



Chartered
Institute of
Housing

Delivering Housing Targets in the South West

BUILDING PRIVATE AND PUBLIC PARTNERSHIPS TO MEET AMBITIOUS TARGETS

Mary Parsons

National Regeneration & Partnerships Director

LOVELL

A MORGAN SINDALL GROUP COMPANY

Working in partnership across **all** geographies and tenures

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Partnerships



Land



Refurbishment &
Planned Maintenance



Contracting



Later Living



Housing for Sale



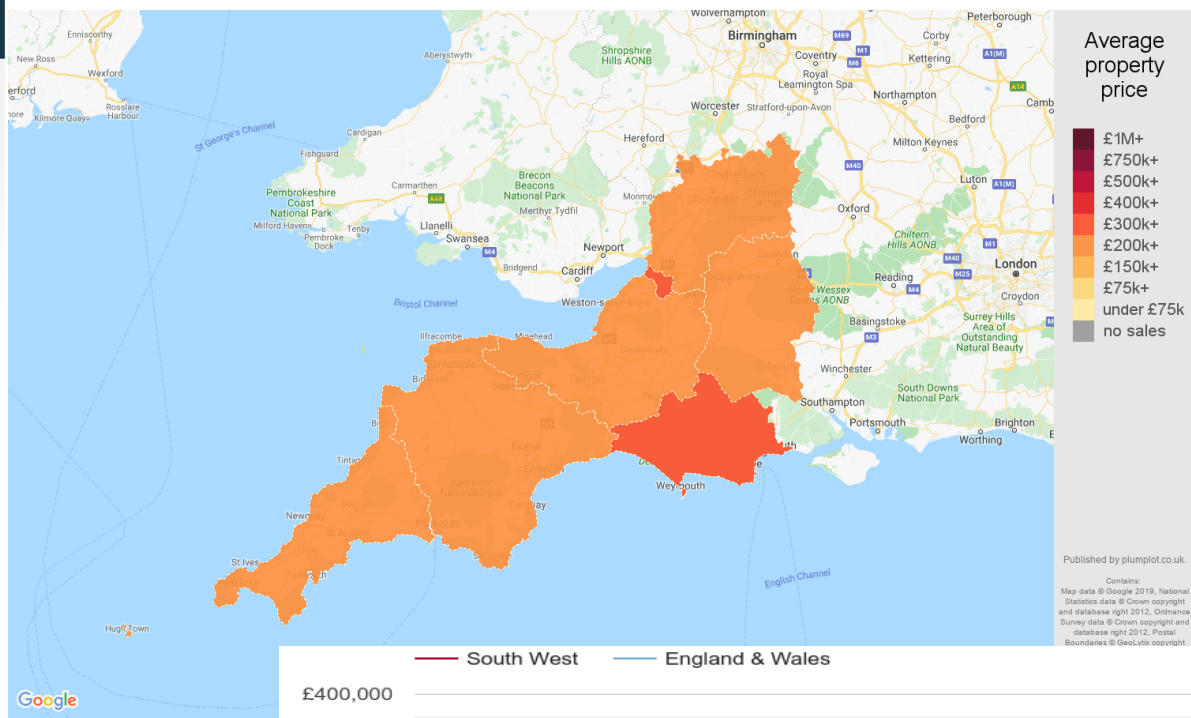
Regeneration



Major Projects

The *scale of the challenge* in the south-west

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Energy Efficiency Investment Index What Will It Cost to Make Each Region Energy Efficient?

North West

4.9 SAP points
973,375 properties
£6.3bn

West Midlands

5.4 SAP points
746,783 properties
£4.7bn

Wales

6.5 SAP points
396,785 properties
£2.5bn

South West

4.6 SAP points
688,890 properties
£4.7bn

South East

3.3 SAP points
1,045,836 properties
£7.4bn

North East

3.7 SAP points
358,273 properties
£2.4bn

Yorkshire & The Humber

5.5 SAP points
751,279 properties
£4.6bn

East Midlands

4.7 SAP points
614,999 properties
£4bn

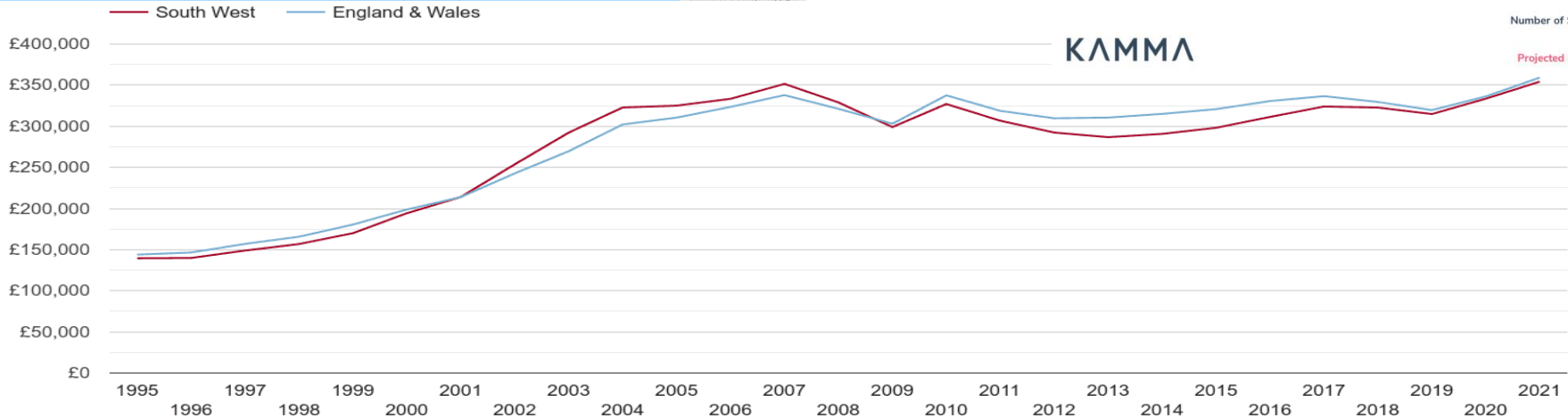
East of England

3.8 SAP points
733,431 properties
£5.1bn

London

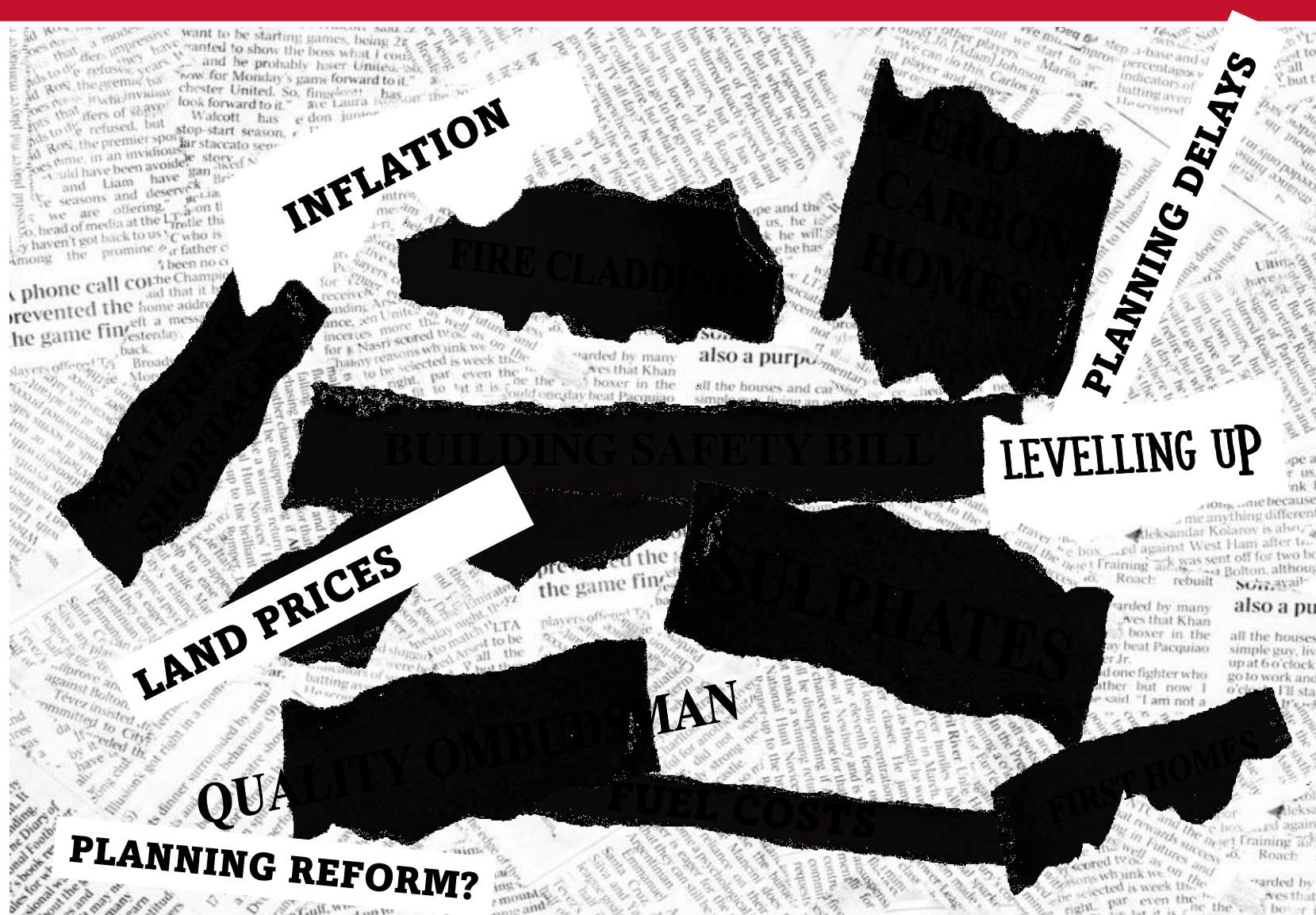
2.6 SAP points
927,314 properties
£6.7bn

KAMMA



Challenges ahead - *Reasons to be cheerful??*

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- **Levelling up**
 - Focus on regeneration as well as affordability
 - Homes England switch from “80:20” investment split
 - Brownfield funding
 - Further devolution
 - Review of ‘Green Book’ criteria
 - Infrastructure led
- **Net Zero Carbon Retrofit**
 - Impact on headroom in sector and future development
 - ‘Mixed economy’ estate regeneration
- **Public/private partnership opportunities**
 - Local Asset backed vehicles
 - Large scale new places or regeneration of existing areas
 - Place-based solutions and ‘conversations’ – role of HE



Challenges ahead – *Many rivers to cross...*

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Nutrient Advice Areas



Planning for a Zero Carbon future - *are friends electric?*

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“Our new environmental standards are built on a foundation of future-proofing our homes. By insulating homes as much as possible in construction, we can avoid the need to return in years to come and add more.

Similarly, installing solar panels from day one means that all of the necessary infrastructure is in place so that they can be upgraded in future as technology improves.

“Reducing electricity bills is a vital step in tackling fuel poverty”

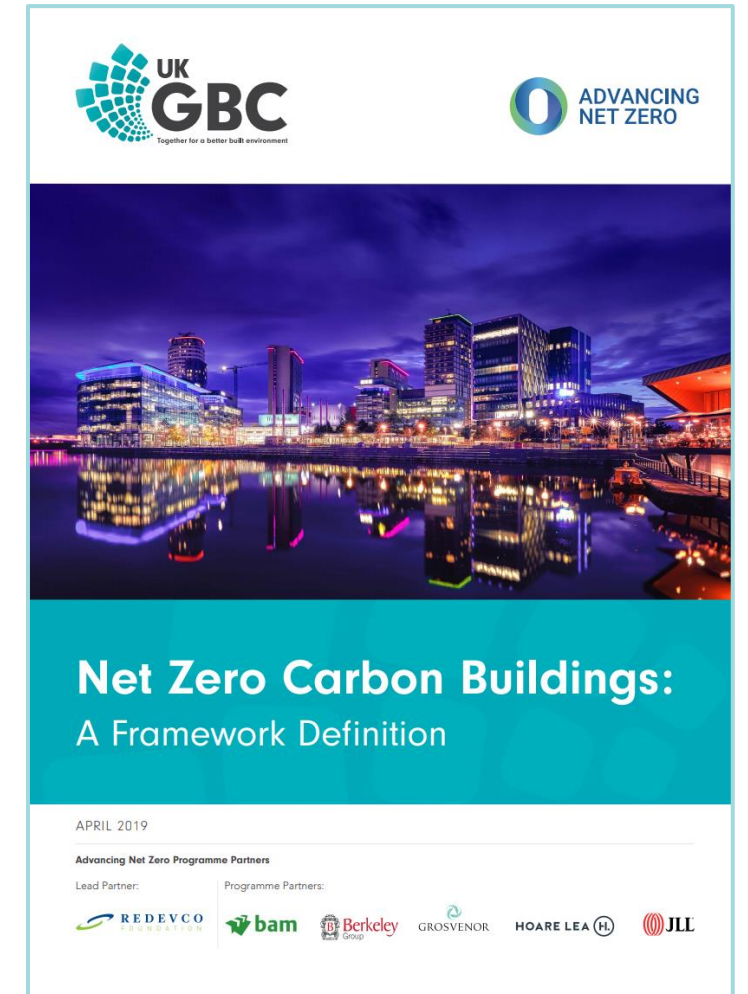
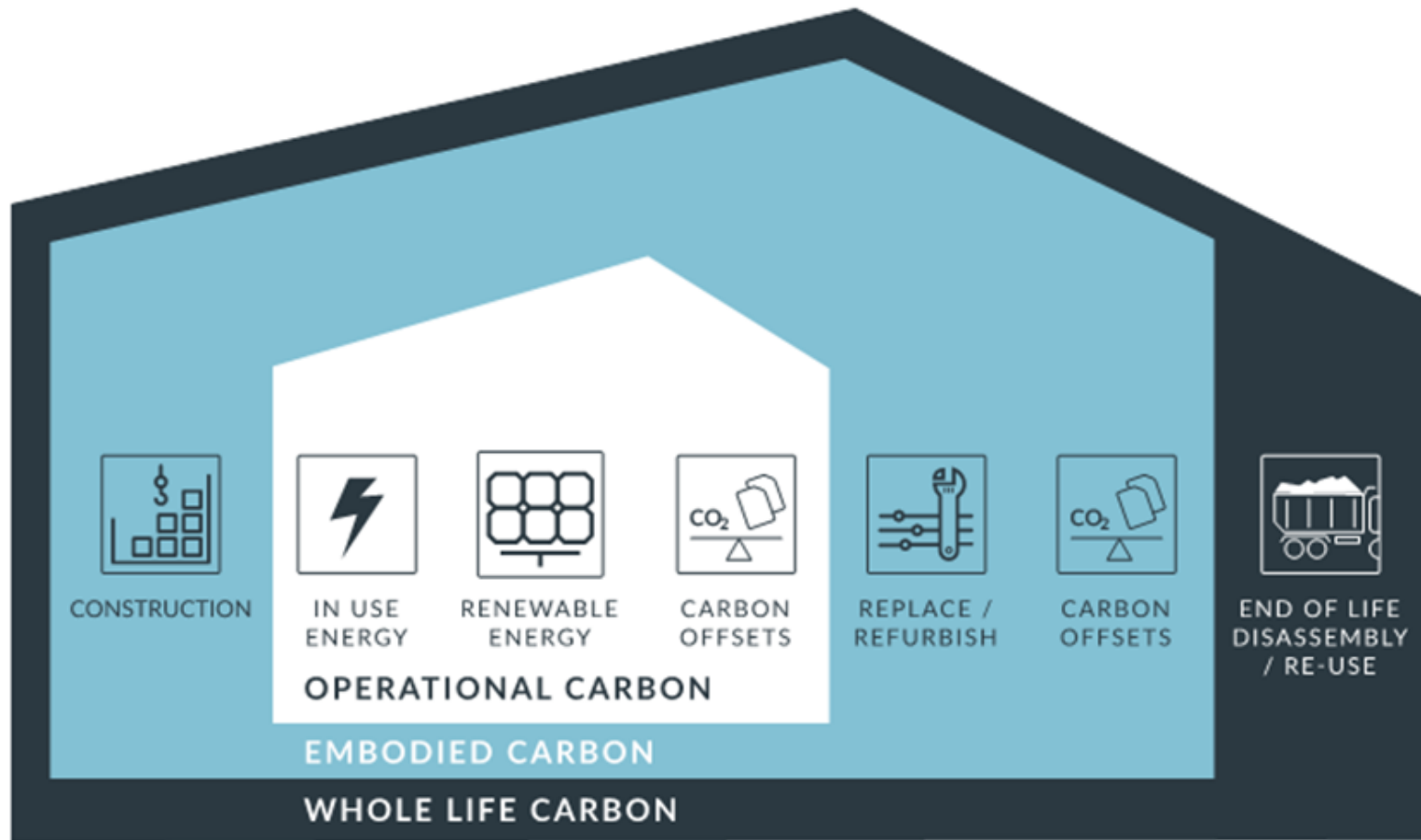
Adam Preece, LiveWest Housing



Ringswell Avenue, Exeter for LiveWest Homes

Our House ... Looking at *whole life carbon of what we build*

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"It is the long history of humankind (and animal kind, too) that those who learned to collaborate and improvise most effectively have prevailed."

Charles Darwin

What are the *benefits of partnering?*

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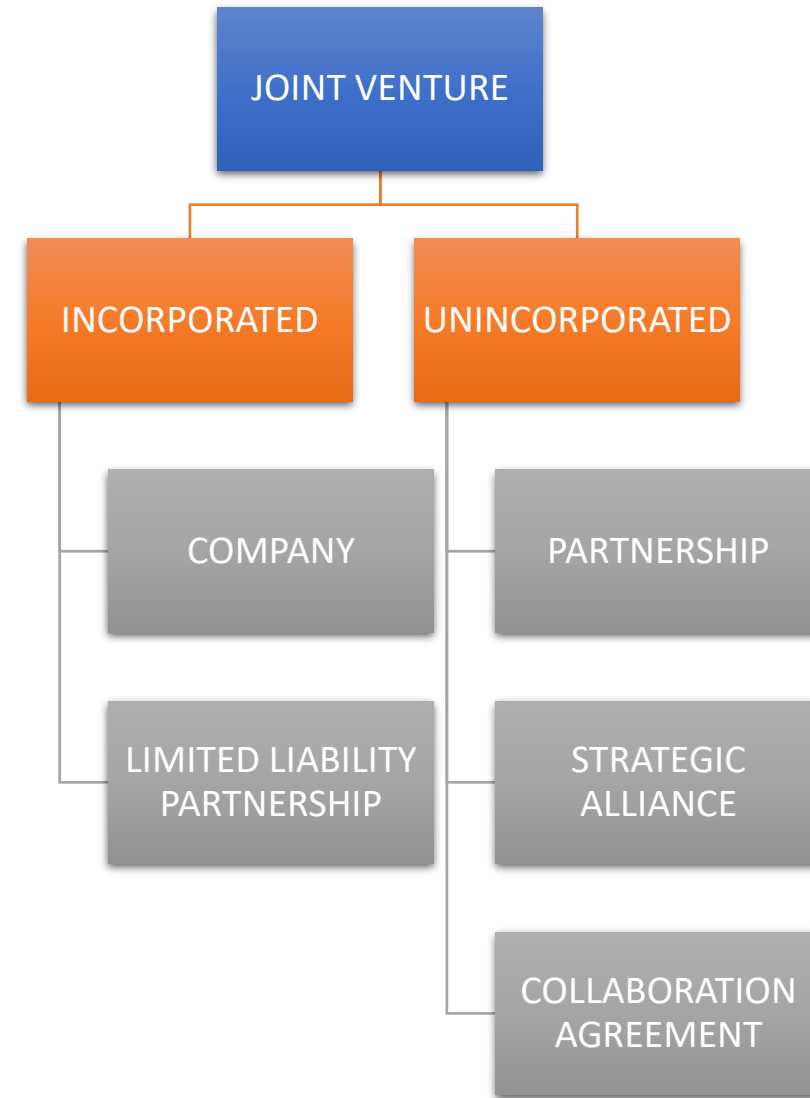
- Plenty to go around!
- Scale and pace
- Certainty of delivery
- Targeting bigger/complex opportunities
- Pooling of resources
- Complementary expertise
- Sharing of risk
- Ability to leverage funding
- Supply chain development
- Economies of scale and efficiencies in delivery
- Creating mixed and vibrant places
- Enhanced social value outcomes



Many *different forms of partnership* to choose from...

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“a business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific project with a shared purpose”



What are the key considerations?

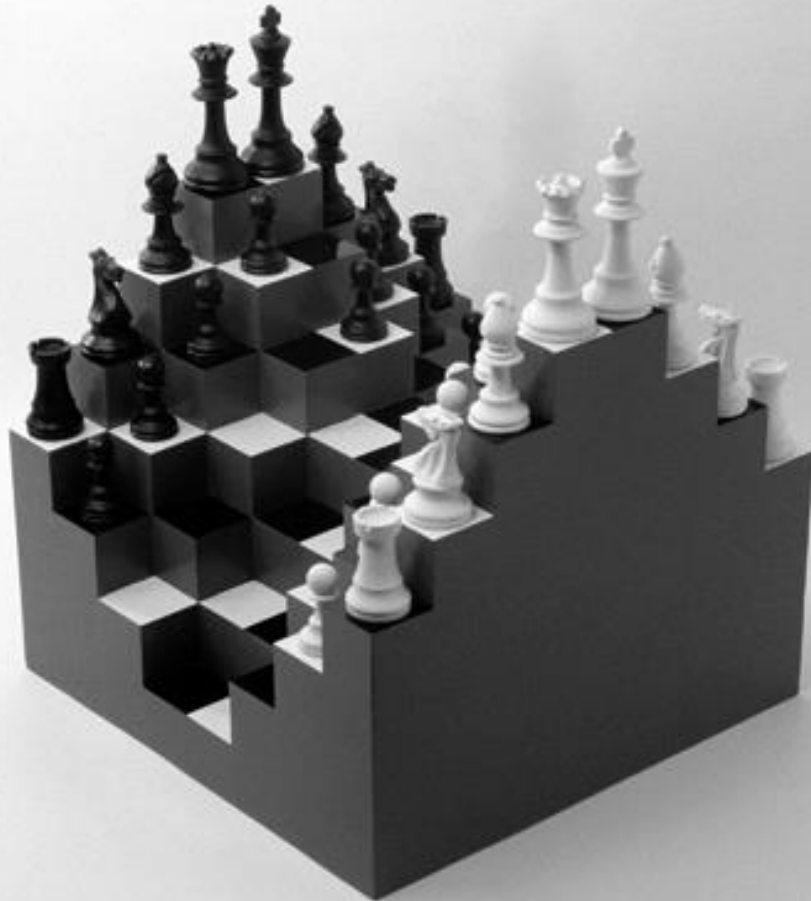
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1. Formal or informal arrangement? (Contract or Collaboration?)
2. Clarity of what is being procured and the evaluation criteria
3. Assets and/or services to be provided through it
4. What form of partnership/jv and how will it be procured/ guaranteed?
5. Is it an exclusive relationship?
6. What is the likely duration of the relationship?
7. Selection and choice of sites/facilities delivered through it
8. The valuation of assets and crystallising the value over time
9. Working capital requirements and subscriptions
10. Engagement of supply chain and local objectives



Understanding where *risk and opportunities* sit

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- As an investor, deliverer and operator
- May be many layers of risk including:
 - *Market*
 - *Funding*
 - *Delivery/programme*
 - *Commercial/Business Plan*
 - *Operation/life cycle*
 - *Reputation*
- Ensure risks and rewards are fairly aligned
- Keep both partners incentivised

Breaking up is hard to do ...

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- 1. *Gluttony:*** Rapid consumption of capital
- 2. *Wrath:*** Arguments over control
- 3. *Lust:*** Desire for assets/greater share
- 4. *Pride:*** Culture wars
- 5. *Greed:*** Unrealistic profit expectations
- 6. *Envy:*** Competing partners & distractions
- 7. *Sloth:*** Waiting to plan an exit strategy

Successful Partnerships: *One Vision ...*

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- MUTUAL TRUST
- Compatibility of business models
- Culture of collaboration
- Commonality of interest
- Shared and clear objectives
- Complementary resources & expertise
- Equitable sharing of risk & reward
- Investment and commitment of time and resources
- Clarity on who puts what in – and who takes what out, when
- Working through problems together



“Everything we do, we
do in partnership”

John Morgan
Group Chief Executive



With a little help from my friends...

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