

Statement: PS14.01

Cabinet – 8 February 2022

Re: Agenda item 14 - Project 1000: Affordable Housing Delivery Plan 2022-2025

Statement submitted by: Clive Stevens

Dear Cabinet – I am so pleased to read about Project 1000, if it works, and with time, it could be transformative to Bristol.

It is clear the housing market is not working for many. Even the Government admit it, their definition of an affordable home is now, “housing for sale or rent, for those [people] whose needs are not met by the market”. In Bristol there are perhaps as many as 100,000 who’s needs are not met by the market. Many live in council, social or association housing, but the housing list and planning studies show many more aren’t and it seems to be getting worse. Therefore it is totally appropriate and right for the state to increase the level of market intervention locally and nationally. I will cover some wider benefits I see coming from Project 1000 and then some concerns.

1) Wider benefits:

- Having 1000 new affordable homes each year will mean more money going into the local economy as some of those 1000 households exit the private rented sector and finally have some disposable income to spend (if energy prices don’t grab it all). There is the obvious positive impact on high streets, and in due course this spend will support some sectors of the local economy currently priced out by high rents like artists, some hospitality and local music. These are things that give Bristol its flavour. It could even partially mitigate the impact of gentrification in some areas.
- Also Project 1000 makes it easier for key workers to live here. In London they have added all key worker jobs to the priority list for housing. In Bristol we should consider this too. Access to affordable housing will reduce pressure on them to leave Bristol or live far out. It could also reduce cost pressures on Bristol City Council itself and others who employ lots of key workers.
- There are even wider benefits to Bristolians. In Bristol the private rented sector is about 60,000 dwellings. Adding affordable housing in large quantities will start to tip the balance between supply and demand and bring a boost to tenant power. Whether this takes 10,000, 20,000 or more, I don’t know. Eventually this should have a longer term impact on private rents. Then tenants can use their newly found disposable income to spend in the local economy and/or take the chance to save and if they wish, buy a home.
- May I suggest that all Council departments start adding up the benefits to them and so contribute to Project 1000.

2) My concerns:

- A lot of this relies on Government subsidies, currently via Homes England. If this is cut then another funding source is necessary. The Goram Homes cross subsidy model could help substitute over time e.g. build half at market price and half affordable. The advantage this brings is the building of mixed communities. Extend that and add some Extra Care Housing (for older

people) plus some student housing too, all of which would generate more income within the scheme to accelerate the programme. In addition extra income could perhaps enable better room sizes, community and child's play areas and all with better insulation.

- This supply of new builds needs to add to the density of accommodation in an area. It is population density which brings greater productivity to a City, supporting bus services, high streets, infrastructure, local schools indeed local 15 minute neighbourhoods and all less reliant on the car.
- In some markets, private sector demand for new building is strong and it is where developers make money. These sectors include Purpose Built Student Accommodation, high quality offices, "non-affordable" homes and to a lesser extent Airbnb type accommodation. The market in itself brings hardly any affordable homes. It seems the retail sector is struggling too. The demands of developers need to be managed by the Council otherwise the private sector will continue to bid up the price of land to satisfy their profit needs and many Bristolians won't then get their affordable homes.
- Private sector build may well leave lots of unused and unwanted shops and offices. If these are going cheap then the Council should consider buying them up for conversion to homes. If the Council do this then enough can be made affordable; whereas, if developers do this, they can convert to homes too, but under permitted development rights they can offer substandard, high rent accommodation. Not what we need at all.
- This all requires proper Planning; perhaps of the zonal type. I see WECA's Spatial Development Strategy comes out for consultation on the 8th April. I hope it is consistent with this type of activity and supports what you are trying to do.

Managing the market, shaping it, requires even more funding from the Council (or Goram) to buy up derelict buildings, car parks and the like. Even more reason for the whole Council to join the Project 1000 mission.

Finance Department, you have a huge role to play in this – don't be too cautious, do be far sighted. You need to join the mission.