

A woman in an orange jacket is clapping her hands in front of a brick house entrance. Inside the doorway, a woman with long grey hair and a young girl are smiling. The girl is wearing a black top with a red rose design. The house has a red brick exterior and a white door frame. A wooden bracket is visible above the door.

**HOMES FOR THE  
SOUTH WEST**

**Building the  
affordable homes  
the South West needs**



# ➤ Foreword

## New affordable homes are vital if the South West economy is to thrive.

At Homes for the South West, our members have long been committed to building beautiful and sustainable homes. We create neighbourhoods that work for local people and enhance communities for future generations. We want to continue to do this in the decade ahead and are committed to delivering the new, high quality, affordable and sustainable homes the South West desperately needs.

As a region that has long suffered from historic levels of underinvestment, there are serious challenges to turning this vision into a reality. Research published earlier this year by the University of the West of England (UWE) made clear that the South West's housing market is truly unique in terms of the scale and complexity of the housing shortage.

This research, the most comprehensive study ever undertaken into housing need in the South West, found that there is a shortage of 200,000 homes relative to housing need - and that this number is rising year on year. The report also found that median house prices have risen by 400% in the last 25 years - whilst median earnings have only gone up by 83%. Meanwhile, 27% of England's second homes are in the region - further pricing locals out of the market.

The South West is being pushed to breaking point. Homelessness is on the rise and key workers including doctors, firefighters and police officers cannot afford to live in the areas they serve. The region's housing crisis is also stymieing attempts to drive economic growth - businesses and entrepreneurs will struggle to locate operations to the South West because they know staff will not be able to afford to live nearby. It is no

exaggeration to say that our region's housing shortage means we will miss out on potentially transformative economic opportunities.

There are significant challenges when it comes to providing the South West and its people with the homes they need - but these are not insurmountable. With the right approach we can overcome the barriers and blockers to new affordable housing and regeneration across the region - helping to solve the housing crisis and driving economic growth in the process.

This manifesto sets out four challenge areas we want to work in partnership with the Government to deliver change in the South West:

- Harness the built environment to drive economic growth
- Make sure more public land is used to deliver affordable homes
- Reform the planning system to deliver new homes
- Ensure that funding genuinely helps deliver regeneration and new affordable homes



**Louise Swain**  
Chair, Homes for the South West

### Our members are:



## Who we are

Homes for the South West is the leading voice for affordable housing in the South West. We are a not-for-profit coalition of 12 of the largest housing associations in the region who are committed to building the high quality, affordable and sustainable housing our region desperately needs. We own more than **250,000 homes**, house **half a million people** and make an annual contribution of **£1bn to the local economy**.

## Building more homes:



Creates jobs

Housebuilding creates jobs, both in construction and in the supply chain. Every £1 spent on construction output generates £2.84 in economic activity.



Reduces financial pressures on the Treasury

For every £1 spent on construction, there is a 56p benefit to the Exchequer from increased tax revenues and reduced benefits payments as the activity stimulates employment growth.



Addresses regional inequalities

Providing training, skills and opportunities and supporting the establishment of new and innovative industries.



Drives economic growth

For every 50,000 new homes built in the UK, 0.5% is added to national GDP





# ➤ Our recommendations:

## Harness the built environment to drive economic growth

### Capital infrastructure spending pipeline

We recommend that the Government provides a clear 5 - 10-year pipeline of capital infrastructure spending in the South West.

A lack of investment in the South West has meant that its economic output has never been able to match its population size and as a largely rural area, investment in the South West's connectivity is essential to its economic growth.

This, combined with the UK's ongoing skills and labour shortage, means that our region is at a significant economic disadvantage. As an organisation whose members are committed to building new affordable homes - and providing significant volumes of work to the construction sector in the process - we want to see this change.

One way the Government could help with this would be by providing a 5-10 year pipeline of capital infrastructure spending in the South West. This kind of pipeline would provide certainty to companies and contractors across the built environment sector - enabling them to make significant investments in new technologies such as modern methods of construction, as well as in training and upskilling a new generation of workers across the sector.

Such a move would be a boon for the region's economy - with every £1 spent on construction generating £2.84 in economic growth - and provide the workers that will be needed to deliver new affordable homes, whilst also promoting economic growth across a host of other sectors in the region.



## Make sure more public land is used to deliver affordable homes

### Public sector land reform

**We recommend that the current public land disposal strategy be reviewed and that a new threshold be set to ensure that when public land is sold, 50% of it must be used to deliver affordable housing.**

Land is vital to the delivery of affordable housing - and the South West is home to a significant amount of public land. This is a position of strength which should be used to the region's advantage: we want to see the disposal of public land playing an increasingly active role in driving the building of new affordable homes more quickly across the region.

The opportunities here are significant, and the high-quality developments already delivered by our members on former public land in the South West, such as Mulberry Park in Bath, demonstrate how effective it can be.



# ➤ Our recommendations:

## Reform the planning system to deliver new homes

### **Introduce a presumption of consent for new planning applications**

We recommend that enforcement of the requirement for demand led Local Plans be accompanied by the introduction of a system of presumed consent for reserved matters. Under this model, planning authorities would have 13 weeks to proactively object to compliant applications – if no objections are raised, applications move forward, and building can begin.

The existing planning system is a block to the delivery of the new affordable homes, with planning applications regularly being held up by process and political indecision. It does not need to be this way and we must find a way forward.

At the moment, a significant number of planning authorities have paused the process of creating new local plans - delaying the delivery of new homes and forgoing opportunities for economic growth in the process.

We want to see the Government put an end to this - enforcing the requirement that all planning authorities have local plans in place, with design codes where necessary. These plans must be based on an assessment of demand and be evidence led. Such an approach would provide clear parameters to developers on how to plan and build homes in keeping with the local area and aesthetic.





# ➤ Our recommendations:

## Ensure that funding genuinely helps deliver regeneration and new affordable homes

### **Make long-term grant funding available to support regeneration**

We recommend that the Government make permanent a temporary change that allows grant funding from the Affordable Homes Programme to be used to replace existing poor-quality homes.

We welcome the recent move to make grant funding from the Affordable Homes Programme available to replace existing housing – this is a significant boost for regeneration and will help to revitalise communities. However, right now, this funding is due to expire in 2025.

This should be made permanent, with Housing Associations also given the flexibility to decide what tenure our homes would be on practical completion of the property, giving greater scope to adapt to changes in the market and help to meet local need more effectively.

### **Ensure developers make a genuine contribution to new affordable homes**

We recommend that steps be taken to ensure the enforceability of Section 106 agreements – with developers given significantly less flexibility on the issue of viability concerns to make sure these are not blockers to the delivery of new affordable homes.

Right now, developers make financial contributions to new affordable housing through Section 106 agreements. This funding is vital, but too often developer contributions from such agreements end up being significantly scaled back because of viability concerns which can be flexed at will by developers without consequence.

### **Target grant funding to reduce regional inequality**

We recommend that the Affordable Homes Programme be reformed so that it is focused not just on delivering new affordable housing – but also on addressing regional inequalities. As part of this, areas such as the South West that have experienced historic levels of underinvestment should be prioritised.

Grant funding from the Affordable Homes Programme and elsewhere plays an important role in helping to deliver regeneration and new, affordable homes. However, it pays no regard to the important role that delivering new homes in the right places can play in helping to address regional inequalities. We want to see that change.





# ➤ Summary of recommendations



1. We recommend that the Government provides a clear 5 - 10 year pipeline of capital infrastructure spending in the South West.



2. We recommend that the current public land disposal strategy be reviewed and that a new threshold be set to ensure that when public land is sold, 50% of it must be used to deliver affordable housing.



3. We recommend that enforcement of the requirement for demand led Local Plans be accompanied by the introduction of a system of presumed consent for reserved matters. Under this model, planning authorities would have 13 weeks to proactively object to compliant applications – if no objections are raised, applications move forward, and building can begin.



4. We recommend that the Government make permanent a temporary change that allows grant funding from the Affordable Homes Programme to be used to replace existing poor-quality homes.



5. We recommend that steps be taken to ensure the enforceability of Section 106 agreements – with developers given significantly less flexibility on the issue of viability concerns to make sure these are not blockers to the delivery of new affordable homes.



6. We recommend that the Affordable Homes Programme be reformed so that it is focused not just on delivering new affordable housing – but also on addressing regional inequalities. As part of this, areas such as the South West that have experienced historic levels of underinvestment should be prioritised.



# HOMES FOR THE SOUTH WEST



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