

£624 million of loan funding to support thousands of new homes and improve vital infrastructure

- House builders can now apply for a share of at least £624 million loan financing to pave the way for up to 116,000 new homes
- Funding to improve transport, build schools and unlock land for new housing where it is most needed, with a key focus on transforming brownfield land
- This will help level up communities, boosting small businesses and creating thousands of jobs

Communities across England will be transformed with new schools, health services and transport links to support the delivery of thousands of new homes, the Department for Levelling Up, Housing and Communities (DLUHC) announced today (5 November 2021).

Loan funding of at least £624 million will be available for house builders, including SMEs, to improve the vital infrastructure needed to kick-start new housing projects, with a particular focus on transforming unsightly and derelict brownfield sites.

Redeveloping underused land for new homes and improving public services is a key part of the government's mission to level up the country and create vibrant communities where people want to live and work.

This loan funding paves the way for up to 116,000 new homes to support people on to the housing ladder, and will boost smaller building firms and create thousands of new jobs.

Housing Minister Rt Hon Christopher Pincher MP said:

We are building the right homes in the right places so more young people and families can get on the housing ladder.

Improving transport links, building schools and health facilities are key to unlocking new homes and creating vibrant places where communities can thrive.

This money will build on our commitment to bring derelict and abandoned sites back to life, regenerating towns and cities as we level up across the country.

Chief Executive of Homes England Peter Denton said:

This new infrastructure funding will be a powerful catalyst for

creating new homes, places and communities.

It gives us the resources we need to back more developments like Houlton in Rugby, where a £35 million funding injection has helped to create new primary and secondary schools, a link road to Rugby town centre, and wider infrastructure needed to build a community of up to 6,200 homes.

The funding is part of the £2.2 billion loan financing made available at Spending Review 2020 to support infrastructure and drive housing supply.

Loans will be administered by Homes England through the Home Building Fund – an existing housing supply programme that makes loan finance available to developers.

Last week at Spending Review a further £1.8 billion to regenerate brownfield land and deliver transport links and community facilities was announced.

The funding boost meets the government's manifesto commitment to a £10 billion housing fund and will help unlock 1 million new homes.

In addition, last month the [government allocated £57.8 million through the Brownfield Land Release Fund](#) for local councils to remediate and transform unused and derelict land into new homes.

The funding, to be committed from 2021/22 to 2024/25 with terms of up to 20 years, will enable a continuation of the existing Home Building Fund.

Loan financing provides private sector partners with long-term finance that will help to deliver the infrastructure and land assembly needed to accelerate new homes and drive housing supply in the long term.

The funding supports the government's mission of delivering up to 300,000 new homes a year by the mid-2020s by unlocking housing supply in the areas of greatest need while also stimulating economic and long-term growth.