

**INFLUENCING / INFORMING / NETWORKING**



**CEO FORUM - HELD BY THE HOUSING FORUM AND WATES LIVING SPACE**

**NEWCASTLE-UPON-TYNE - 19<sup>TH</sup> FEBRUARY 2015**

**TOPIC: "FOCUS ON NORTH EAST HOUSING AND REGENERATION"**



**Andy Hobart, Managing Director, Wates Living Space** set out the broad agenda. The housing market is in the process of some significant change as traditional building models will not deliver the housing numbers needed. The public and private sectors together could foster a replacement model. The discussion centred on housing regeneration set in this context in the North East

**John Lee, Chief Executive, Your Homes Newcastle** covered the city land issues; there is not a great deal available in public ownership to support a joint venture approach with a developer. The traditional build tender competition is still very prevalent. Different ways are needed to bring in investment; a cocktail of resources from different funding streams.



Future supply could come from the green belt land and a core strategy is to review this. However, a key piece of work could be influencing private land owners to bring to the market a range of city brown field sites with offers of innovative solutions

HRA reform has brought change in the borrowing cap with £35-40 m. headroom in Newcastle; Your Homes Newcastle also actively trades and brings in operating revenue. The approach of local authorities to new house building and the finance that supports it is a different model- and if councils do build out it is often on complex sites, where it can be difficult to achieve a payback return even over a 30 year life. Can you plan for 30 years in modern context when even planning to 5 years is testing?

Has Decent Homes been a success or failure? Seen from a householders point of view, it may not have tackled their priorities – for better community space and security -and from a landlord's perspective it may be a blanket approach that does not challenge whether some homes, even with the benefit of improvements, will have a long term future seen over 40 or so years.



The specific need is for a range of different types of homes to meet the modern range of household types. In the large conurbations, the worst housing stock is found in the private rented sector.



**Jo Boaden, Chief Executive, Northern Housing Consortium** explained that the issue is not overall supply but the right houses in the right place – and a strategic approach is needed to understand the different housing markets across the North.

**Cath Purdy Deputy Chief Executive, Thirteen Group** is involved in work across many council boundaries and the absence of national, regional or sub regional strategies makes planning their own approach very difficult. The New Homes Bonus stimulates housing growth but this cannot be sustainable in every local council area. New house building needs to be combined with tackling the residue of poorer quality older homes.



Over recent years, there has been a rapidly changing private rented sector market attracting some tenants from the social housing sector with the consequence that revenue certainty is not as strong as it was. Thirteen Group was formed to build up capacity in recognition of these challenges and to find new ways of gaining income through collaboration with construction colleagues and developers.

The Forum also covered the local council perspective and the value that they could be achieved with greater freedoms and flexibility. More lending based on the HRA would allow councils to take on practical projects to provide for their own localities, be ambitious and able to achieve more.



Skills capacity and lack of trades has become a significant constraint; there has always been a capable workforce in the North East but now there is not a sufficient workforce to fill gaps. A shared apprentice framework across the industry with proper training manuals and processes could be an industry led way forward.

Seen across the region, the Decent Homes Programme has made a great difference in the quality of housing and investing in it was the right thing to do but now a new approach is needed to tackle the impact of market changes and affordability – this being the level of rents and charges in the public sector compared to the private sector - and the price a tenant will pay in the era of universal credit

**KEY WORDS: LAND, COUNCIL HOUSEBUILDING, DECENT HOMES, HRA BORROWING**





The cross-sector membership  
network for housing and construction

*More Homes, Better Homes*

The following delegates attended:

- 🏠 Jo Boaden, Chief Executive, Northern Housing Consortium
- 🏠 Julie Gray, Assistant Director Development, Riverside
- 🏠 John Lee, Chief Executive, Your Homes Newcastle
- 🏠 Angela Lockwood, Chief Executive, North Star Housing Group
- 🏠 Matt Meehan, Partner, Faithorn Farrell Timms
- 🏠 Pauline Mitchell, Assistant Director Housing & Building Services, Darlington Council
- 🏠 Ian Porter, Executive Director of Property, Gentoo Group
- 🏠 Cath Purdy, Deputy Chief Executive, Thirteen Group
- 🏠 Andrew Riddington, Senior Partner, Arcus Consulting
- 🏠 Brian Scott, Company Secretary, South Tyneside Housing Ventures Trust
- 🏠 Shelagh Grant, Chief Executive, The Housing Forum (Co-Host)
- 🏠 Andy Hobart, Managing Director, Wates Living Space (Co-Host)
- 🏠 Beverley Grey, Business Development Manager, Wates Living Space (Co-Host)
- 🏠 Michael Holling, Operations Director, Wates Living Space (Co-Host)

**WITH THANKS TO WATES LIVING SPACE FOR HOSTING THIS FORUM**