

GET PLYMOUTH BUILDING

Working Plymouth 25 September 2013



Background

On 24th August 2012 the Get Plymouth Building (GPB) programme was launched by Councillor Mark Lowry, Cabinet Member for Finance with responsibility for housing delivery. In a report to the Growth and Prosperity Overview and Scrutiny Panel on 20th February 2013 Councillor Lowry announced the release of 10 City Council sites as part of the GPB programme. The GPB programme was created following research into national publications looking at how housing supply could be increased.

GPB contains 8 initiatives and aims to accelerate housing delivery and in particular bring forward greener and more affordable homes:

- 1 We will work with landowners and developers to discuss how we can remove the barriers to development and unlock **stalled sites** concentrating our efforts on those that we believe will deliver results.
- 2 We will seek to assist new development proposals to be worked up on **lapsed sites**, to further encourage development momentum in the current housing market.
- 3 We will complete a review of all **Area Action Plan sites** of 11,233 homes that have yet to commence to identify and help unlock future development opportunities and work to support those about to propose development.
- 4 We will fast track through the planning system all new development opportunities brought forward under the **call for sites**, seeking to identify new development proposals in the city.
- 5 We will identify and make available City Council owned sites to support **self-build**, including options for individual plots and groups of serviced plots for sale. We plan to complete a serviced plots pilot and follow up with further releases of council owned land in the form of plots or serviced plots for self-builders.
- 6 We will help bring forward housing on **small sites** by helping to unblock development barriers and proactively encourage housing providers to take a fresh look at sites with less than 15 homes.
- 7 We will work to ensure that increased and accelerated housing delivery takes place on the 10 **city council owned sites** that have been ring-fenced to provide 616 new homes of which 246 (43%) will be affordable and Code for Sustainable Homes level 4; well above current policy and what the market is currently providing.

8 We will identify **new funding mechanisms**, explore new models of delivery and seek to maximise government funding opportunities to help deliver a step change in the quantity and quality of new homes delivered in the future. The development and launch of RENTplus in Plymouth aims to deliver 500 homes over the next five years.

GPB aims to deliver over 2,100 homes and over 800 jobs in local construction and supply chains over the next 2-3 years by taking an innovative approach to housing and planning for homes. This in turn will lead to a boost in regeneration momentum in the city.

At the time of its launch GPB was estimated to have a total value of development benefitting the local economy of £213.7 million.

This report provides an update of progress after the first year of the GPB programme.

Stalled Sites

In August 2012 there were 5,179 homes across 96 sites with planning permission yet to be built.

What we said we would do

We said we would review all 96 sites working with developers and landowners. We also committed to fast tracking conditions discharging and reserved matters in order to facilitate commencement on site. Finally on larger developments we said we would work with developers to remove any barriers to development. This included reviewing the density of schemes, the mix of uses, the tenure balance, the phasing of construction and the timing of Section 106 payments.

What we have done

Whilst improving market conditions will account for some completions on these sites, we have taken a very proactively role in contacting and working with the Plymouth Housing Development Partnership (PHDP), developers, landowners and agents to discuss how we can support delivery on these sites.

Progress up to August 2013	No. of Sites	Dwellings
Completed	11	92
Under Construction	25	705
Projected	4	253

At this stage we therefore expect 1,050 dwellings that were previously stalled to come forward.

Lapsed Sites

In August 2012 there were 489 approved dwellings on 33 sites which landowners and developers allowed to lapse.

What we said we would do

Under Pledge 78 we have taken action to tidy up a number of development sites where planning permission has lapsed. We have also encouraged some temporary improvements to boundary treatments and been encouraging developers to support temporary uses where it is unlikely development will come forward in the short term. We said we would focus our efforts on the top 3 lapsed sites at Colin Campbell Court, Millbay Marina and the former Crescent cars site which account for 309 dwellings.

What we have done

We have reviewed all the lapsed sites and provided updated advice and guidance to landowners to encourage new planning applications to be made.

Progress up to August 2013	No. of Sites	Dwellings
Completed	1	10
Under Construction	0	0
Projected	3	193

At this stage we therefore expect 203 dwellings from sites where permission had lapsed. We are currently progressing Development Enquiry Service (DES) pre-application discussions on Millbay Marina for 134 homes and expect a DES submission shortly on The Crescent cars site, with progress on one other lapsed consent.

Colin Campbell Court is currently on the market and discussions are on-going with the agent on this site to bring forward a redevelopment.

Area Action Plans (AAPs)

Plymouth has 6 adopted AAPs and a 7th that has been submitted and is the subject of an Inspector's examination report. These AAPs identify opportunities to build 11,233 new homes.

What we said we would do

We said we would review all of these AAP sites and hold discussions with landowners to see how they could be brought forward as planning applications quickly.

What we have done

We have reviewed all the AAP sites and held discussions with landowners on a number of them.

Progress up to August 2013	No. of Sites	Dwellings
Completed	4	118
Under Construction	5	354
Projected	9	595

At this stage we therefore expect 1,067 dwellings from AAP sites in the next 3 years. The remaining AAP sites will now be reviewed as part of the Plymouth Plan process.

Call for New Sites

On 19th November 2012 Councillor Mark Lowry made a call for new sites for housing to be brought forward by the development industry.

What we said we would do

We committed to prioritise housing proposals at pre-application stage and respond quickly to new housing schemes coming forward in response to the call for sites.

What we have done

Although initially we had a disappointing response from the local development industry interest has increased over the first year of the GPB initiative. By February 2013 there were 20 sites at the pre-application stage, although clearly some of these may have come forward separately.

3 sites are currently at planning application stage and could yield 6 dwellings. There has been progress on 5 other sites that have come forward which could yield a further 178 dwellings.

Progress up to August 2013	No. of Sites	Dwellings
Completed	0	0
Under Construction	0	0
Projected	8	184

At this stage we therefore expect 184 dwellings arising from the call for sites to be taken forward in the next 3 years.

Self-Build Sites

Self-build currently represents only about 10% of house completions in the UK, significantly lower than the 50% average of most European countries. As part of GPB, the Portfolio Holder wished to encourage more choice and better affordability of housing by developing the city's self-build offer. This would not only help increase supply – albeit modestly – but could help to develop self-reliance and wider social skills, improving life chances for those in most need. When GPB was launched people interested in self-build were invited to contact the Planning Department to explore self-build opportunities.

What we said we would do

We said we would develop a self-build offer by undertaking a review of opportunities within the city and, in discussion with national partners such as the Homes and Communities Agency and the Mutual Housing Group, develop imaginative planning approaches to how sites are developed. We also said we would support the Nelson Project as part of a clear commitment to the Military Covenant.

What we have done

Linked to Pledge 55 which seeks to support housing co-operatives, we have been developing our self-build offer through 7 self-build initiatives.

Firstly, in recognition that lack of land supply and access to funding has been one of the biggest constraints on self-build, we have identified 5 City Council sites to be reserved for self-build housing, with the first planning applications expected in October 2013. We expect these sites to deliver 10 dwellings. In addition, one of the 10 council-owned sites released as part of GPB at the former Hillside/Woodlands schools are expected to deliver 4 dwellings. A legal framework for self-build disposal has been drafted and feasibility works for the proposed serviced plots development has started. Subject to necessary approvals, the marketing of several pilot self-build plots is intended to commence in 2014. Depending on the pilot results, further city council land release could be programmed either in the form of plots or serviced plots for self-builders. In addition we are also encouraging and promoting self-build opportunities on other city-council-owned land, with developers either providing serviced plots or part completed units for custom-build finish.

Secondly, we have been bringing interested parties together. 12 households initially expressed interest and we have identified a self-build champion to develop and promote opportunities.

Thirdly, we have been working with the Homes and Communities Agency to access £30 million of funding for self-build projects.

Fourthly, we have been working in partnership with CornerstoneZed on the largest commercially viable Code 6 housing scheme in Europe approved at Bickleigh. This 91-house scheme and on-site assembly facility has enabled a market testing opportunity to establish the level of demand. In addition the project is committed to providing kit homes and training to support wider self-build opportunities in the south west.

Fifthly, we are working under the umbrella of the Community Self Build Association and with a number of local delivery partners to develop a pilot project of 12 custom-build homes for ex-service personnel.

Fifthly, we used the first ever National Self Build Week in May 2013 to call on prospective self-builders to get in touch. This prompted contact from a number of potential self-builders resulting in a doubling of households on Plymouth's Self – Build register of interest to 27. We also attended the London Excel Grand Designs exhibition and self-build conference talks in order to explore self-build models.

Lastly, we are using the work being developed on self-build under the GPB programme to inform the development of new policies in the Plymouth Plan.

Progress up to August 2013	No. of Sites	Dwellings
Completed	0	0
Under Construction	0	0
Projected	5	14

At this stage we therefore expect 14 dwellings through the 7 self-build initiatives.

Small Sites

In August 2012 there were 498 dwellings on 128 small sites (less than 15 units), either with planning permission or where it had lapsed.

What we said we would do

The Small Sites Initiative aims to help smaller developers bring forward housing on sites with planning permission. We said we would contact all developers with planning permission on small sites which would deliver between 4 and 15 dwellings to offer support and advice to get the permissions implemented.

What we have done

We have undertaken mass emails to local agents and landowners, issued regular communications via twitter, raised small sites at the Plymouth Regeneration Forum and Local Agents Forum, and had direct discussions with Registered Providers to link them up with landowners.

Progress up to August 2013	No. of Sites	Dwellings
Completed	7	11
Under Construction	12	38
Projected	1	14

At this stage we therefore expect 63 dwellings through the Small Sites Initiative.

City Council Sites

On 20th February 2013 the Councillor Mark Lowry announced the release of 10 city council sites to support the GPB programme. On 12th March 2013 the Cabinet agreed the release of the Former Community Centre in Ernesettle.

The 10 sites were: Former Aster Centre, Lipson (AJM), Mannamead Centre, Mannamead (Pillar Developments), Former Plym View, Efford (Spectrum), PLUSS Centre, Southway (Westward), Former Ernesettle Centre, Ernesettle (Aster), Former Tamerton Vale School, Tamerton (DCH), Former Southway School, Southway (PCH/Galliford Try), Former Chaucer Way School, Manadon (Linden), Former West Park School, Former West Park (Linden) and Former Woodlands/Hillside Schools (Sanctuary).

What we said we would do

Having prepared streamlined Site Planning Statements for all sites to enable a fast track approach to be taken to identifying the development potential, we said we would work with partners to bring forward planning applications on all the sites by the end of 2013. Across all 10 sites the expectation was that in the region of 616 homes in total would be delivered of which 43% would be affordable and all those built to Code 4. This exceeds Core Strategy policy and current market delivery. The proposed schemes would secure £3.9m of HCA grant for the City through the PHDP and will generate approximately £4.8m of New Homes Bonus which will support the future regeneration of the City.

What we have done

We appointed development partners on 9 of the sites in February 2013, and 1 in March 2013. In the 6 months that have elapsed since the sites were announced by the Portfolio Holder, 1 site already has planning permission, 2 sites are at planning application stage, 5 sites are at DES stage, and 2 are currently being made available again for new partners as Linden Homes withdrew their proposals on Chaucer Way and West Park as these had not been advanced with the necessary urgency. New partners will be appointed by November 2013. It is therefore likely that 6 of the sites will have planning permission by the end of 2013 with the 4 others expected to be in mid-2014.

Progress up to August 2013	No. of Sites	Dwellings
Completed	0	0
Under Construction	0	0
Projected	10	406

At this stage we therefore expect 406 dwellings to be delivered on the 10 City Council sites within 3 years with the remainder of the units following in 2016/2017.

8. New Funding Mechanisms

Given the changing national funding landscape, new ways to fund increased housing delivery forms part of the GPB programme.

What we said we would do

We said we would research alternative funding mechanisms and models of delivery in order to accelerate housing supply. We also indicated that we had worked with the Commission for Cooperative Housing and the Mutual Housing Group to develop cooperative homes for greater local ownership, linked to Pledge 55. We also said we think we can work more positively with housing associations to help alleviate housing shortages. Finally we said we would instigate meetings with institutional investors to explore longer term strategic funding mechanisms to deliver more affordable housing.

What we have done

We have been working with external housing providers and investors to review a number of funding models. On 18th June 2013, we successfully launched a new model of affordable housing funding and delivery called *RENTplus* with a local entrepreneur (Pillar Land Securities) and a local Registered Provider (Tamar Housing). *RENTplus* is a brand new innovative approach to affordable housing and a first for the UK. Rather than rely on government subsidy, *RENTplus* brings in private sector funding from the institutional investment market through M3 Capital Partners. It aims to deliver 500 homes over the next 5 years with the first 12 due to be completed in 2014 on the city council site in Mannamead. *RENTplus* will offer people on the housing register new homes with affordable rent. The tenants will also be given cash towards their deposit to help them buy their *RENTplus* home.

We are also exploring a pilot for the Opt-to-Buy scheme. This model involves building new homes and allowing people to rent whilst improving their credit histories and saving for a deposit before buying.

We are also looking at the QSH Investment Agency Rent-to-Buy, Deferred Purchase and For-Rent models.

We have also been in discussions with the advisors to the Mayor of Bristol – Ark Consultancy – looking at their programme for increasing housing delivery.

We have also been researching the funding models that Southwark and Warrington have been developing to support affordable housing.

We have reinvigorated the PHDP. Registered Providers active in Plymouth are now more aware of the need to deliver additional homes in Plymouth. Currently Registered Providers manage and maintain over 22,400 homes in the city and are developing 621 new affordable homes under the Affordable Housing Programme which will create 1,103 jobs. As Registered Providers in Plymouth have an annual turnover of £119.1 million, employing 1,110 people, it is important that the Planning Department supports, engages and challenges them to maximise delivery. To this end a new programme of “account management” at a senior management level was commenced at the time of the GPB launch.

We continue to explore other funding opportunities and have recently secured over £10 million of funding for various housing projects in the city. In addition a £32 million loan to support the early deliver of 5,500 homes at Sherford has been secured.

Progress up to August 2013	No. of Sites	Dwellings
Completed	0	0
Under Construction	0	0
Projected	TBC	TBC

At this stage we are currently reviewing the dwellings contribution from new models of delivery to the GPB programme.

Conclusion

Since the GPB programme was launched in August 2012 a proactive approach to housing delivery and the innovative use of planning powers has resulted in a number of sites being unblocked and development that was not progressing moving forward. As at August 2013:

- 231 homes have been built on identified stalled, small, lapsed and AAP sites.
- 1,097 homes are currently under construction on sites forming part of the programme.
- A further 1,659 homes are projected to be built over the next 2-3 years on identified sites.

The aim of the GPB programme to bring forward over 2,000 homes is currently well on schedule. The Planning Department continues to liaise with housing providers, developers, landowners and agents to seek up to date market intelligence on the development status of all the sites and is monitoring progress on a regular basis.

Since the start of the GPB programme development information has been updated through regular monitoring and surveys that are undertaken by the Planning Department. This shows that there are still 4,080 homes on 23 larger sites that have planning permission but have yet to start. In addition there are 188 dwellings on a further 59 small sites also with planning permission yet to start.

Recent analysis also shows that since 2006, 1,957 homes on 89 sites had planning permission but those consents lapsed. Whilst there will always be planning permissions that are not implemented – for a variety of reasons – this illustrates that the city council is reliant, in part, on landowners and developers to implement the planning consents they are given to achieve the higher levels of housing growth necessary for Plymouth. The alternative is the continuation of people living in poor and overcrowded conditions and the average age of a young person securing a first time home continuing to rise.

What is clear from the first year of the 3-year GPB programme is that a proactive and innovative planning approach has made a very real difference to delivery on the ground. This has achieved the desired momentum that lay behind the announcement of the initiative by the Portfolio Holder. However it also illustrates the need for a more radical set of measures to achieve a step change in housing delivery. The Plan for Homes, set out in the Corporate Plan agreed on 22nd July 2013, seeks to make this transformational step change. In the meantime, whilst The Plan for Homes is being developed, the GPB programme is helping to make a major contribution to current housing delivery.

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