

# THE PLAN FOR HOMES

Working Plymouth 25 September 2013



## Background

On 18 July 2013 the Plan for Homes was launched by Councillor Mark Lowry, Cabinet Member for Finance with responsibility for housing delivery. The Plan for Homes is one of the key initiatives agreed as part of the new Corporate Plan on 22<sup>nd</sup> July 2013. It seeks to facilitate a transformational step change in housing delivery in Plymouth.

## Why do we need the Plan for Homes?

Despite some creative planning and development initiatives undertaken by the City Council over the last decade since the David Mackay Vision for Plymouth was launched in November 2003, housing supply still lags behind the need, especially for those in the most acute housing circumstances.

Plymouth is relatively distinct regionally and nationally in housing terms. It has a low wage economy with 20% of working people earning less than £15,000 per annum and 50% less than £23,000 per annum – resulting in housing affordability issues. Plymouth also has higher than national and regional incidence of homelessness as a % of population; very significant demand from people in housing need with more complex needs becoming apparent.

Customers seeking housing advice have increased 41% over past 12 months, with homelessness approaches increasing by 39% during last quarter 2012. Currently there are over 10,000 applicants on the waiting list with 30% less lets becoming available to meet general needs households.

There are higher levels of social rented homes (20%), higher levels of private rented housing (20%) with huge variations in quality, standards and affordability together with lower levels of owner-occupation. There are increasing demands for elderly who may be asset rich and cash poor and more are living in the worst conditions resulting in higher health and social care costs.

Plymouth has 14,000 households living in fuel poverty, many living in older homes that are hard to heat. Innovative programmes under the Energy Company Obligation and the creation of a cooperative Plymouth Energy Community will help address these issues alongside a review of planning policies under the Core Strategy review (the Plymouth Plan).

There are substantial regeneration programmes underway (North Prospect is the largest in the south west) with no clear investment strategy from Government after 2015, the funding model having changed with a 76% reduction in the national Affordable Housing Programme. Decanting of local people from these regeneration projects results in higher demands on limited social housing, increasing competition for available lets.

As a result of the additional room supplement there is a further growth in demand, especially for one-bed accommodation.

There is also a need to support additional family homes, executive homes and student homes in support of the University of Plymouth's enterprising university initiatives. With the ageing population the need to provide additional extra care facilities will increase.

So, whilst Plymouth has had a good track record of delivery of affordable homes, this is set against huge reductions in capital funding for new homes and private sector housing renewal.

## **The Plan for Homes**

Whilst we are currently creating increased housing momentum through our Get Plymouth Building programme that seeks to bring forward over 2,000 homes in the next 2-3 years, we nevertheless need to see a step change in future housing delivery if we are to achieve Plymouth's ambitious growth agenda and address known housing needs. We have therefore started work on a very ambitious programme of housing development which will involve more homes coming forward in the next 5 years. This will see further City Council-owned sites being released and also new innovative models of funding being developed. The Plan for Homes currently contains 9 innovative ideas for how we can further accelerate housing delivery. We will be working with the Plymouth Housing Development Partnership, and other housing providers, to develop these and other ideas further; and will announce our new strategic housing target in the Plymouth Plan in 2014.

The Plan for Homes will bring together landowners, developers, registered providers, local communities, ward councillors and planners in a cooperative approach to deliver the affordable and other homes Plymouth people need. An important component of the Plan for Homes will be a significant expansion of the programme of city council land releases with the intention being the release of over 100 acres of city council-owned land immediately and for the next 5 years.

The overall ambition of the Plan for Homes is to increase housing supply by 1,000 homes per annum.

Initial ideas that we have investigated so far include:

- 1 We will look at **waiving planning pre-application fees** up initially until March 2014 for affordable housing schemes that meet our policy requirements.
- 2 We will work with all our **Registered Provider partners** to increase housing delivery, and in particular seek a step change in development and investment of the City's 4 largest registered providers to deliver extra homes.
- 3 We will incentivise the delivery of city centre housing by creating a '**density bonus**' in order to provide more homes, as well as encouraging a broader mix of house types including one-bed properties.
- 4 We will work with the development industry to complete a **Strategic Housing Land Availability Assessment** to identify sites to substantially increase the supply of housing with planning permission.
- 5 We will support an early start of the 5,500 homes at **Sherford**.
- 6 We will work with institutional investors to **attract new investment** into housing within Plymouth.
- 7 We will complete a **Strategic Land Review** by March 2014 to identify every possible city council-owned site suitable for housing development and commit to releasing these sites quickly.
- 8 Where appropriate, we will **waive Section 106 requirements** and accept off-site affordable housing contributions to unlock stalled sites, and consider this for new schemes proposing homes provided developers commit to starting the developments by agreed dates.
- 9 We will announce our new homes target to meet the needs of Plymouth's population in our new **Plymouth Plan**.

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## Other Ideas being developed

On 5<sup>th</sup> August 2013 we held a workshop with all the Registered Providers in the city to explore what could be done to create a step change in housing delivery.

Some ideas that are being explored include:

- Appoint a planning relationship manager for each Registered Providers and large developers to encourage further investments in Plymouth
- Develop policies in the Plymouth Plan to support greener homes.

- Make more land available for self-build.
- Establish an Affordable Housing Loan Facility to the Plymouth Housing Development Partnership.
- Consider opportunities to acquire land to support long-term housing delivery.
- Support Homes for Heroes projects.
- Consider flexible land and Section 106 payments to improve the development cash flow of projects enabling earlier starts on site.
- Consider joint venture arrangements to support a programme of development opportunities.
- Consider how affordable housing schemes can be fast tracked through the planning process.
- Develop a “flagship” scheme on a city council-owned site to encourage innovation and greater input from Registered Providers (such as the Bickleigh Code 6 project).
- Use the Neighbourhood Plans process in conjunction with local communities to identify sites for homes to meet local needs.
- Increase development capacity by proactively encouraging new private sector developers to work in Plymouth.
- Establish a “virtual” Empty Homes Partnership of identified private developer and Registered Provider partners to explore new models of funding and delivery.
- Identify opportunities to convert long-term empty commercial properties into residential accommodation.
- Linked to City Deal discussions, establish a Public Land Board to identify and coordinate public sector land releases to support housing growth.
- Consider how a “build now pay later” scheme could support housing delivery.
- Work with Registered Providers to review opportunities for housing on garage and under-used sites.

## **Conclusion**

The Plan for Homes will be presented to Cabinet on 15<sup>th</sup> October 2013. The views of the Working Plymouth Panel on the emerging ideas for the plan are welcomed.

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**25<sup>th</sup> September 2013**