

Extra £30m to support small and medium size construction companies

It is anticipated that the loan fund, which enables SMEs to access affordable finance, will help more local companies build new homes.

The Cabinet Secretary said that innovation and an increased role for SME home builders will help identify alternatives to the existing model for house building.

Carl Sargeant said:

“SME house builders were hit particularly hard by the global economic crisis and continue to be affected. I hope the expansion of the Property Development Fund will have a significant impact in helping SMEs who are building homes, and encouraging more local companies to become developers.

“We have a challenging target of delivering 20,000 affordable homes over this term of government. In working to meet our target, I want as many homes as possible to be delivered by SMEs, creating new capacity in this sector. I want to see people thinking innovatively about how we can do things differently to address the challenges we all face.”

The loan fund, which is run by Finance Wales, supports small and medium sized construction companies, who are unable to access affordable finance from traditional sources, to get projects off the ground to build new homes.

Cenydd Rowlands, Property Fund Manager at Finance Wales:

“The additional £30m is a real boost to the fund and with an expanded team in place we’re excited to support even more small to medium-sized developers. The mixed-use and residential projects we can fund have direct impact on their local communities through direct and indirect employment opportunities as well as providing much needed quality housing.”