



LOCAL PARTNERSHIPS

Local Partnerships is jointly owned by



HM TREASURY

FUNDING FOR HOME BUILDING AND INFRASTRUCTURE

SEEC-LGA Building Homes and Associated Infrastructure

Workshop 27th January 2017



LOCAL PARTNERSHIPS - WORKING WITH THE HOUSING AND FINANCE INSTITUTE



National Snapshot

- **New homes completions are up:** 165,000 in 2016 against 90,000 at the worst point in 2009.
- **Planning approvals are up:** Highest permissions levels for 8 years.
- **Mortgage Lending is up:** Biggest net increase in mortgage lending since 2008
- **Housebuilder confidence is high:** Outlook more positive (Lloyds Report)



But ...

- **Commentators agree between 250 and 300,000 new homes per annum are needed**
- **Traditional housebuilders are getting to capacity:** Barratts built 17,500 homes last year compared with their maximum in 60 years of 18,500
- **Homes of all tenures and at all price points are needed:** affordability at all time low
- **New market entrants are needed:** major housebuilders cannot reach the required rate on their own
- **Innovations in building are needed:** shortages in skills and a need to accelerate build-out means off-site construction is a serious option



Key requirements

- **All actors in system working to increase supply:** LA leadership role
- **Land release:** public sector land and planning system
- **Speeding up build-out:** using rental products and MMC to get more homes quicker
- **Diversifying the market:** greater range of suppliers, including SMEs
- **Increasing affordability:** range of products for low cost home ownership and sub-market rent
- **Achieving high design and place-making quality:** improves acceptance and sustainability
- **Infrastructure:** different ways of funding infrastructure to speed up development and build good places



LA role

- **Ambitious and versatile:** setting clear vision and being open for business
- **Building strong partnerships with developers, funders and communities:** bringing partners together, including taking stakes in development
- **Speeding up build-out:** promoting rental products and MMC to get more homes quicker
- **Diversifying the market:** greater range of supplies including SMEs
- **Increasing affordability:** range of products for low cost home ownership and sub-market rent
- **Achieving high design and place-making quality:** improves acceptance and sustainability
- **Infrastructure:** different ways of funding infrastructure to speed up development and build good places



Funding routes

- **LA resource:** land, borrowing, NHB, S106 and CIL contributions
- **LA revenue streams:** e.g. market rental portfolio
- **Partner resources:** RSL and developer investment
- **Joint ventures:** channelling partner investment and expertise to achieve more of LA's objectives
- **Central government funding:** HCA and government departments investment programmes, e.g. Housing Investment Fund, Accelerated Construction, Home Builders Fund



Housing Infrastructure pilot

- **The Housing Infrastructure pilot is taking place within the South East LEP area.** It is looking at practical solutions within the immediate (1-3 year) and short term (3-5 year) horizon to accelerate infrastructure delivery to support housing growth
- **The work reports to the Housing & Planning Minister** and the Chair of the All Parliamentary Group (APPG) on Infrastructure
- **There is a steering group** covering house building, construction and commercial property industries, NHBC, HBF, DCLG, HCA, banking & finance, councils, SELEP and the utilities
- **The report from the first stage which looks at operational challenges & solutions is out shortly.** There is a programme of work scheduled through to May
- **To find out more or get involved email: infra@thehfi.com**



The HBR Day Programme

1

A presentation and overview of the Council by the Council

2

A HBR assessment across 18 assessment criteria including 6 data metrics led by the HFi with input and insight from SE LEP

3

A Housing Future Fit session which is tailored to focus areas chosen by the council and which is a more technical 'next steps' housing delivery session

4

Showcase session which comprises of a tour of housing delivery sites that the council would like to celebrate or assistance on how to take forward.

HBR Assessment Criteria

Political Commitment



Risk Management and Business Resilience



Confidence in the Council's Ability to do Business



Articulation of Risk Appetite



Understanding Local Market Drivers



Internal Capacity Strategy



Officer Strength and Experience



Appetite to do Business



Transactional Ability



Optimising Asset Management



Articulating the Community Case for Homes



Capacity to Build More



Functional Planning



External and Internal Consistency of Communications



Track record of Delivery



Culture of Effective Business Collaboration



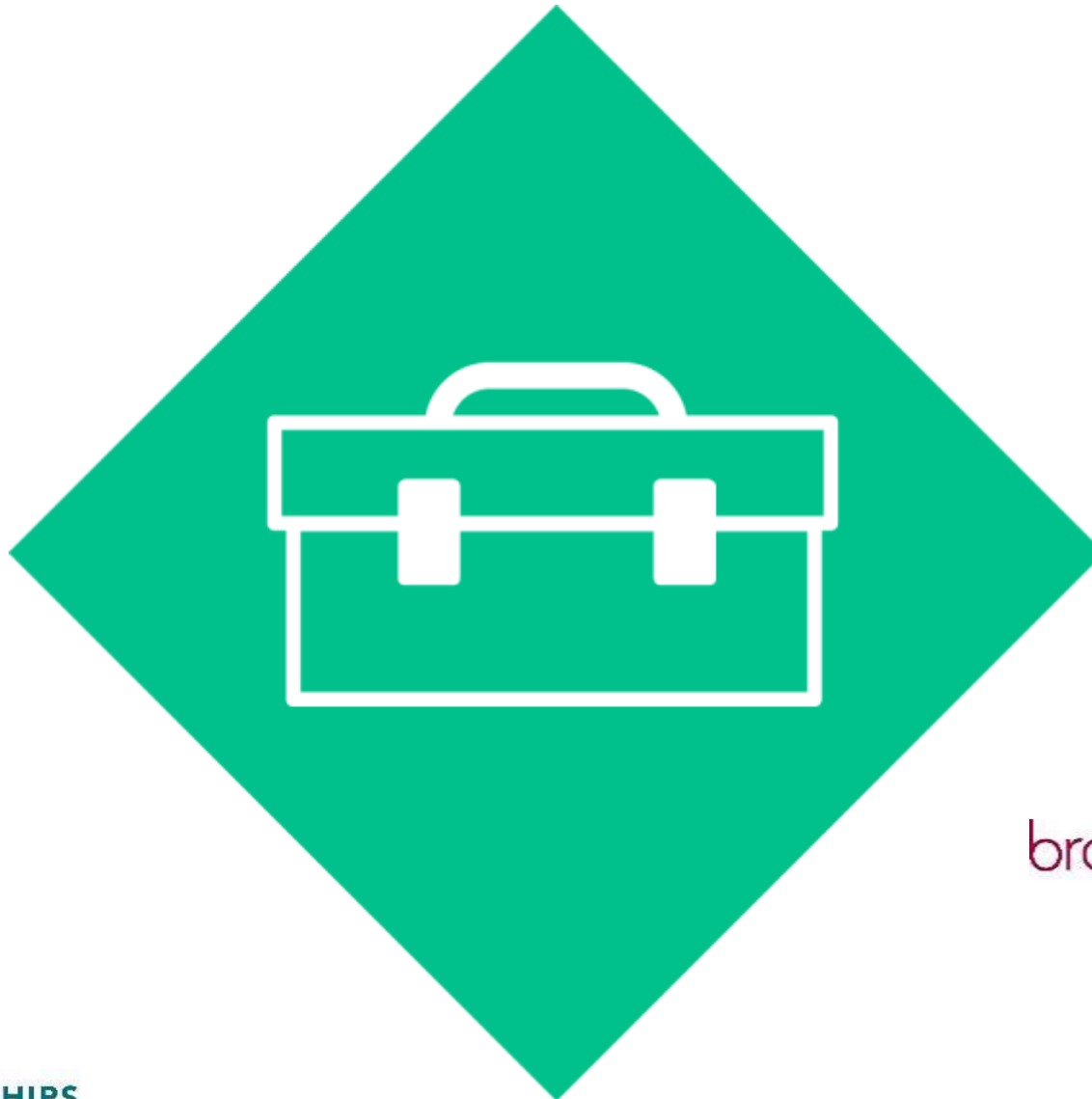
Identification of Assets, Land and Money



Absorption Capacity for extra homes and tenures



LOCAL PARTNERSHIPS' HOUSING DELIVERY TOOLKIT – DIRECT DELIVERY



brownejacobson
public sector lawyers

What should change?

- Forward-funded infrastructure
- Better -resourced planning functions
- More development skills and capacity to LAs





HOW CAN WE HELP YOU?

Jenny.coombs@local.gov.uk
07769 648274

Toolkit available from:

localpartnerships.org.uk



THANK YOU

For further information and to register for the toolkit
please visit our website

localpartnerships.org.uk

