



The Homes & Communities Agency;  
delivering quality places in the economic downturn

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## Our Vision



- Introduction to HCA
- Responding to the market downturn
- Embedding our place based approach
  - Building on our strong inheritance
  - Shaping the future

To create opportunity:

- For people to live in homes they can afford in places they want to live
- For local authorities and communities to deliver the ambition they have for their own areas

A national agency that works locally



## Our Statutory objectives

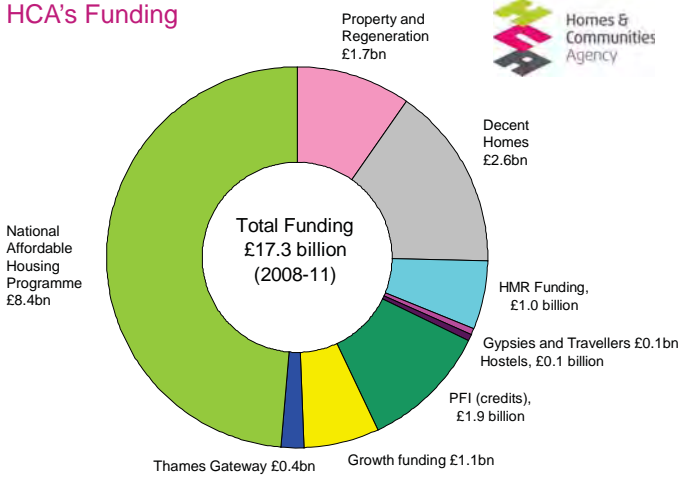


- Improve supply and quality of housing in England
- Secure the regeneration or development of land or infrastructure in England
- Support in other ways the creation, regeneration or development of communities in England or their continued well-being
- Contribute to the achievement of sustainable development and good design in England

***“In an uncertain market it is more important than ever that we maintain our focus on the creation of quality places to live and work”***

**Robert Napier, 2 July 2008**

## HCA's Funding



## Responding to the market downturn: Recent initiatives



- £1.2bn brought forward to invest in housing and regeneration
- Flexible grant rates
- Tailored packages for individual housing associations
- Clearing House
- Homebuy Direct
- Mortgage rescue
- Harnessing HCA land to facilitate affordable housing



## Responding to the Market Downturn: Emerging ideas



- The potential for local authorities to come forward with their own development packages
- The funding of infrastructure and upfront costs on an equity basis
- Changing the mix of tenures
- The case for land purchase
- The potential to access new sources of finance



## Responding to the Market Downturn: Building on the budget



- Worked closely with CLG and HMT
- Objectives of the package
  - Unblock stalled private sector housing
  - Stimulate housing market
  - Support UK Government ambition on Carbon Reduction
- £600m package of new money for HCA delivery



## Responding to the Market Downturn: Building on the budget



- Kickstart housing** (£400m – 9000 homes)
  - Development finance to housing schemes with planning consent where high debt or cashflow are preventing completion
  - Extending Homebuy Direct to 2010/11
  - Additional social housing
- A **Challenge Fund** for local authorities to who wish to develop new properties (£100m – 900 homes)
- Green stimulus**
  - Additional Decent Homes Housing for cavity wall insulation (£85m) £55M 09/10, £29M 10/11 – 130,000 homes
  - Funding for low-carbon community heating schemes (£21m)

## Responding to the Market Downturn: Building on the budget



- LA Build – 30% 09/10 and 70% 10/11**
- LA Build - £50m grant, £50m borrowing**
- Kickstart housing – 80% 09/10 and 20% 10/11**
- The new funding is part of wider Housing and Green Stimulus Packages**
- £100m from new CLG EYF on mortgage rescue expansion and LA repossession prevention fund**
- City Regions Announced – Leeds and Manchester**



## Market downturn: Impact on regeneration



- Stalled projects
- Impact on town and city centres
- Impact on communities
- Falling demand across housing, retail, office
- Significant upfront costs
- Challenge for deliverers
- Does our old model for regeneration still work?



## Embedding the place-based model of working



- Implementing the Single Conversation (half of the areas in each region and at least two LIAs in each region by March 2010)
- Regional business planning including identification of place-based investment priorities
- Engagement with regional Ministers and GOs
- Close working with RDAs, Local Authorities and other partners

## Building on our strong inheritance



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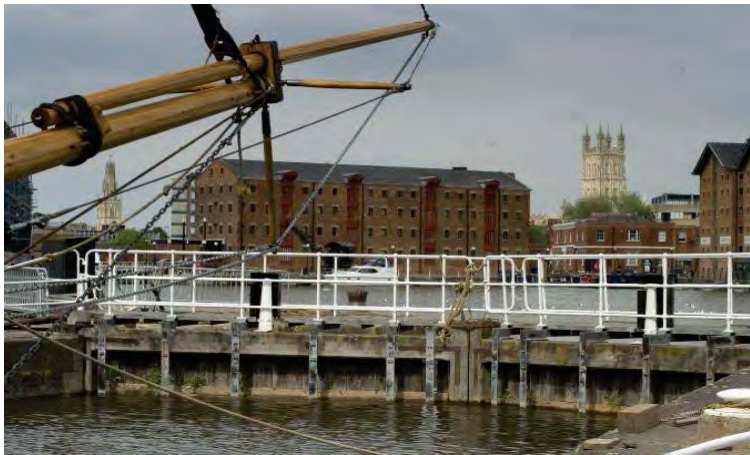
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## Shaping the Future of housing



- More choice of tenure
- Greener homes
- New methods of construction
- Consistent Quality standards
- More emphasis on existing stock
- Increased role for the public sector



## Shaping the future - Hanham Hall, Bristol



## Conclusion



We will need:

- Funding flexibility
- Increasingly sophisticated approach
- Innovation and co-operation with new and existing partners
- Commitment to deliver on inherently difficult schemes
- Determination to build on our legacy and the legacy of our historic assets to deliver to high quality sustainable places focused on the local community.

