

Housing Minister unveils £30m boost for 'Construction Corridor'

- Today Housing Minister unveils £30 million boost for this 'Construction Corridor'
- Government funding to boost output in Yorkshire factory to 5,000 homes per year
- Investment will promote modern methods of home building in the 'Construction Corridor' in the North of England

The government is creating the industry that will deliver Carbon Free Homes, and an industry that will create jobs & career opportunities for a new workforce.

Yorkshire, as part of the 'Construction Corridor', is getting a £30 million boost from government going to top construction firms ilke Homes, Housing Minister Esther McVey has announced.

The money is part of government's drive to make the North of England the world-leader in the creation of modern, green homes.

Homes England will provide the funding to turbo-charge production at their factory in Knaresborough, North Yorkshire.

By next year, 2,000 modular homes will roll off ilke Homes' production line, rising to 5,000 homes a year within the next 5 years – making ilke Homes a top 10 UK housebuilder.

Because ilke Homes' factory manufactures homes using precision engineering, they are more energy efficient than traditional homes, halving energy costs compared to the average UK property – creating housing that's good for the planet and good for the pocket.

A factory environment also allows ilke Homes to ensure a high-level of quality and consistency is guaranteed for investors, developers and residents.

The result is homes that outperform those built traditionally, with ilke's homes proven to be 100% more energy efficient than the average UK home. The investment from government housing agency Homes England will help drive these improvements further by allowing ilke Homes to scale up its operation.

Housing Minister Esther McVey MP said:

The North of England has the potential to lead the world in the modern methods of construction that are transforming home building. An industry that when matured would be worth £40 billion a year and provide up to 80,000 jobs. We need to fully embrace this.

This £30 million investment in ilke Homes is a significant step forwards in the development of the 'Construction Corridor' – a new hub in the North that is front and centre of building the homes we need.

It's vital we invest in new technology to get Britain building. Homes built using modern methods can be of higher quality, greener and built to last.

Today's investment builds on an announcement last week by Ms McVey that government wants to create a centre of excellence in the north for Modern Methods of Construction to help speed-up house building to meet its target of 300,000 new homes being delivered each year by the mid-2020s.

Modern Methods of Construction are a combination of offsite manufacturing and onsite techniques that provide alternatives to traditional house building, allowing homes to be built quickly, be more energy efficient and better designed. It can deliver high-quality housing at pace. By manufacturing offsite, the precision-engineered homes produced by ilke Homes are delivered twice as fast as traditional methods of construction – while creating 90% less waste.

Dave Sheridan, Executive Chairman at ilke Homes, said:

This deal is testament to the dynamic approach Homes England is taking to address structural issues within our housing and construction industries.

The funding will bring in further private capital, creating hundreds more skilled jobs allowing us to build more homes more quickly for first-time buyers.

We want to continue driving efficiency, quality and sustainability within the housebuilding industry and see this as a fantastic signal to others wishing to do the same.

The £30 million is being allocated from the Home Building Fund, a £4.5 billion fund delivered by government housing agency Homes England.

Nick Walkley, Chief Executive at Homes England, said:

Our role is to be bold and take steps to speed up the delivery of homes across the country and there is huge, untapped potential to unleash by creating more capacity in offsite manufacturing.

Modern methods of construction offer enormous benefits to housebuilding and this deal will have a transformational effect on ilke Homes' production.