



Homes
England

Making homes happen

Housing partnerships building growth across Yorkshire

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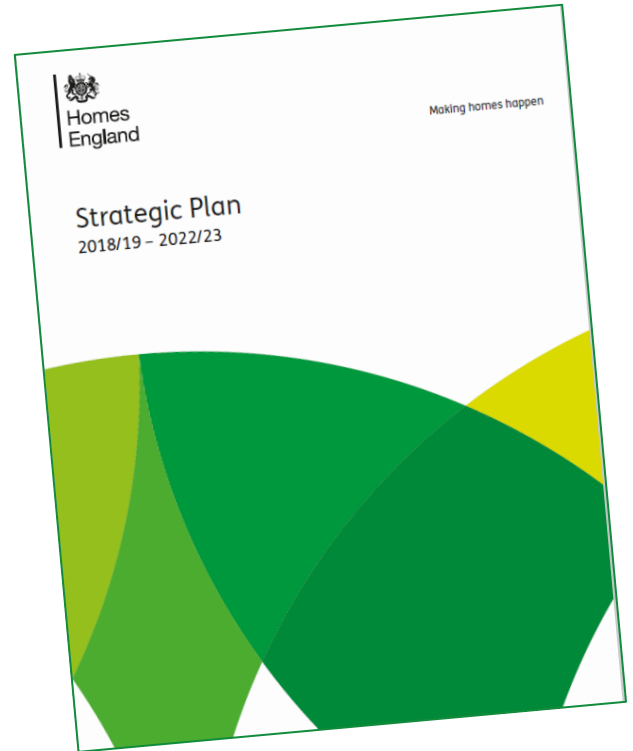
#MakingHomesHappen

What will I cover today?

- The Homes England 'Mission' and Objectives, with a focus on:
 - **Accelerating delivery;**
 - **Increasing supply;** and
 - **Tackling affordability.**
- How we work with local people, places and partners to build more across Yorkshire
- Brought to life with northern examples of how we:
 - Use a range of tools to unlock growth potential;
 - Build strong partnerships and offer strategic leadership;
 - Explore different investment models;
 - Align investment; and
 - Prove that there is not one single approach to driving delivery rates.

Our Strategic Plan

- Strategic Plan **launched** in October 2018
- Within the next few years, we will have invested **over £27bn** across our programmes
- Our **five-year plan** sets out the steps we'll take, in partnership with the sector, to achieve our commitments



Our mission is to intervene in the market to ensure more homes are built in areas of greatest need, to improve affordability.

We will make this sustainable by creating a more resilient and diverse housing market.



Our objectives



Unlock public
and private land



Invest to support
housebuilding and
infrastructure



Improve
construction
productivity



Create a more resilient
and competitive market



Offer expert
support for priority
locations



Deliver home
ownership products

Our mission and objectives

We are unlocking public and private land

Acting where the market will not, to get more homes built where needed

Intervening through
land acquisition.

Working with
other government
departments to
release surplus
public sector land.



Delivering
infrastructure
to unlock sites.

Using compulsory
purchase powers
to complete land
assembly.

Unlocking Land

A long term **pipeline of developable** land is vital to sustainably deliver 300,000 homes. We'll do this by:

- Acting as a **master developer** and using our £1.03 billion Land Assembly Fund to acquire sites the private sector cannot progress without public intervention.
- Intervene where landowners cannot **collaborate effectively** or where **planning and technical challenges** are beyond the appetite of the private sector.
- Use our **resources and expertise** to bring the sites to market, **de-risking the sites** to unlock them.



York Central and MoD Opportunities across North Yorkshire

We're **unlocking public and private land where the market will not**, in order to get more homes built where they are needed.

We will acquire sites in high pressure markets where homes are most needed and where the market is unable to unlock sites without up front public intervention.

These are often large sites (such as **York Central** or the large **MoD sites e.g. Ripon Barracks**) where expensive up-front road and schools infrastructure is needed.

Volume house builders often overlook these sites in favour of more modest 200-500 unit sites that provide quicker returns.



"We're not here to compete with the market so looking to intervene to unlocking stalled sites"

York Central

Collaborative approach with key strategic partners on a site which has been stalled for over 40 years to create up to 2500 homes and a catalyst for economic transformation for the city .

- **Unlocked the site** through capacity funding, resourcing, land acquisitions (including from other government departments), investment funding and securing outline planning permission
- With Network Rail we will act **as master developers** for the site, procuring development partners for individual plots



We are investing to support housebuilding and infrastructure

Infrastructure loans to developers and grants to local authorities.

Development loans to housebuilders of all sizes.



Grant funding and greater flexibilities for housing associations.

New forms of commercial partnerships and greater access for institutional investors.

Unlocking investment

We will ensure a range of **investment products** are available to support housebuilding and infrastructure, including more affordable housing and homes for rent, where the market is not acting.

Investment is needed to support:

- Housing Associations, who need funding stability to leverage private finance;
- The Private Rented Sector, where confidence is still low;
- Smaller business and other parts of the sector considered higher risk or less commercially viable;
- Infrastructure, where there can be a lack of commercial coordination and appetite

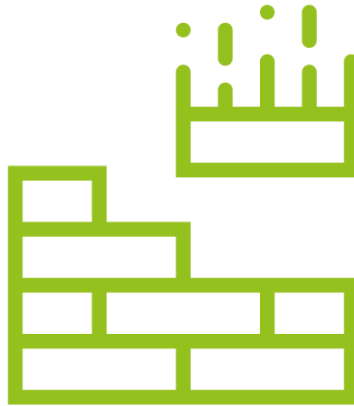


Skelton Gate, Leeds Aire Valley: We are working with Templegate Developments, a joint venture between Evans Property Group and Keyland Developments, to provide **£20m HBF** funding support for their **1,550** unit scheme.

We are improving construction productivity

We are incorporating modern methods of construction (MMC) into our building lease disposals.

Encouraging partners to use MMC through our provision of development finance and grant.



Supporting pilot projects to test a range of MMC.

Working with the Government to develop modern construction skills.

We are improving construction productivity

- Homes England **champions all forms of MMC** and helps to drive the market forward to embrace increasingly innovative approaches to housebuilding and capacity building.
- Announcement of a game changing **£90m Homes England Joint Venture** with Sekisui House and Urban Splash. This will accelerate the delivery of homes through MMC, including our Northstowe scheme, Cambridgeshire.
- MMC **pilots**, including Wealston in Leeds, on sites across the country with more to be announced in the coming months will see increased pace to high quality delivery.



Home Building Fund has also invested in new **MMC technologies** for example: **Kelham Island, Sheffield** – a sustainable development by Citu of key regeneration site offering 107 low carbon market sale family homes.

Gateshead Innovation Village with Home Group

- In **March 2018**, Homes England provided **£2.5 million** to Home Group to support the development of **41 affordable homes**
- 35 MMC homes constructed using **five different Modern Methods of Construction** along with six traditional bricks and mortar homes
- It's a live research project looking at ways to construct homes faster, in a more energy efficient way using smart technology



We are driving market resilience

Providing short-term development finance through our £4.5bn Home Building Fund.

Investing in lending partnerships to increase the availability of credit to smaller builders.



Assembling sites suitable for smaller builders.

Introducing design quality assessments across our programmes e.g. BFL and HAPPI principles

Driving market resilience

We'll create a more resilient and competitive market by supporting smaller builders and new entrants, and promoting better design and higher quality homes.

- SMEs now only account for **12%** new homes compared to **40%** in 1988
- Volume builders are important but cannot deliver the homes England needs alone.
- Greater diversity of supply will improve **consumer choice** and **design**.
- We are consulting with the Federation of Master Builders (FMB), Home Builders Federation (HBF) and others to improve access to our sites and development finance.
- In NEYTH we have contracted **£179m for 4,464** from the **Short Term Home Building Fund** aimed at SMEs
- Of this, **£59.5m for 1,325 homes** is within Leeds City Region



And in September 2018 we announced a new partnership with **Barclays Bank** to provide £1bn loan finance to further support other smaller and medium sized developers.

Driving market resilience – The example of award winning schemes in Bradford



We are supporting local areas

Problem solving
and working
collaboratively.

Shaping national and
local infrastructure
decision-making.

Work with Combined Authority to align
priorities, pipeline and investment to target
intervention



Creating, discovering
and delivering
opportunities that
wouldn't otherwise
happen.

Coordinating
and combining
our funding, land
and expertise.

Intervention in places to diversify the market – The example of Leopold Street, Leeds

- We will use our land, investments and expertise to help revitalise the country's high streets and town centres by supporting homes to be delivered in urban areas.
- We will continue to **collaborate with Local and Combined Authorities** to drive forward transformational projects in specific places where people want to live & work.
- Homes England is supporting **the Leopold Street scheme in Leeds** – a collaborative project made up a diverse team of partners to deliver over 60 homes on a council owned site



Working with places to unlock sites – The example of LAAC and SSF

- **£450m** Local Authority Accelerated Construction (LAAC) programme to help you unlock sites for delivery.
- **13 Local Authority Accelerated Construction** deals announced worth £55m to build 4,000 homes.
- LAAC deals for the North = 1,100 homes via £16m
- **£400m Small Sites Fund** - We're actively looking for more public sector sites

Stephen Kinsella, Executive Director for Land at Homes England, said:

"We're supporting ambitious local authorities to develop their land more quickly to get more homes built for local people. Meeting the demand for housing requires different approaches and our funding will see local partners using new technology and working with builders of all sizes to improve the local housing market."

We are delivering home ownership products

Helping prospective home owners to buy a home, or a proportion of one, or save for a deposit.

Improving the Help to Buy experience through digital solutions.



Targeting products more effectively and reducing barriers to entry.

Supporting shared owners to build up equity in their homes.

We have formed 23 Strategic Partnerships with Housing Associations

- Long-term funding unlocking capacity and ambition, enabling partners to be more ambitious
- Invested over £1.74bn investment to deliver
- With 39,431 additional affordable homes by March 2022



Our commitment, our expectations

We cannot deliver the homes England needs alone. We must work with partners across the sector.

In return **we ask** you to:

- Be more **ambitious** in how you use your own resources and capacity to significantly **build more homes** – sharing risk with the agency;
- Work collaboratively with the agency, and other partners, ensuring that you are **clear on priorities**;
- Commit to delivering supply at **pace**;
- Build **high quality** homes and places; and
- To **innovate** and plan for the future – at all times being open to **new approaches** and **new partners**





Homes
England

Making homes happen

Thank you

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