homelessness and use of temporary accommodation.

I.3 The UK has been in the midst of a housing crisis for some years and Plymouth, like many towns and cities across the country, is feeling the pressure. A combination of factors including the cost of living, economic difficulties, rising mortgage and rent costs means that homelessness in Plymouth is at an all-time high and the range of housing needs is broadening. Not only are there more and more families living in temporary accommodation, including bed and breakfast, but the length of time that they are without a permanent home is increasing too. There are record amounts of people approaching the Council for housing support.

I.4 On top of this, new house building across all housing tenures has been in decline for some years. Poor development viability is a key issue impacting housing delivery in the city, particularly on brownfield sites, caused by rapid build cost inflation over the last 5 years compounded by a very limited supply chain creating little competition between contractors for tenders.

I.5 These factors combined mean that we are experiencing housing market failure to maintain the new supply of homes; 2023/2024 recorded the lowest number of additional homes of all tenures built on record. Very few developers are currently building market homes, and where they are delivery rates have fallen, whilst affordable homes require ever increasing levels of public subsidy to remain viable. There is also a focus on the need to repopulate our city centre and surrounding area, as without this new supply and improved choice homes the economic and physical regeneration of the city will be constrained.

I.6 Plan for Homes 4 maintains the clear ambition for a minimum of 5,000 homes over five years. However, our housing delivery challenges have resulted in the decline of housebuilding in Plymouth over the last few years. Our ambition will not be achieved without very significant and rapid intervention over and beyond the lifetime of this Plan.

2. HOUSING DELIVERY

2.1 Context

2.1.1 Our Plan for Homes Programme has a strong track record of partnership working to drive housing delivery. Over the 10 reporting years from 2014/15 to 2023/24 we have delivered 7,863 homes (gross), of which 1,950 (25%) have been provided as affordable homes. Past levels of delivery were the result of a combination of factors creating certainty in the local construction industry such as a strong housing market, low interest rates, large scale land releases by the Council under Plan for Homes, a predictable supply of labour and construction materials, and adequate capacity in the construction sector in the South West.

2.1.2 However there have been a series of socio-economic shocks to the house building industry locally, regionally and nationally that impacted on construction in the city. Brexit had an immediate effect on both the supply of labour and construction materials, whilst Covid-19 and lockdowns had the impact of slowing construction and the manufacture of building materials. The Ukraine war created further economic impact to the construction sector, with the resulting fast rise in the cost of energy affecting both the manufacture of building materials as well as the costs to contractors of building new homes.

2.1.3 This has impacted on development viability in the city, with rapid build cost inflation over the last 5 years compounded by a very limited supply chain creating little competition between contractors for tenders. On the basis that it costs more to build a house in many parts of Plymouth than it can be sold for, particularly on challenging brownfield sites, very few developers are currently building market homes, whilst affordable homes require ever increasing levels of public subsidy. The average house price in Plymouth is 25% lower than the national average, whilst they are 41% lower than Exeter and 63% lower than Bristol.

2.1.4 Other factors over the last two years have caused further impacts. The enactment of 'Awaab's Law' (July 2023) has resulted in Housing Associations shifting from the construction of new affordable housing to investment into their existing stock to address the problems of mould and damp. Post Grenfell Fire Safety Regulation (May 2024) and Building Regulation uplifts on energy as well as Planning policy enhancements such as Biodiversity Net Gain (September 2024) have added further cost and delay to construction.

2.1.5 Plymouth's geographical location and accessibility constraints mean it is difficult to attract construction companies from other parts of the UK resulting in the lack of contractor competition for new house building. This has resulted in an over dependency on a small number of active contractors and limited supply chains, compounded by a number of local contractors going into administration in recent years with few if any new SME entrants replacing those lost.

2.1.6. House building in Plymouth is in decline. The development challenges of rising build costs, low values and supply-chain constraints are putting a strain on the viability of delivery resulting in market failure. Very few developers are currently building market homes, and many Housing Associations have been cutting back on their development ambitions because of their need to divert resources into making their existing housing stock free from damp and mould, as well as meeting higher energy efficiency requirements by 2030.

Table 1.

Year	GROSS additional homes	NET additional homes	GROSS Affordable homes
23/24	282	236	189
22/23	432	385	115
21/22	345	341	50
20/21 Brexit/Covid-19	857	535	81

The last three years of overall additional housing in the city have been lowest three out of four years.

2.2 Achievements 2024/2025

2.2.1 Despite these challenges and market failures to maintain new housing supply, we have been working with partners to wherever possible support the delivery of our housing and regeneration priorities. The Plan for Homes Action Plan provides an update on activity over the past 12 months and includes;

- The delivery of 96 new affordable homes of which 42 are for social rent. For 2025/2026 we are currently profiling 175 affordable homes completions, a much-needed increase in supply. The number of new additional homes (gross) for 2024/2025 will not be known until at the latest December 2025 following completion of annual housing survey and publication of Housing Position Statement.
- At Broadland Gardens we completed building the first homes as a Council for 40 years. All sale receipts from the 10 homes to be reinvested in Plan for Homes 4 to fund affordable housing provision elsewhere.
- We enabled the acquisition and refurbishment of 86 vacant ex-MOD family homes by Plymouth Community Homes for Social Rent and shared ownership to meet our identified needs, in particular for homeless families.
- We have been working to release 3 new council owned sites that are planned to deliver around 75 new affordable homes.
- We have brought 41 long term empty homes back into occupation through our award-winning actions on empty homes.
- We secured £540,000 of Brownfield Land Release Funding to de-risk two council owned sites to support the delivery of around 30 new affordable homes.
- We commissioned Three Dragons Consultancy to do an analysis of the Councils approach to housing delivery to identify if lessons could be learned to improve the local delivery situation. This has resulted in fact finding visits to a number of high performing Local Authority areas by the political lead for housing delivery, Cllr Penberthy, as well as key officers involved in the implementation of Plan for Homes 4.

- The stalled site at former Southway Paper Converting Mill has been unlocked by Plymouth Community Homes and has secured planning consent for 130 new affordable homes.
- We continue to provide grant funding through Plan for Homes to help meet viability challenges and unlock stalled sites.
- The Stirling House Project was completed in July 24, with nine Service Veterans in housing need involved in the construction of 25 self-contained social rented homes and rehoused as part of the scheme developed by Livewest.
- We have developed an Eco Homes Programme of 239 low carbon homes across five sites in various stages of delivery, with 18 completed.
- Completed the final phase 4 of North Prospect regeneration with Plymouth Community Homes; an award winning estate regeneration programme with 800 demolitions replaced by 1,180 new mixed tenure homes.
- Demolitions and first completions achieved at Barne Barton regeneration with Clarion and Sanctuary, where obsolete flats are being replaced with 328 replacement homes. The Clarion programme includes a rolling Train and Build Scheme for Service Veterans in housing need.
- We continue to co-ordinate the Plymouth Housing Development Partnership, our key delivery vehicle of nine developing Housing Associations and Homes England, to direct and drive the delivery of affordable and specialist homes.
- We have reinstated the Plymouth Regeneration Forum and are engaged with stakeholders including local SME contractors to develop a Housing Market Recovery Plan to help overcome barriers to housing delivery. A workshop was held in December 2024 with PHDP to identify barriers to development on allocated housing sites and how we can unlock new affordable housing delivery.

2.3 Looking Forward

2.3.1 Despite our strong track record of delivery, predominantly affordable and specialist housing and significant estate regeneration programmes, we know that we need to do much more, whilst recognising that it is the lack of investment by the private market that is mainly holding overall delivery back in the city.

2.3.2 A key focus for Plan for Homes 4 looking forward is therefore to build a pipeline of future delivery in response to the significant downward trend in market housing delivery. This involves working with delivery partners, landowners and agents to identify delivery issues and challenges and exploring opportunities to unlock and accelerate delivery. For example, we are planning to agree a Housing Partnership Agreement with Bournemouth Churches Housing Association to secure £18m of investment to support the delivery of 63 affordable homes.

2.3.3 We are currently working on more than 60 developer led and council owned sites that could deliver circa 4,450 homes of which around 2,000 would be affordable (45%) over the next 7-10 years. There are substantial opportunities for housing growth at Woolwell, Coypool, West Park Hill and Sherford. These larger sites are essential to helping meet the housing need and demands of the city, with larger percentages of family and affordable homes. For these developments to move more

rapidly into the delivery phase however, the current economic challenges outlined above will need to significantly improve and the opportunity for private sector profit re-established.

2.3.4 We have set up a 'Housing Sites Taskforce' to look at all potential housing sites across the city and determine how many homes could potentially be delivered on them to help build that pipeline still further. Work is also underway on creating a Housing Market Recovery Plan to try to identify housing and planning solutions to stimulate more market activity. Learning from the Three Dragons report on obstacles to housing delivery in Plymouth and the subsequent visits to other high performing Local Authority areas will also be fed into this plan.

2.3.5 As a response to the contractor and supply chain challenges, Homes England are organising a South West Housing and Construction Conference, working in partnership with many of the local authorities in the region including Plymouth. The challenging delivery landscape described earlier are common themes across the South West. The event in September 2025 will bring together developers, contractors, housebuilders, housing associations and local and central government to discuss and respond to the delivery challenges and significant growth opportunities opening up across the South West; sharing the development pipeline with the aim of attracting new investor and developer entrants into the region.

2.3.6 A recommendation of this report is for Plymouth to maximise the impact of the South West Housing and Construction Conference, by promoting our development opportunities, seeking to overcome identified challenges to delivery and securing inward investment. For example, Build to Rent is a sector that has yet to be established in the region beyond Bristol, and with the large scale labour market expansion in Plymouth there will be real demand for Build to Rent and other rental models that we will work to secure investment and delivery on.

2.3.7 There are now clear signs that the Government recognise the scale of the current challenges to housing delivery at a national level and in the recent June 2025 Spending Review they have identified a new 10 year Affordable Homes Programme for £39billion of grant funding, which when combined with 10 year rent settlement for Housing Associations for CPI+1% from April 2026 and the prospect for further rent convergence, should have the effect of encouraging more ambitious new build targets in the Social Housing sector. This will inevitably take some time to gain momentum, but if interest rates also continue to reduce, then the pre-conditions needed for a revitalised house building sector should start to feed through into the increased build rates that Plan for Homes 4 intends to deliver.

3. CITY CENTRE REGENERATION

3.1 Context

3.1.1 Plymouth's city centre currently has a very low level of housing, with only around 1,000 homes, compared to 8,000 homes for typical cities of Plymouth's size. Housing is the missing piece of the jigsaw in our plans for the transformation of our city centre.

3.1.2. Plymouth City Council is working with Homes England on a shared Vision to provide at least 10,000 new homes in the city centre and surrounding area, with the ambition to create a "New Town in the City". The city needs housing to support the large-scale labour market expansion, driven the £4.5bn defence investment in HM Naval Base Devonport, with Babcock requiring 5,500 new employees during that time and a further 2,000 construction jobs being created in the Dockyard.

3.1.3 The city needs to redevelop city centre buildings or under used sites for housing and we are working with Homes England on a first phase of priority projects to establish a new residential core in

the city centre, which will stimulate market activity and maximise public and private investment to deliver improved housing choices.

3.2 Achievements

3.2.1 We have recently entered into a new long-term partnership with Homes England to provide at least 10,000 new homes in the city centre, underpinned by a Memorandum of Understanding to support our partnership working and collaboration.

3.2.2 The Council and Homes England have strengthened their partnership in the last 12 months, establishing a Strategic Investment and Regeneration Board, and combining resources we have developed a City Centre Delivery Plan that aims to deliver at least 10,000 new homes across the city centre. This will drive an ambitious programme of housing-led growth on our priority projects, and to explore delivery vehicle options with a focus on finding a private sector developer/investor partners to bring commercial delivery capability and expertise to the city.

3.2.3 We are making progress on our priority sites;

- At Civic: We have recently had £18.4m of Brownfield, Infrastructure & Land funding approved from Homes England, which will supplement other funding from the Levelling Up and Future High Streets Funds. The total public sector investment (including PCC borrowing) will be around £48m. The Civic Centre project will deliver 144 homes and a new City Centre Blue & Green Skills Hub as part of a new City College City Centre Campus by September 2029.
- At West End: We have completed the acquisition of additional properties in the area as part of the land assembly phase of a wider programme of work to regenerate the area and work has commenced on the Plymouth Community Diagnostic Centre in Colin Campbell Court which is due to open in the spring of 2026.
- At Armada Way North: Homes England have acquired two stalled sites to accelerate delivery and are exploring other acquisition opportunities in the area. A capacity study has shown that as many as 1,100 homes could be delivered in this area, on land owned by Homes England and PCC. We expect that this site would form part of our early delivery.
- At Bath Street: Working with delivery partners to unlock phase 1 of 136 affordable homes. PCC grant has been approved in principle subject to PCH investment and Homes England subsidy. Bid submitted week commencing 16th June 25.

3.2.4 The Council has made a submission to the New Towns Taskforce, setting out our ambition to provide a “new town in the city centre”. The Taskforce is expected to provide recommendations to Government in July 2025, including the preferred locations and the type of support that could be provided.

3.2.5 The Council is investing a total of £50m in new public realm across the city centre, with the centrepiece Armada Way scheme in full delivery mode and on programme to open around this time next year. This investment includes the provision of new surface water attenuation which removes 77% of surface water from the combined sewer. This significantly increases the capacity of the existing sewerage system to allow further development to take place. Crucially this means that as the city centre is a critical flood zone the first few developments can “plug into” the capacity which has been created to allow these developments to proceed at pace.

3.3 Looking forward

3.3.1 The city centre and surrounding area already benefits from a pro-growth planning framework set out in the adopted Plymouth Plan and Joint Local Plan. The Council has begun to review what further work is required to support the delivery of new homes in the area by redeveloping brownfield sites. This further work will be undertaken by the Council and Homes England during 2025 to provide more detail on how and where these homes could be provided and what infrastructure would be required to support their delivery.

3.3.2 Plymouth stands on the cusp of a transformation linked to the investment in defence. Transformation of the City Centre has the potential to drive up values and create a pipeline of opportunities. This will help to improve future viability, confidence, developer/contractor interest, and inward investment. Someone needs to be the first mover and without this it will not happen, hence our work with HE to intervene on the identified priority sites in the city centre, as demonstrated by our joint work at Civic Centre and Bath Street. Such catalytic projects are needed to change this situation if we want to stimulate large scale housing investment into the city.

4. HOUSING NEEDS AND HOMELESSNESS

4.1 Context

4.1.1 Nationally and locally homelessness has increased significantly over recent years. Housing demands resulting from Section 21 evictions, household breakup and violence against women and girls are significant. The continued impact of the cost-of-living crisis, rising inflation, oversubscribed health and wellbeing services, including the lack of affordable housing across all housing tenures has resulted in further demand for housing services, supported housing and temporary accommodation. These challenges are recognised nationally, with an increased focus on the development of affordable housing, as well as reform of the private sector and a higher level of Homelessness Prevention Grant. This all links to a focus on improving the lives of vulnerable people in Plymouth.

4.2 Achievements

4.2.2 The first year of Plan for Homes 4 has seen the Council deliver progress on changing the amount and mix of temporary accommodation in the City. There needed to be a step change in moving away from nightly paid units such as bed and breakfast to more affordable self-contained units. Utilising various funding streams and working across partnerships, we have seen a big change in the number and mix of units which provide greater value for money, as well as providing better temporary accommodation for families.

- Local Authority Housing Fund 1 and 2 delivery supported by Bournemouth Churches Housing Association delivered 21 homes for Families
- Additional money secured for LAHF 3 and 3b which will deliver an additional 17 properties
- Completed letting of acquired properties in partnership with PCH which brought 86 properties back in to use as permanent housing
- SHAP delivered 26 units of temporary accommodation including 10 units of accessible family accommodation
- SHAP also due to deliver 42 units of accommodation for Young People in July – Dec 25
- Acquisition of additional family temporary accommodation (net nil model) continued acquiring 19 units in 24/25
- Purchase of the Royal Building

4.3 Looking Forward

4.3.1 Following the acquisition of the Royal Building for the purpose of delivering temporary accommodation, teams across Community Connections, Strategic Projects, Economic Development and Finance are working collaboratively to determine its future use. After exploring various options and drawing on professional external advice from Counsel and Benefits, the model of Supported Temporary Accommodation has emerged as the most financially viable solution, and one that aligns with current service demand.

4.3.2 The Royal Building project has now progressed into two key work strands:

- **Building Assessment:** An in-depth survey is underway to develop a thorough understanding of the building's current condition, with a focus on identifying any non-compliance issues relevant to a mixed accommodation model, including shared flat usage.
- **Partnership Development:** Work is ongoing to secure delivery partners. This includes engaging a registered provider to lease, manage and maintain the asset (under a lease agreement of more than 2 but fewer than 30 years), and identifying a support partner responsible for resident welfare within the accommodation.

4.3.3 We are also currently refreshing plans to include further units of accommodation and will be looking to:

- Complete LAHF 3 and 3b.
- Further our work with PCH in providing temporary accommodation within a small number of properties.
- Continue to work to further improve the front door and will move more of our work upstream to increase our early intervention and prevention, meaning we will work to reduce the number of households that become homeless.
- Continue to work with BCHA on the Raglan Court replacement project.
- Continue to look for other opportunities to procure additional accommodation or work with partners to provide additional units.

5. PRIVATE RENTED HOUSING - HOUSING STANDARDS

5.1 Context

5.1.1 In the first year of the Plan for Homes 4, significant progress has been achieved within the Private Rented Sector (PRS) through the coordinated efforts of statutory and non-statutory partners. This collaborative approach has strengthened the city's capacity to respond to tenant concerns and improve housing standards.

5.2 Achievements

5.2.1 During this period, a total of 1,540 PRS properties were inspected as part of the city's reactive response to tenant complaints. These inspections resulted in the resolution of 216 Category 1 hazards, improvements to 1,029 dwellings, the issuance of 101 formal notices, and service of 11 civil penalties. These interventions have directly contributed to enhanced tenant safety, improved public health outcomes, reduced displacement, and increased landlord accountability.

5.2.2 In addition, 274 individuals received training on key aspects of property management. This initiative has raised awareness among professionals entering homes across the city and strengthened landlord and accountable persons' understanding of compliance responsibilities. The year also saw several strategic developments, including:

- A comprehensive review of relevant policies;
- The establishment of a new partnership focused on addressing cold and damp homes;
- The formation of a regional working group—co-chaired by Plymouth—aimed at promoting a fairer and more consistent approach to PRS management across the region.

5.3 Looking Forward

5.3.1 This year's achievements underscore the critical importance of cross-departmental collaboration and partnership working in delivering a safer, fairer, and more resilient private rented sector. With the forthcoming introduction of the Renters' Rights Bill, which represents the most significant legislative reform in decades, the next 12 months will be pivotal in ensuring that services are effectively aligned to meet the evolving needs of the sector.

6. INDEPENDENT LIVING AND HOME ADAPTATIONS

6.1 Achievements

6.1.1 In the first year of *Plan for Homes 4*, a total of 424 home adaptations were delivered across the city, resulting in the successful completion of 280 cases. These adaptations have played a vital role in supporting residents to live independently and safely in their homes.

6.1.2 This period also marked the introduction of innovative operational methodologies, including:

- Modular construction extensions
- Prefabricated access ramps
- Wall boarding systems replacing traditional bathroom tiling

6.1.3 These advancements have significantly improved the speed and efficiency of on-site delivery, enabling residents' needs to be met more quickly. The result is a reduction in risk, enhanced independence for clients, cost savings, and a move towards lower-carbon, more sustainable delivery models.

6.1.4 Additionally, the Independent Living Policy Review was initiated, including a public consultation phase. The revised policy is scheduled for completion and implementation by August 2025.

6.2 Looking forward

6.2.1 Looking ahead, the team will focus on addressing increasing demand through:

- A comprehensive review of operational delivery models
- Piloting rapid-deployment stairlift solutions
- Implementing a new case management system to streamline service delivery

These forward-looking initiatives aim to further enhance the responsiveness, efficiency, and sustainability of independent living services across the city.

7. IMPROVING THE ENERGY EFFICIENCY OF THE EXISTING STOCK

7.1 Context

7.1.1 Plymouth has a diverse mix of housing types, including a large number of older properties that suffer from poor energy efficiency. Approximately 70% of houses in Plymouth were built before 1975 when modern building regulations were introduced, resulting in inadequate insulation and outdated heating systems that result in high energy bills and lead to fuel poverty for many residents.

7.1.2 The predominant heating type in Plymouth housing is a boiler system with radiators, accounting for 88% of Plymouth dwellings. However, approximately 40% of the city's homes have an EPC rating of D or lower, with only 0.6% achieving an A rating. It is estimated that over 17,000 households in Plymouth live in fuel poverty, with the highest concentration being in Devonport, Stoke, North Prospect and Keyham.

7.1.3 Efforts to improve the insulation of homes through various government programmes, such as the Home Upgrade Grant, has been slow in part due to the stop-start nature of these initiatives. While the eligibility criteria for government funded schemes are designed to target people in fuel poverty, the way in which the criteria are set can exclude many low-income residents. Most vulnerable elderly residents living in park homes, for example, are denied support because of a 10% cap on spending retrofitting grants on this type of home.

7.2 Achievements

7.2.1 Work is ongoing to retrofit existing housing stock with better insulation, efficient boilers and renewable energy technologies. During the 2024/25 financial year:

- 64 homes in Plymouth received energy efficiency measures through the Homes Upgrade Grant 2 retrofit programme for low-income households, targeting the worst performing (EPC band D-G) of off-gas grid homes.
- 146 social homes have been supported via Plymouth City Council's allocation of funding through Wave 2.1 of the Social Homes Decarbonisation Fund programme, which has focused on tackling fuel poverty and improving the comfort, health and well-being of social housing tenants.
- 24 homes received energy efficiency improvements through the Energy Company Obligations (ECO) 4 programme.

7.3 Looking forward

7.3.1 Funding has been awarded to Plymouth for the energy retrofit of homes through the Warm Homes Local Grant (WHLG). With the funding awarded to-date, PCC is able to support 206 over the period 2025/2028, whilst government has indicated that an increase in this funding is being considered as part of the 2025 Spending Review.

7.3.2 Plymouth City Council did not apply for funding from Wave 3 of the Social Decarbonisation Fund programme (now called Warm Homes: Social Housing Fund), as social housing providers in Plymouth either decided that the grant conditions did not align with their plans, or in the case of LiveWest they applied via the West of England Combined Authority (WECA) and received funding to retrofit between 100-200 homes over the period 2025-2028, including their next phase of work in Barne Barton.

7.3.3 For the ECO4 programme, Plymouth City Council only has a role of approving works, with the homeowner being directly in contact with energy suppliers' delivery agents. As such the City Council is unaware of the number of retrofits that will be delivered in 2025/26, however, support will continue to be provided where requested.

7.3.4 Plymouth City Council is committed to the long-term delivery of an ambitious new heat network across the city of Plymouth which will provide huge social and economic benefits. The first phase is focused on providing heat and cooling to businesses, public buildings and domestic customers in the city centre. An application to the government's Green Heat Network fund has been submitted and development partner will be appointed to deliver the project and expand the scheme.