

Ipswich Borough Council
Housing Delivery Action Plan
Monitoring Review July 2020

Action Plan – Monitoring review

1.0 Introduction

- 1.1 During the period of review Ipswich Borough Council has been proactive in taking forward the actions identified in the 2020 Housing Delivery Action Plan. Of the fourteen actions identified, eight are either satisfied or significantly progressed. A further four actions have been commenced and are in the process of being fully delivered against.
- 1.2 The Council has been unable to take forward work on Part 2 of the Brownfield Land Register, one of the actions identified in the 2019 Housing Delivery Action Plan, due to the site constraints associated with the Borough's brownfield sites, in particular archaeology, contamination, and the presence of Listed Buildings. This form of permission does not allow for planning conditions to be attached. The complex nature of the Borough's brownfield sites means conditions would be required with any permission granted.
- 1.3 Although the delivering against the actions has not resulted in an improved Housing Delivery Action Plan figure for the period, the Council has seen a significant increase in the number of housing completions in the last financial year, up from 217 in 2018/19 to 421 in 2019/20. This represents a sizeable 94% increase in the number of homes delivered in a single year and puts the Council on track for a better performance in the 2020/21 Housing Delivery Test results.
- 1.4 Going forward into the next housing delivery monitoring year, the Council is acutely aware of the ongoing implications of Covid19 for Ipswich and the development industry. However, the Borough will put in place mechanisms to support the delivery of new homes, as necessary.
- 1.5 The Borough Council is in a strong position to deal with the challenges that have been brought about by Covid-19. In June 2020 the Council submitted the Ipswich Borough Council Local Plan Review Final Draft 2018-2036 to the Planning Inspectorate for Examination. This follows the relatively recent adoption of the current Local Plan in 2017. The NPPF states that policies in local plans and spatial development strategies should be reviewed to assess whether they need updating at least every five years. The submission of the Local Plan Review puts the Council on track to deliver a new Local Plan ahead of the Government's preferred timetable. Through the emerging Local Plan, the Council can demonstrate that it has sufficient land to meet the Borough's identified housing need for the Plan period as well as a 5-year land supply that meets the delivery tests prescribed by the Government. The 5-year land supply is closely linked to housing delivery and the housing delivery test on which the requirement of an HDAP is based.

1.6 The emerging Ipswich Local Plan will provide greater certainty for the development sector in Ipswich and will deliver a spatial strategy for the borough during this challenging period.

2.0 Monitoring

2.1 It is acknowledged that the action plan should not be a 'one-off' piece of work, as some elements may take time to implement and take effect. Monitoring should form part of the wider monitoring of planning progress and will feed into the Annual Monitoring Report (AMR) as it is prepared later in the year. Central Government is clear that the responsibility for meeting housing need falls on the local authority as a whole and therefore it will be necessary to secure ongoing support across all relevant departments.

2.2 The requirement for a Housing Delivery Action Plan is continuous until such time as delivery exceeds the required rate in the following year. The actions within the action plan will be implemented, managed, monitored and reviewed through an existing corporate steering group annually.

2.3 With regard to marketing of sites, this will be managed by the Economic Development Team, however engagement with housebuilders at the Ipswich garden Suburb through the Ipswich garden Suburb Delivery Board will include discussions regarding marketing and communications relating to both house delivery at this significant site but also on the town centre itself.

2.5 The Council will carry out monitoring of the Housing Delivery Action Plan annually to report on performance and whether actions should change depending on effectiveness. It will also consult with relevant bodies as prescribed by the Government.

2.4 The monitoring of the development management function will continue to be measured and monitored via the Council's performance management system.

Actions

Action	Priority	Responsibility	Timescale	Review
AP1 - Setup a model to run affordable housing provision on sites for developers	High	Housing / Cooperate	Short/ medium term	Annually

Monitoring data gathered by the Council in the table below demonstrates the levels of affordable housing (AH) completions in the Borough.

Year		Net completions	Expressed as a % of total delivery
2005-06		156	20
2006-07		163	17
2007-08		329	23
2008-09		245	27
2009-10		26	7
2010-11		135	40
2011-12		152	54
2012-13		7	7
2013-14		44	19.3
2014-15		202	43
2015-16		133	26.8
2016-17		4	1.6
2017-18		20	14.2
2018-19		9	4.1
2019-20		35	8.3
	Including assisted living units		

Figure 15 – Ipswich Affordable Housing Completions 2005/6 to 2019/20

Affordable housing completions for the past three monitoring years have been relatively low compared to previous years. This suggests that the deliverability of affordable housing through recent developments has been unable to meet the need identified by the adopted policy. The table shows a ten-year average provision of affordable housing of 25% of all completions 2009-2019 and a five-year average of 23% since 2014, but year on year completions vary according to the nature of the developments taking place. This is controlled through the market and, in many developer-led schemes, is adversely influenced as a result of viability considerations.

To address this issue the Council has adopted a pro-active approach by entering an ambitious, but necessary, programme to build 1,000 new homes (across 20+ sites in the borough). To date the Council has delivered 151 affordable homes, with another 41 due to be delivered later in the year¹.

Furthermore, the Council is also investing a further £11 million in improving its existing housing stock. However, in order to properly address this need for social rent, external funding is needed.

The Council is considering how the delivery of affordable housing on third party development sites might operate (including scrutiny of the terms or agreements with developers). The main matter is communication, and in particular, how developers would be made aware of this potential arrangement and how best to engage with IBC. One solution would be via the IBC Housing team, communicating directly with developers, so they are aware that IBC would be able to act as the RSL for their development site. Such details can be included within the Council's Affordable

¹ Housing delivery is in conjunction with IBC owned companies

Housing Position Statement. The planning department will identify to developers that IBC are potentially able to offer its services as the AH provider through its Pre-Application service.

Further engagement will occur through regular Developer Forums, which form part of action AP4, where the matter of IBC as AH provider could be added to forum events along with other related matters.

Action	Priority	Responsibility	Timescale	Review
AP2 - Work with neighbouring authorities.	High	Planning Policy	Short term	Annually

The Council has been actively engaging and collaborating with neighbouring authorities within the Ipswich Strategic Planning Area (ISPA), through the ISPA Board. The four authorities which make up the ISPA have jointly commission evidence in support of their aligned Local Plan reviews. Through the emerging Ipswich Local Plan Review 2018-2036, the Borough has identified an area of land at the northern end of Humber Doucy Lane for 496 dwellings and associated infrastructure. The site will be jointly master planned along with the adjacent land allocation that falls within the East Suffolk Council administrative boundary.

ISPA work on the Transport Mitigation Plan is ongoing and aims to resolve growth related transport matters in Ipswich, this being a cross boundary project.

Action	Priority	Responsibility	Timescale	Review
AP3 - Monitor and bid for infrastructure funding.	High	Planning Policy	Short/medium term	Annually

Ipswich Borough Council is continuing to work with Homes England following the allocation of almost £10 million in government funding through the Housing Infrastructure Fund to support the delivery of the Ipswich Garden Suburb Development.

IBC is currently exploring how it can assist in bringing sites forward through grant aid to help with site issues such as archaeology, which are expensive to address. Work on this has started, with Homes England in particular looking at those sites within the first 5 years of the trajectory.

Action	Priority	Responsibility	Timescale	Review
AP4 - Compulsory purchase	Medium	Planning Policy	Long term	Annually

To date, the Council has placed greater emphasis on working with developers to assist them with bringing forward sites that have stalled or where there are existing buildings in a poor state of repair. This has been a particular focus of the Council's dedicated Urban Design and Conservation Team. Compulsory purchase is considered to be a last resort and to date, has not proved necessary to actively pursue. The IBC Private Housing service also has a good record of bringing homes back into use. Latest figures show that 40 dwellings have been bought back into a habitation use so far this year, with another 100 properties in the pipeline.

Action	Priority	Responsibility	Timescale	Review
AP5 - Build relationships with developers	High	Planning Policy	Short term	Annually

The Council intend to work with planning professionals to raise the quality of planning application submissions, following the adoption of the Suffolk Design Guide, a focused project designed to embed best practice and quality design into new developments. The Suffolk Design Guide places significant emphasis on meaningful and early engagement, prior to the submission of applications, to then create additional opportunities for planners and developers to work together in raising the quality of applications. The Council will be endorsing the use of the Suffolk Design Guide later in the year.

In order to understand the impact of COVID-19 on the local building industry in Ipswich, the Planning Policy Team have been in contact with major developers and small and medium enterprises (SME's), agents and other developers who are known to have interests in sites within the Borough. 50 organisations were contacted (see Covid-19 section).

Action	Priority	Responsibility	Timescale	Review
AP6 - Undertake a review of all local plan housing allocations with a view to increasing densities as appropriate	High	Planning Policy	Short term	Annually

Following the completion of the Preferred Options (Regulation 18) consultation of the Local Plan Review in March 2019, officers undertook further site visits of the residential sites outlined in the Preferred Options Local Plan Review. The purpose of the site visits undertaken between May – June 2020 was to identify and assess whether the capacity for each site was appropriate. The overall impact of this exercise was to increase the capacity across sites by 117 dwellings.

The Council has engaged with discussions landowners as part of the Ipswich Local Plan Review. Through this work, officers were made aware of some additional sites, four of which have come forward as allocations in the emerging Ipswich Local Plan Review 2018-2036.

As part of the preparation of this delivery plan, rejected sites from the SHELAA were reappraised, this resulted in the identification of four new development sites that had not previously been allocated.

Site Ref	Site Address	Net Increase (no. of dwellings)
IP309	68A Austin Street	12
IP354	72 (Old Boatyard) Cullingham Road	24
IP355	77-79 Cullingham Road	6
IP125	Corner of Hawke Road/ Holbrook Road	15

New Housing Site Allocation Identified through the Ipswich SHELAA

Action	Priority	Responsibility	Timescale	Review
AP7 - Review S106 procedures and appoint a Monitoring Officer	High	Planning Policy	Short/ medium term	Annually

The Council has taken steps to improve the efficiency of its development management processes, including bringing all S106 work in-house.. This has given the local planning authority greater control over its processes and procedures. Going forward the Council is planning to recruit a S106 Monitoring Officer, however, this is currently on hold due to Covid-19.

IBC has undertaken an internal review of the use of its software i.e. Uniform, and has completed necessary work on the implementation report writing work within the (Uniform) Enterprise system, which will help with case management and addressing workflow management for those staff responsible for the determination of planning applications.

Action	Priority	Responsibility	Timescale	Review
AP8 - Promote use of pre-applications and Planning Performance Agreements	Medium	Development Management	Short/ medium term	Annually

The Planning and Development department has identified the promotion of pre-applications as being a service priority. Going forward, the Council is committed to offering a range of pre-application services to developers and will therefore be updating its website to clarify the process, cost, timetable and expected output. As stated earlier, the Council is also engaged with the Suffolk Design Guide, a project designed to embed best practice and quality design into new developments.

Action	Priority	Responsibility	Timescale	Review
AP9 - New digital platform (Uniform Enterprise)	Medium	Development Management	Short/medium term	Annually

The Borough Council has bought forward work on Uniform Enterprise during 2020 and is currently working with the appointed consultants to implement the necessary management tasks and reports. This will have a positive impact on the speed of delivery and monitoring. All relevant staff have been trained in using Uniform Enterprise. Full implementation is due to be rolled out during July 2020. The Council will be monitoring how it affects delivery over the next 12 months and will report any outcomes in the 2021 Housing Delivery Action Plan.

Since the impacts of Covid-19 have been felt across local government, staff have been working from home using electronic processes. All planning applications and local plan work have been dealt with remotely, via an electronic format, thus allowing staff to progress without the obstacle of relying on paper based documents, that would otherwise have necessitated office based practices.

Action	Priority	Responsibility	Timescale	Review
AP10 - Completing Part 2 of the Brownfield Register which would establish the suitability in principle of land for housing led development. This type of consent purportedly provides greater certainty for developers that the fundamental	High	Planning Policy	Short term	Annually

The Council updated Part 1 of its Brownfield Register in December 2019. As part of this work, the question as to whether to progress the Register to Part 2 was thoroughly explored. It was concluded that because of the site constraints associated with the

Borough's brownfield sites, in particular, archaeology, heritage assets and land contamination, progressing to Part 2 was deemed to be inappropriate and to pose a high risk. This is because Part 2 sites are eligible for PIP. This form of permission does not allow for planning conditions to be attached. The complex nature of the Borough's brownfield sites means conditions would be required with any permission granted.

Action	Priority	Responsibility	Timescale	Review
AP11 - Place marketing and promotion.	Medium	Corporate	Medium term	Annually

The Council's Economic Development Team have undertaken proactive place marketing of Ipswich to promote inward investment. The place marketing has largely been targeted at businesses or individuals thinking of relocating (primarily out of London). This work is constantly ongoing and is being escalated following the Council's commitment to aiding recovery from the Covid-19 pandemic.

Action	Priority	Responsibility	Timescale	Review
AP12 - Allocation of more land in areas which have 'red' heat which will provide bigger premiums to developers.	High	Planning policy	Post 2020 for inclusion in the new local plan post this current review	Annually

Following the completion of the Preferred Options (Regulation 18) consultation of the Local Plan Review in March 2019, officers undertook further site visits of the residential sites presented in the Preferred Options Local Plan Review. The capacity and density review referred to under AP6 also took into account the heat map value zones, identified in the 2020 Whole Plan Viability Assessment. The overall impact of this exercise was to increase the capacity across the Policy SP2 (land allocated for housing) sites by 117 dwellings.

Action	Priority	Responsibility	Timescale	Review
AP13 - Enhance the role of small and medium sized house builders.	High	Corporate	Short-medium term	Annually

No specific progress has been made, due to the need to prioritise the submission of the final draft of the new Ipswich Local Plan, which was submitted in June 2020.

Covid-19

	Priority	Responsibility	Timescale
Developer/Housebuilder surveys on COVID-19 impacts and other delivery impacts	High	Planning policy	Short term

Nationally, an interesting picture is emerging, but most commentators agree that it will not be until the autumn of 2020 that a clearer picture of the effects will emerge. A national study found that when asked about the impact on business in the construction sector (January-April 2020), 25% of respondents said they had stopped on site activity completely. This figure is representative of the many small and medium enterprises (SME's) who could not have prepared for the pandemic and had fewer active sites.²

60% of respondents said that they had scaled back activity, but they were still in operation. 10% experienced no change in activity, whilst 5% reported increased activity.³

These figures are in line with those provided by the Office for National Statistics (ONS), which showed a massive drop of 40% in construction output in April with a reduced value of £7.6bn (down from £12.7bn in March), representing a drop of £5.1bn.⁴

New construction work saw a drop of 41.2%. This is a record loss in comparison against April 2019 for the value of all construction work (including repair and maintenance which fell by 38.1%), which fell by 44% in 2020.

However, there are some promising shoots of growth emerging. Only 10% of respondents have no plans to build over the next 6 months. 15% are looking to start a new project imminently and 20% are expecting to start a new project in the next six months.⁵

In addition, the seasonally adjusted HIS Markit/CIPS UK Construction Total Activity Index jumped from 28.9 in May to 55.3 in June 2020, beating all expectations and surpassing the reading mark of 50, which is the dividing line between market growth and contraction.⁶

June saw residential building as the best performing area of construction activity, making a comeback from the sharpest fall in the sector during lockdown.

Although output is still down from pre-COVID levels, there is clearly improvement and recovery taking place.

In order to understand the impact COVID19 on the local building industry in the borough of Ipswich, the Planning Policy Team have been in contact with the local development industry, including larger companies, SME's, agents and developers who are known to have an interest in sites within the Borough. 50 organisations were

² <https://compariqo.com/wp-content/uploads/2020/07/Survey-ebook.pdf>, page 4

³ ditto

⁴ ditto

⁵ <https://compariqo.com/wp-content/uploads/2020/07/Survey-ebook.pdf>, page 5

⁶ Ditto

contacted by telephone. Although the return was only 22%, this was of a similar scale to responses from other local authorities in the region, each of whom had conducted similar surveys. In addition, and at a Suffolk wide level, information arising from such surveys is being collated to understand the broad picture in the county as a whole, which is then being passed to Government via the Suffolk Growth Programme Board.

Generally, large scale infrastructure projects, investment and development in the vicinity of Ipswich appears to be unaffected by COVID-19.

Ipswich Borough Council has a dedicated Major Projects team working on bringing forward significant development at the Ipswich Garden Suburb (IGS). The team remains fully staffed and is working closely with multiple developers to progress the development. However, the IGS project has similarly been affected by Covid-19. In the short term, this pandemic has impacted anticipated delivery timescales and any additional impact is unquantifiable at this time, although all parties remain fully committed the scheme and are actively progressing discharges of condition and reserved matter approvals.

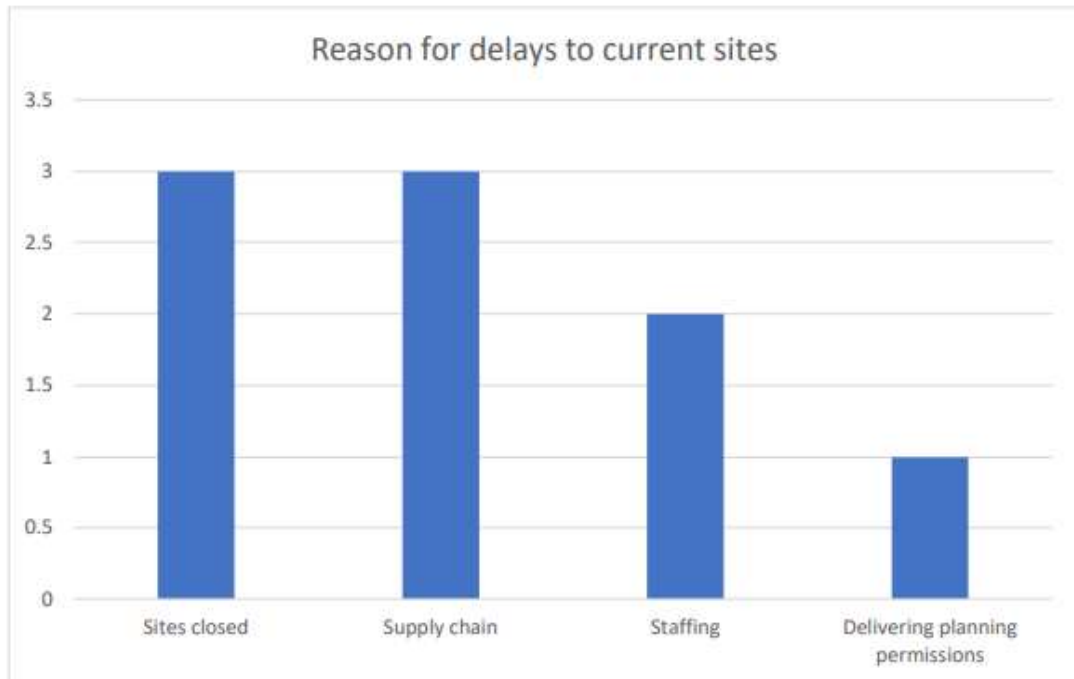
In 2018 Council was successful in its bid to Homes England for £9.8m of Housing Infrastructure Funding (HIF) through the Marginal Viability Funding route. Owing to Covid-19 and the effects on the supply chain, the milestones within the HIF legal agreements may be impacted. To this end, IBC are in positive discussion with Homes England as to how best address this, in order to take account of possible delays to the delivery of housing and infrastructure on Site. Moreover, an IGS Delivery Board is now in place, which is dedicated to achieving timely delivery on site, formed of all the relevant stakeholders.

In addition, the Council itself is actively pursuing its own development sites, despite Covid-19, such as the former Took's Bakery Site, which includes high quality new housing (60 homes) and the provision of land for a new major medical centre. Furthermore, the town-centre regeneration site at Grimwade Street, where a further 16 dwellings will be delivered. It is clear that the Council is playing an important role in building confidence and is proving to be a community leader in the development sector, by proactively acquiring and developing land for new housing.

One of the key issues is that there has been little take-up of Government grant and loan help related to Covid-19 by the local building industry. It is unclear what the impact of this will be on build out rates, but this is surprising to the local authority. It is difficult to know if this is repeated across the industry in Ipswich. Only 36% had taken these up, and they tended to be the larger companies, rather than the expected SME's. This appears to be higher than the national picture survey reported, which only saw 20% of respondents make use of the Coronavirus Business Interruption Loan Scheme (CBIL). Many property developers were not eligible; however, the rules have recently changed on this to include them. In addition, nationally only 25% have successfully made use of the Bounce Back Loan Scheme.

There were concerns expressed from some of the larger companies about the need to ensure supply chains (including staff availability at consultants, developers, architects, and construction workers) were operating effectively before recommencing

on site. This would have an impact on build out timings. In addition, some of the Government restrictions regarding on-site working safely were identified as likely to have an issue on the speed of build-out rates despite the Government increasing hours of working.



Response to Covid19 Questionnaire Showing Reasons for Delays on Active Development Sites in Ipswich (X axis) and Number of Responses (Y axis)

Some identified the general speed of local plan production as a major issue for their sites and others had concern around bank lending despite historically low Bank of England interest rates.

Some felt that the extension of the time that planning permissions are extant needed further extension than that proposed by the Government, so that developers could progress sites effectively, taking into account any delays that were outside of their direct control.

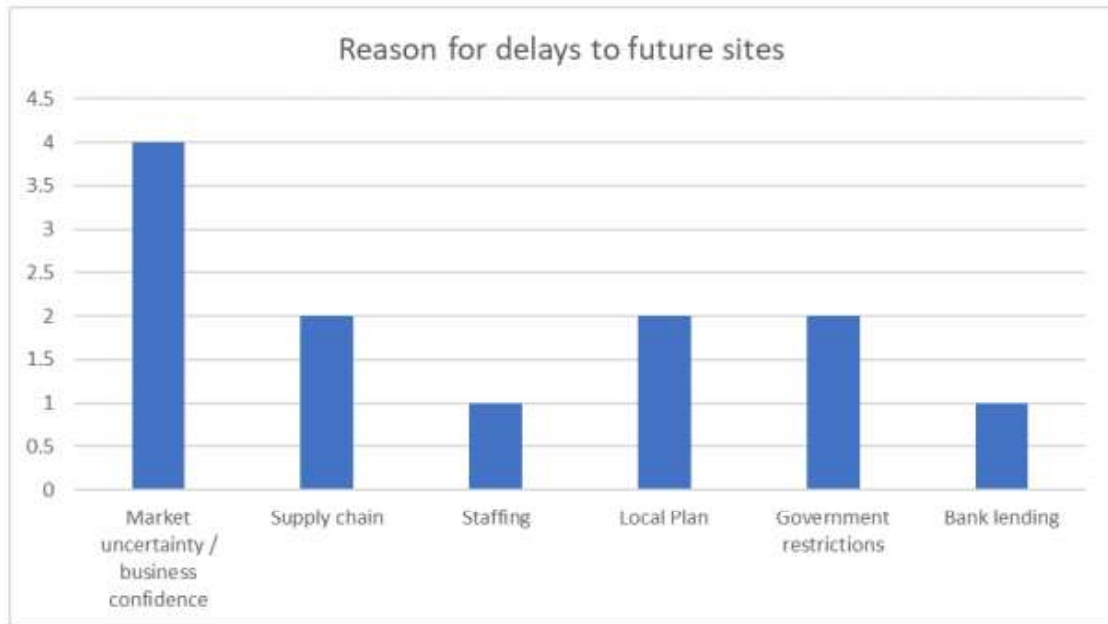
A number of respondents expected impact but were unable to quantify it yet. However, 75% of those interviewed with active sites expected there to be delays in building programmes as a result of the pandemic.

Of those interviewed, only two companies (i.e. 18% of respondents) said they had to furlough staff directly, although three (27%) suggested that some of their contractors/clients had had to. This probably relates to responses that were waiting for supply chains to be operating effectively.

50% of those interviewed with sites coming forward in the next 5 years expect there to be delays and 37.5% have suggested potential delays. The most common reasons given for this include market uncertainty and business confidence, issues with bank lending, supply chain issues, working restrictions and progression of the Local Plan.

64% of those interviewed suggest that they expect initiatives to help future housing delivery will be required. The most common examples given include the Housing Infrastructure Fund (HIF) and assistance with issues surrounding archaeology for example, and up-front survey work. This is something that the Council is actively working on. This issue has also been identified in the Housing Delivery Action Plan.

There was some lack of economic confidence expressed, particularly by smaller companies. The building industry traditionally is well known to be one of the first areas of the economy to react to economic concerns. Should the absorption rate fall, there would be a significant impact on the rate of new homes in any given year and this can impact on affordable housing levels.



Response to Covid19 Questionnaire Showing Reasons for Delays on Future Development Sites in Ipswich (x axis) and Number of Responses (Y axis)

This said, the Government is significantly investing in transport infrastructure nationally and Ipswich Borough Council is also continuing its current building programme, which aims to deliver 1,000 homes in 10 years, as outlined in the 2017 Corporate Plan 'Building a Better Ipswich'. Both these initiatives are clear examples to build business confidence.

Whilst this is only a snapshot in time and based on a sample of businesses, it is important to understand the initial impact of Covid-19 as Ipswich, and the nation, starts to move out of lockdown. This will continue to be monitored by the Borough Council

as business moves forward. We plan to repeat the survey in November/December, which will have given time for the 'new normal' to have bedded down.