

# Peter Freeman's speech to the Development Summit

Good morning everyone, it's a great pleasure to be here with you today at the start of what I'm sure will be three engrossing days of discussion, debate and learning.

While like many of you, I'd much prefer to be speaking to you all in person, the opportunity to come together, reflect on a year like no other and look to the future, is still an engaging proposition and I hope you are all able to take full advantage of the sessions over the next few days.

As Chair of Homes England and someone who has worked in the industry for many years, it's a matter of immense pride to me that despite the difficulties of the last year, the housing sector has continued to build the homes the country needs.

Across the country, thousands of people will have moved into new homes because of the work all of us do on a day-to-day basis.

We shouldn't underestimate the positive impact of that extra bedroom, new garden or bigger living room on people's wellbeing.

Thank you to all of you who have worked with us over this year. Homes England is only as successful as the strength of our partnerships.

Despite the pandemic, we're pleased to have been able to support over 37,000 starts on-site, nearly 35,000 completions and an 11% increase in the number of social rented homes built last year.

Behind every single one of those starts and completions there will be people taking their first step onto the ladder, jobs for the construction sector and benefits to the local economy.

It's easy to get lost in the numbers, but we should never forget that housing is vital to the nation's wellbeing and prosperity. In the same way as access to an effective health service or quality education has obvious and measurable impacts on opportunities and outcomes, access to good quality housing in well-designed communities has a hugely positive impact.

But we're aware of the important task ahead of us as we look to support the economic recovery, support the sector, and build the high-quality homes and places the country needs.

## **New site acquisitions**

For that reason, I'm pleased to be able to announce that Homes England invested over £175m acquiring 17 new sites towards the end of the last financial year.

These new sites will support over 7,400 new homes across 400 hectares of land, bringing with them a range of green and social infrastructure, including schools, retail and community facilities.

By bringing these sites into our ownership we will use our resources to unblock them, get them shovel-ready and back on the market so that housebuilders and housing associations can build them out to the design quality standards we set.

Providing this steady pipeline of sites is one of many ways in which we are providing certainty to the industry, particularly the smaller end of the sector.

## **Affordable Homes Programme**

But it's not just through our landholdings that we're supporting the market.

We recently opened bidding for the Government's new affordable housing fund.

The fact that ministers have been able to secure a £12.2bn Affordable Homes Programme outside of what was clearly a challenging Spending Review is very good news for the sector.

It is the first fund to have been designed and launched since Homes England was created. It represents a significant opportunity to explore new partnerships and drive affordable housing supply.

We are keen to see this programme as a fund that sits alongside all other capability and capacity that Homes England is building. Come and speak to us and see how we can use all of our capabilities to support you in meeting your housing objectives.

We know housing associations and other affordable housing providers are managing several critical and competing priorities, and trade-offs will have to be made between investing in existing homes and investing in new homes but we'd encourage people to come and speak to us and see how we can support them to balance both objectives.

We're particularly keen to hear from groups that we may have not worked with before. As part of our commitment to support new entrants to the market, we have opened up our affordable housing Strategic Partnerships to a broader audience, with for profit providers now also able to participate in the fund.

Our existing 23 Strategic Partnerships have seen over 40,000 additional homes built and we want to build on this strong foundation. Do come and talk to us and see what we can do together. Wherever possible we want to have conversations about how we can use this funding to align with your strategies and support new housing delivery.

## **Co-investment with institutions in affordable homes**

Similarly, we are keen to hear from institutional investors considering investing in the affordable housing sector.

Matching public need and private enterprise around a set of principles that can deliver both public and commercial value represents a huge opportunity to positively increase affordable housing delivery in this country.

In recent months Homes England has supported two institutions to establish affordable housing funds.

We invested £20m in Man Group's new Community Housing Fund.

Our investment forms part of a wider equity raising exercise by Man Group to build a £400m fund to deliver 3,000 mixed tenure new homes by 2026.

We also invested £10m alongside many other investors in a shared ownership fund managed by M&G. Our combined investment will help accelerate the delivery of 2,000 affordable homes.

Homes England's commitment to both funds is a strong signal that the Government sees significant opportunities for domestic and international institutional capital to support the delivery of new affordable housing.

We have the appetite to lend and invest alongside new market entrants delivering new homes at scale, and our grant programmes are available to address viability challenges in affordable housing.

## **Placemaking, communities & wellbeing**

Who funds and builds new homes is just one side of the coin though.

As we start to recover from the pandemic and rebuild a more productive economy, we are learning that the "new normal" will be very different from the past.

We must make progress towards a zero-carbon society. We are realising that our children, and their children, will not thank us if we continue to build poorly designed homes and places. We are recognising that the way we develop neighbourhoods, towns and cities is key to our health and well-being.

As we look to the future, building the homes the country needs to unlock opportunity and growth will be crucial, but the pursuit of those ambitions can't be just a numbers game.

We are more likely to win the argument for new, extended and rejuvenated settlements across the country precisely by promoting well-designed, connected, vibrant places where people can prosper through the different stages of their lives.

For me personally, my outlook on shaping new communities is heavily

influenced by my work as Co-founder of Argent in its masterplanned, mixed-use developments at King's Cross and Brindleyplace in Birmingham.

Turning King's Cross from a rail terminus surrounded by dereliction to an enormously attractive destination in its own right was a massive undertaking, but the principles that underpinned our approach have shaped the design of vibrant places for centuries. We sought to work in partnership to create places for people to live, work, play, get educated and enjoy themselves in uplifting surroundings.

While King's Cross is one project, the principles of creating places that are useful, well-designed spaces for the community are ones we must fully embrace as we seek to learn the lessons of Covid-19.

The pandemic has brought clarity around the importance of place. It made us realise how much people treasure their space; the familiarity of their community, green spaces, and amenities to enjoy on their doorstep, not a train or car ride away.

It would be wrong to say that we are starting from scratch on this front. There are some fabulous examples of schemes that embody these principles being delivered today.

The urban extension of Newquay, known as Nansledan on land owned by the Duchy of Cornwall, is a fine example. New homes are being built, not in isolation, but alongside schools, high streets, and plenty of green space including allotments and playing fields.

Similarly, at Houlton in Rugby, the Wellcome Trust-owned master developer Urban & Civic are leading the construction of a new 6,000-home community. Their business model is based on a long-term commitment to placemaking, making the delivery of social infrastructure and schools an up-front commitment rather than a neglected afterthought.

While not all projects will be suited to this model, principles of mixed-use, green space, uplifting surroundings and social value can be applied to the many sites we need to build to meet demand locally and nationally. A proper range of sites, addressing local needs and opportunities will include brownfield and greenfield, in-fill, urban extension and new towns. No one size fits all. Local authorities, landowners, developers and central Government all need to work more co-operatively to allocate the right solutions and see they are delivered – and delivered well.

As co-chair of the Urban Centre Recovery Taskforce I heard many positive examples of these principles being put into practice.

## **Design**

Emerging from the pandemic, Homes England is working to ensure we are embedding these principles in everything we do.

We have partnered with the Building Research Establishment (BRE) and the

Design Council to develop a strategic framework for the agency.

This framework and the partnership between the three industry-leading organisations will set an ambitious, long-term roadmap for Homes England to leverage its leadership and convening role in the housebuilding sector.

This work will build on the existing good practice already underway at Homes England, such as the agency's work with Design for Homes, NHS England, and NHS Improvement to produce the design quality assessment tool Building for a Healthy Life.

We are absolutely committed to using our influence and expertise to drive up the quality and pace of sustainable development.

## **Forward**

Beyond our direct delivery efforts and work with partners the agency is entering a new phase.

As many of you will have read, we will soon be welcoming Peter Denton, currently CEO of Hyde Housing Association as our new CEO.

Peter's outstanding qualifications for the job more than make up for the likely confusion to be caused by having two Peter's at the helm of Homes England.

He has extensive experience of real estate banking and investment, including raising funds and managing portfolios across Europe.

And during his successful tenure at a major Housing Association, first as CFO and then as CEO, Peter has displayed a personal commitment to marrying financial discipline and social purpose.

I have no doubt that he will be an outstanding leader, with his unique skillset helping us build the homes the country needs.

As well as Peter joining us, we are fortunate enough to have two industry experts, Stephen Kinsella and Harry Swales, leading strong Land & Development and Investment teams. They are there to help meet your needs and combine a commercial understanding with a sense of mission to improve housing outcomes for the country.

With our top team established, we're well set to continue to work with partners across the sector and wider ecosystem and move beyond the challenges of this year and put all our focus on creating great places and putting keys in people's hands.

You'll hear more from us this year on the direction of the agency, with a new Strategic Plan set to be produced as we get ourselves in the best position possible to respond to the Government's housing objectives.

We have had thousands of conversations with partners this year and will continue to have engage proactively as we work towards the next stage of the

agency. Needless to say, events like this help us enormously to develop our thinking and keep our finger on the pulse of our partners.

I hope you enjoy these next few days and I look forward to seeing many of you in person in the months ahead.