

#WeAreHomesEngland

Supporting Housing Innovation

Paul Kitson
28th September 2018



Homes
England

300,000

target average number of homes to be built each year by mid-2020s

Who we are and what we do

- We were launched in January 2018 as the Government's land and investment agency with a remit to *"facilitate delivery of sufficient new homes, where they are most needed, to deliver a sustained improvement in affordability"*
- We bring together money, land, expertise and planning and compulsory purchase powers.
- Adopting a highly commercial approach, our investment and interventions will help deliver 300,000 homes a year by the middle of the next decade.



Homes
England

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*“We will take the lead in delivering better quality homes and great places that set the bar high for others. We will also stimulate demand for **Modern Methods of Construction** and ultimately **disrupt the housing market.**”*

Sir Edward Lister, Chairman of Homes England

MMCs - a recurring theme

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**February 2017
Housing White
Paper**



**July 2017
Queen's Speech**



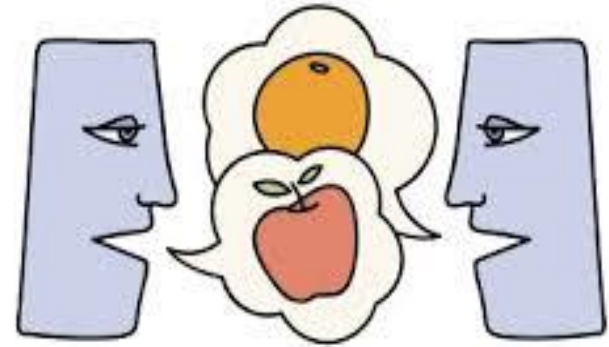
**November 2017
Industrial
Strategy**



**November 2017
Autumn Budget**

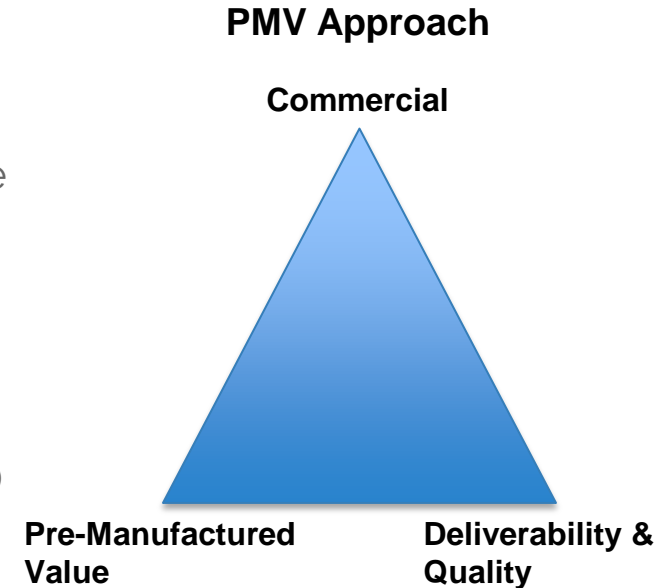
What do we mean by “MMC”

- **Volumetric** - Factory-produced three-dimensional units
- **Panelised** - Factory-produced flat panel units assembled on site
- **Hybrid** - A combination of volumetric and panel units
- **Sub-Assembly and Components** - Replaces parts of the structure normally fabricated on site
- **Non-offsite** - Innovative site-based forms of construction



Working with **key influencers**

- Active on Ministers' MMC Working Groups and Construction Leadership Council
- Working with insurance companies and banks to ensure projects and homes are insurable and fundable
- Engaging with RICS about the need to amend valuation guidance to include MMC
- Collecting housing demand data to give confidence to the supply chain
- Helping develop the 'Pre-Manufactured Value' (PMV) approach to measure results consistently
- Supporting the construction skills agenda with DfE and MHCLG



Using our land

- Homes England owns or controls thousands of hectares of land across England
- Traditional methods of selling our land don't always result in homes being built quickly or to the standards we would like
- We are piloting different procurement approaches that will encourage our developer partners to deliver at pace using modern methods of construction
- Scale of our ambitions for the use of MMCs on our land is great



Case study - Northstowe

- New Town of 10,000 homes 11 miles outside Cambridge (8500 on Homes England Land)
- Actively considering ways of incorporating MMCs to accelerate delivery and selection of partners will to some extent be determined by their commitment to using MMCs
- Homes England's new Northstowe office is being built offsite in Northern Ireland



Case Study – Swan/Nubuild

- £100m regeneration of the 1960's *Craylands* Estate
- Being delivered in partnership by Swan, Basildon Borough Council and Homes England
- Swan invested in a 75,000 sq ft facility in Basildon capable of producing 400-500 homes a year when at full capacity
- Online configurator allows buyers to choose from 1.25 million permutations



Using our **investment** capability

- Our £3bn Home Building Fund provides financial support for SMEs and larger developers
- We provide development and infrastructure finance to unlock and accelerate delivery of homes
- Equity investment available for innovative joint venture partners
- Funding available to businesses wanting to use MMCs in their developments
- A straightforward, commercial process with a single front door



Working with **SMEs** to help diversify the market

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TopHat

latishomes

£18.5 million available for the development of 308 units at the old Kitchener Barracks site in Chatham



£30m Credit Facility for a growing London-based business



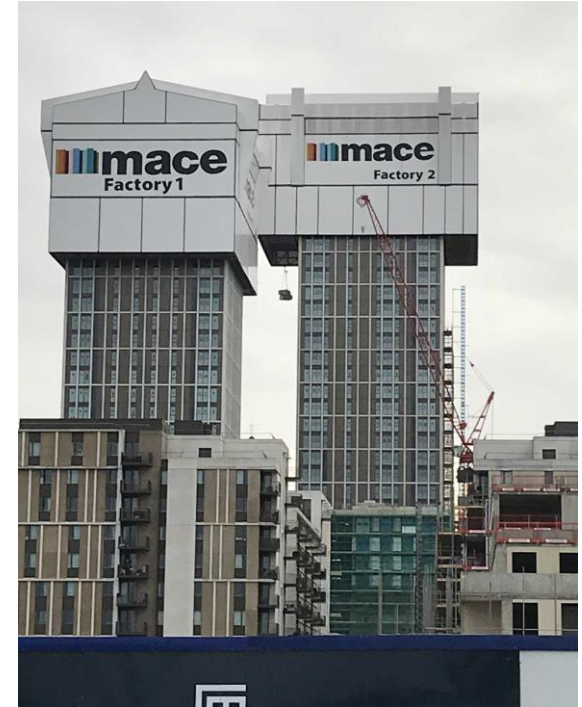
GOLDEN ASH HOMES

£600k loan to deliver 6 high quality, energy efficient homes using off-site manufacturing

Disrupting the market

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- £181m loan to help build 951 apartments for rent on two plots
- Part of the Olympic Village masterplan
- Being built using a “jump” factory and fully modularised
- To be held by the developer long-term and managed through Get Living London
- Completion 2020



Thanks

Get in touch if you'd like to talk in more detail.

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