

Thriving communities,
affordable homes



INVESTING NATIONALLY

DELIVERING
LOCALLY



**HCA - Delivering Government's
Housing Strategy**

HBF Annual Policy Conference

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The HCA role

We are the people who help get things done...

- Working with people and places to **enable** them to deliver homes, economic growth and jobs
- Delivering programmes of **investment**
- Making best use of our **land** and that of government/ other public bodies
- From April 2012 the HCA will become the **regulator** of social housing providers



HCA Purpose: to contribute to economic growth by helping communities to realise their aspirations for prosperity and to deliver quality housing that people can afford

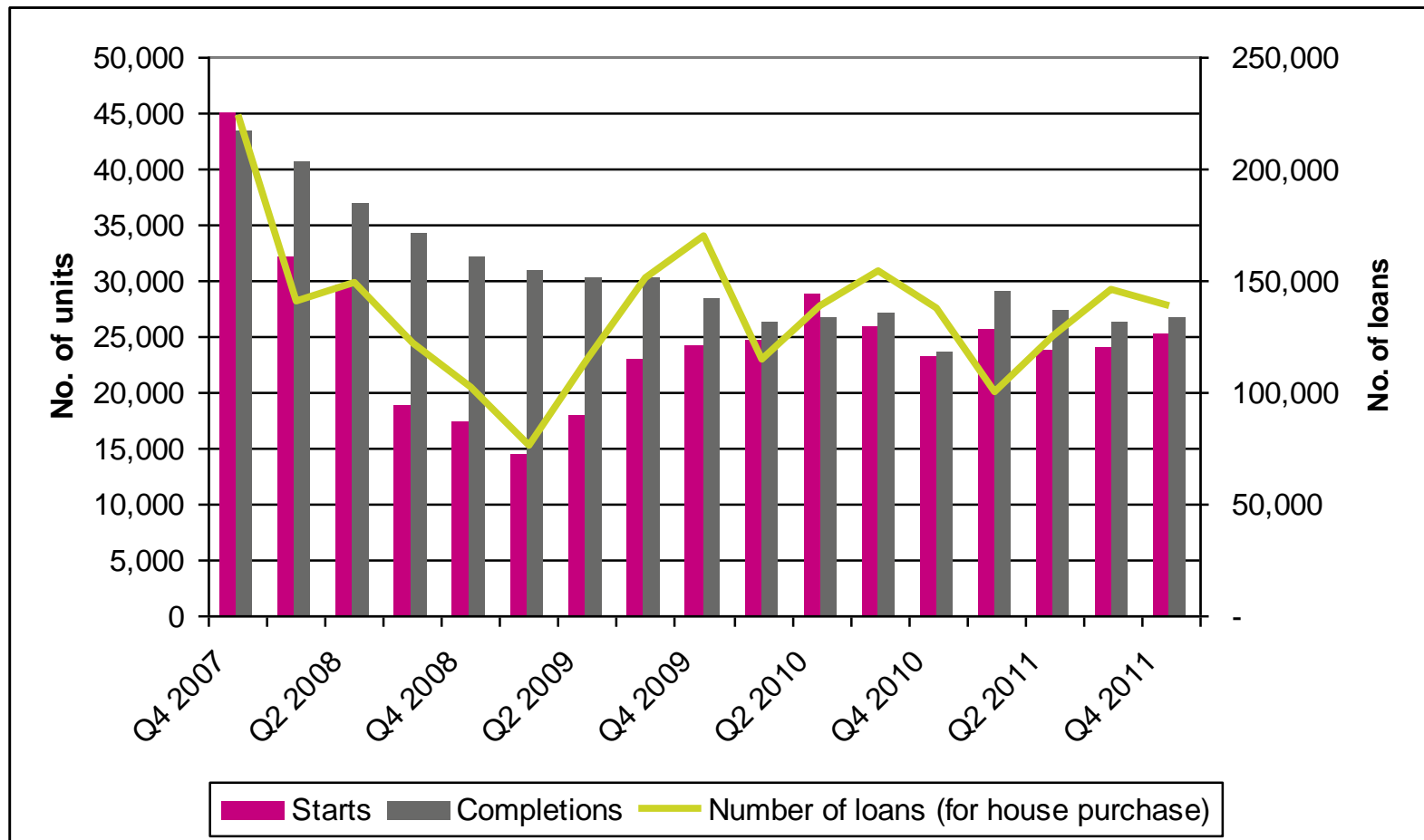
Current delivery context

- Limited public funding
- Localism
- HCA investment is focused on 4 key areas:
 - Affordable housing
 - Renewal of existing social housing stock
 - Land and regeneration
 - Economic Assets Programme
- Focus on growth
- Housing Strategy: Laying the Foundations
- Government city deals



Market context

- No. of loans in Q4 2011 down 5% on previous quarter, but up 1% on same time last year
- Housing starts in Q4 2011 up 6% on previous quarter, whilst completions up by 2%



Economic benefits of housing supply

- Housing plays a key role in meeting the objectives of economic growth and social mobility
 - Attracting inward investment
 - Customer economies
 - Mixed use development



Delivering the Housing Strategy



- *Get Britain Building*
 - £420m fund, HCA prospectus launched 22 December 2011
- *Land auctions*
 - Three pilots, two on HCA land (Hastings/West Lancs) one on MoD
- *Private rented sector*
 - Sir Adrian Montague review barriers to investment, pilots (Hemel Hempstead, HCA land as equity)
- *Empty homes funding*
- *Stock transfer*
- *Locally planned large-scale development*
 - HCA enabling support including ATLAS
- *Custom-build* (including self build)
 - HCA sites included
- *Reinvigorated Right to Buy*

Progress: Get Britain Building



- Scheme design £420m to unlock up to 16,000 homes
- Mixed offer of loans or equity stakes, or both
- 22 December: 2011 Prospectus published
- 1 February: 18 commissioned schemes announced £45m delivering 1,300 homes including:
 - Cheeseman's Green, Ashford - includes plans for 140 new homes
 - Bootham Green, York - includes plans for 37 homes
 - Bath Western Riverside
- 15 February: Initial sift 176 expressions of interest, 392 sites

Our investment role

- **AHP:** £4.5bn (£2.3bn existing commitments) nationally 103 contracts signed
- **FirstBuy** support for c.10,000 FTBs access affordable home ownership
- HCA managing £2.1bn programme of investment in **Decent Homes**
- **Enabling** offer:
 - Strategic and commercial land advice
 - Fostering local partnerships
- **Land:** other government departments, HCA land, Economic Assets Programme



“Helping deliver the Government’s ambition to build up to 170,000 new high quality affordable homes by 2015”

Our investment role: Land and regeneration



HCA Land

- Existing P&R commitments
- Accelerated disposal of land

Other government land

- Technical support to government departments

Economic assets (RDA land)

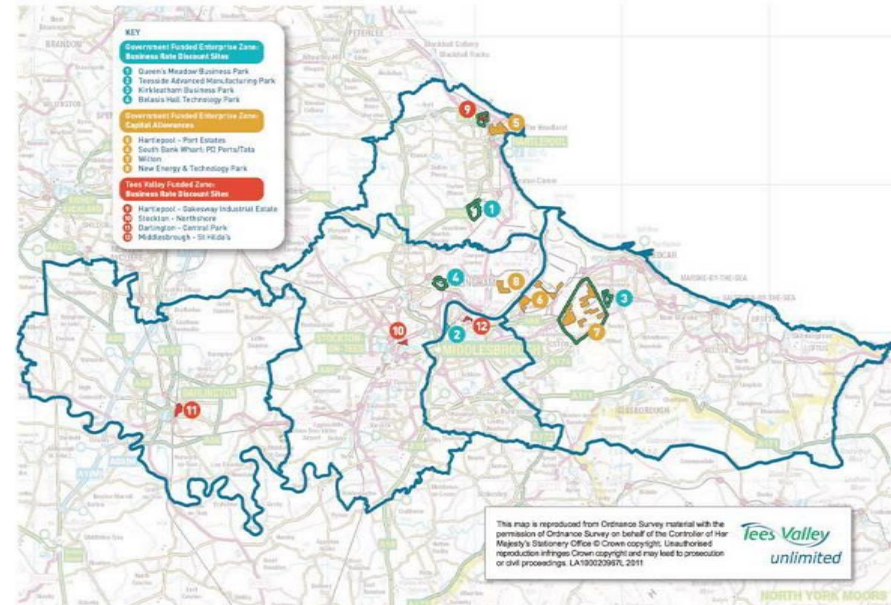
- 52 coalfield assets already transferred
- Over 300 sites to transfer value of £300m (March 2011)
- Local stewardship arrangements



“We play a key role in Government’s ambition to make the best use of public land to benefit communities”

Joining it up in localities: Tees Valley

- Tees Valley Unlimited
- Connecting economic priorities across the Tees Valley via Enterprise Zones
- Private sector investment
- Regional Growth Fund & Growing Places Fund
- Revision of Tees Valley wide regeneration & housing strategy
- HCA included in governance structure
- LA sites
- HCA and economic assets including Middlehaven, North Shore, Darlington Central Park



Appendix 1 Middlehaven – Site Context Aerial View



Our regulation role

- Regulation to protect taxpayers and tenants, and help attract private finance
- Localism Bill makes provision for HCA to become the regulator of social housing
- Takes effect April 2012
- HCA must exercise the regulatory function through a Regulation Committee
- Ensures independence from investment functions



“We will be robust and transparent in our regulation, protecting tenants and taxpayers and commanding lender confidence”

Conclusions

- HCA's work with local partners key to delivering Government's objectives on localism, growth and regulation
- Short term priorities:
 - Transition of functions
 - Year end delivery
 - Delivering Housing Strategy
 - Joined up investment
- Looking forward:
 - Innovations in funding
 - New partnerships for land based on economic development

