



The Housing and Regeneration Agency

Homes
England



Strategic Plan

2023-28





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1 Introduction from the Chair and Chief Executive





Peter Freeman
Chair



Peter Denton
Chief Executive

This strategy has been developed collaboratively with the Department for Levelling Up, Housing and Communities, our board and executive. It sets out our vision and strengthens our ability to deliver for all our stakeholders.

Retrospective: 2018 to 2023 strategic plan

Since 2018, our primary role has been to support the building of new homes. As such, we have acted as a bridge between local places, national policy and the private sector. This has enabled us to support delivery in towns, cities and rural communities. We have worked tirelessly with public and private sector partners to innovate and find the best solution for every housing challenge presented to us.

We have provided development finance to local

builders to create developments as small as five homes. We have financed massive infrastructure works with the potential to open up new settlements of up to 15,000 homes. We have also helped housing associations to balance the need to build more affordable homes with the challenge of meeting impending building safety and decarbonisation costs.

Our track record since 2018 shows the difference we have made across England. Working closely with over 5,000 organisations (including local authorities, housing associations, housebuilders of all sizes, and capital providers), from 2018-22 we have:

- supported the development of 152,700 new homes¹
- unlocked land that is capable of delivering over 380,000² homes

- helped 228,996³ households into home ownership
- generated £6.85⁴ billion of income from loans provided to the housing sector that will be re-used for further public investment
- managed applications for the delivery of three building remediation funds that will pay for work on more than 500 high-rise buildings

For every £1 the Agency invests in an equity deal, it leverages £9 of private sector investment. For complex land deals, every £1 put in by the Agency leverages between £3 and £5 of private capital.

We will continue to support the housing industry in all of these ways, alongside a focus on the needs of our retail customers, through the effective stewardship of the Help to Buy scheme. We will also support the government's mission to bring fairness and proportionality to building safety by swiftly rolling out support to remediate thousands of buildings between 11 to 18 metres tall.

Going forward: 2023 to 2028 strategic plan

We are now proud to go beyond our housing work to fully support the government's broader levelling up agenda and increased focus on pride in place.

The government's Levelling Up White Paper makes a clear and compelling case to work with places in a more joined-up way – to tackle housing and regeneration problems head on. And this is what we plan to do. It is now time to return to our roots and for the Agency to fulfil its role as set out in the 2008 Housing & Regeneration Act under which we were established. This means we will not only help deliver the homes the country needs, but we will also work with partners to support the creation, regeneration, development and continued wellbeing of communities in England. This will bring

confidence, pleasure and pride back to our towns, cities and rural communities.

Our renewed and expanded mission is even more important as the UK responds to more challenging economic times. As such, in order to deliver on this plan's mission and objectives, we are committed to using all of our tools to ensure that new homes continue to be built and communities continue to be supported, to deliver their long-term plans for regeneration and renewal.

Regardless of the economic outlook, delivery of this strategic plan will require us to change how we do business.

We will make place-based working central to how we operate. This means bringing together all of our assets to support local leaders to deliver their vision for their towns, cities and rural communities – our relationships, our unique blend of skills and expertise, our statutory powers, our land and a wide range of financial support (equity, grant, debt and guarantees). We will also focus on places that need our help and have committed local leadership, prepared to support a clear vision and pipeline of delivery even when the political or financial challenges are tough.

While we will continue to offer broad support from our programmes across England, we will focus our most intense effort on transformative projects that will have a catalytic effect on wellbeing and prosperity. In two words, our work must "level up" communities. Partners will see us working more closely with a number of places, and in a more joined-up way. Our work will help people in temporary accommodation in the north of England as well as first time buyers in the south-east.

We will work closely with local authorities, other government departments and the private sector as partners to deliver change. We will also be willing to intervene directly, exercising the use of our

1. Figures for the period April 2018 to March 2022, covering the first 4 years of the 5 year plan
2. Figures for the period April 2018 to March 2022, covering the first 4 years of the 5 year plan
3. Figures for the period April 2018 to March 2022, covering the first 4 years of the 5 year plan
4. Figures for the period April 2018 to March 2022, covering the first 4 years of the 5 year plan



Autograph Homes, Hambrook, Bristol
Image credit: Octopus Real Estate

statutory powers to champion both national and local interests.

One of our great successes in recent years has been our ability to embrace the strengths of the residential real estate sector to help us deliver. It is now vital that we extend this to the commercial real estate sector, so that the full strength of all partners are brought together to deliver positive changes to places. In addition to building more housing, we will also work with partners to transform struggling town centres into vibrant neighbourhoods with homes, jobs, leisure facilities and new public realm. We know we are less known to the commercial real estate sector than the residential, so encouraging commercial developers to work with us on levelling up will be a key focus over the near term.

Alongside our shift towards more place-based working and a renewed focus on regeneration, we will take a more ambitious approach to the partnerships we form with and between public and private sector partners. Our partnerships will take many forms. We will work across regions, as we have through our Strategic Place Partnership with Greater Manchester. We will join

locally-led partnerships like the Stockport Mayoral Development Corporation Board and develop strong partnerships with the sector, as we have through our housing association strategic partnerships.

We will harness private sector skills and experience as well as capital. For example, the English Cities Fund, a partnership between Muse Developments, Legal & General and ourselves, will deliver more than 10,600 new homes in addition to commercial, retail and leisure space. The partnership is behind some of the UK's most successful regeneration projects. We wish to form similar joint ventures with more investors to drive positive change in communities at scale and at pace.

Equally, we will be more ambitious with:

- how we work with lending institutions
- how we encourage the SMEs we are supporting to help deliver high-quality housing and regeneration outcomes

- how we diversify and build capacity across the sector, including in master development and urban regeneration, to enable us to help regenerate more of our towns and cities

Quality, decency, good design and the sustainability of what is built must also take centre stage. We are already championing this agenda and we take our role in promoting this seriously, even in a challenging economic environment. We are promoting schemes that are building to the new requirements of the Future Homes Standard, promoting biodiversity net gain and adhering to Building for a Healthy Life. We are also partnering with like-minded organisations to incentivise more sustainable housing.

Increasingly, our decisions and willingness to engage will be defined by the quality of what is being delivered as much as the quantity. This includes how we use the physical assets we already have and make them fit for the future. With 50% of a building's whole life carbon emissions coming from its creation, decarbonising construction and re-using what we already have is critically important. The UK has one of the oldest housing stocks in Europe, with a significant amount nearing the end of its useful life. As energy costs and the number of people living in fuel poverty rise, this has increasingly become a social justice issue as much as a technical challenge. This balancing act could be the greatest challenge the built environment faces in the coming decades and we have an important role to play, alongside our partners, in finding the solutions.

Our success will need tremendous commitment from our colleagues and partners. It will also need an even closer working relationship with other key government departments, so place-based delivery encompasses homes and workplaces and co-ordinated improvements in transport, health and education. While our board can help create the vision and governance essential to our ambitious programme, it will be the sustained hard work of our leaders and colleagues across our network of regional offices which will deliver the reality.

Ultimately, it is how we creatively marry purpose, expertise, finance and statutory powers that will define our success over the coming years. Even in challenging economic times, success for Homes England still means better lives for people across the country, better places to live and work and, ultimately, social justice and equity for society.



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Summary



Our mission

We drive regeneration and housing delivery to create high-quality homes and thriving places. This will support greater social justice, the levelling up of communities across England and the creation of places people are proud to call home.

Our strategic objectives

We have five interconnected strategic objectives that work together to deliver our mission.

Three of our objectives focus on the distinct but overlapping categories of our work: places, homes and the sector. They reflect the broad range of interventions that we have already committed to deliver on behalf of the government, as well as its future ambitions. Embedded across all of them is a firm commitment to working in partnership with a

broad range of partners who share our mission and objectives.

We know that enabling the delivery of homes and places alone is not enough to fulfil our mission. Therefore, we have two objectives that set out our aspirations for the attributes of the homes and places we will work with our partners to create.



Our key performance

indicators

Our new Key Performance Indicators (KPIs) will measure our performance over the course of the strategic plan period. In the first year of the plan, we will progress implementation of the new KPIs, gather baseline data and set performance targets (where relevant).

The KPIs in this plan have been selected as the most critical overarching measures to help assess progress towards achieving our objectives. They will be underpinned by a range of more detailed measures to demonstrate the scale, breadth and depth of what we aim to deliver and to test whether plans are on track. The wider performance framework also includes qualitative evidence and more in-depth evaluation and research.

The KPIs are set out in full below. More detail on how these align to the outcomes we seek to deliver against each objective is included in the our objectives section.

Together, these elements will allow us to:

- understand our performance against our mission and strategic objectives across our full portfolio
- track our progress in delivering the programmes we deliver on behalf of government
- understand how we are progressing our objectives in specific places, and what the combined impact of our interventions looks like from the perspective of those places
- provide evidence to support data-led decision making, particularly when balancing multiple or competing programme and place objectives

While our performance framework is essential to ensure we can track our progress and remain accountable, we also recognise that everything we deliver is through collaboration and partnership. We acknowledge that the successes that we measure through our KPIs and wider monitoring and evaluation are not just ‘our’ successes, nor will they reflect all of the impact that we’ve made.

Measuring social value

When reporting against KPI 5, the Agency will use the definition of social value included in HM Treasury’s Green Book: “The appraisal of social value, also known as public value, is based on the principles and ideas of welfare economics and concerns **overall social welfare efficiency**, not simply economic market efficiency. Social or public value therefore **includes all significant costs and benefits that affect the welfare and wellbeing of the population**, not just market effects. For example, environmental, cultural, health, social care, justice and security effects are included. This welfare and wellbeing consideration **applies to the entire population** that is served by the government, not simply taxpayers.”⁵

5 HM Treasury Green Book page 5

Strategic objective: Vibrant and successful places

KPI 1	Brownfield land reclaimed
KPI 2	Employment floorspace created
KPI 3	Number of jobs created
KPI 4	a) Total number of local authorities receiving in-depth capacity support from Homes England; b) of which share who report improved capacity to deliver their place-based ambitions as a result
KPI 5	Social value per pound of investment

Strategic objective: Homes people need

KPI 6	Total number of housing completions directly supported
KPI 7	Total housing capacity of land unlocked by Homes England interventions
KPI 8	Total number of households supported into home ownership

Strategic objective: A housing and regeneration sector that works for everyone

KPI 9	Share of supported completions by low and medium volume builders
KPI 10	Share of supported completions using Modern Methods of Construction (MMC)
KPI 11	Total value of private sector funds leveraged through Homes England's support

Strategic objective: High-quality homes in well-designed places

KPI 12	Share of supported schemes that meet or exceed the agreed standards for design quality
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Strategic objective: Sustainable homes and places

KPI 13	Building performance – share of supported completions that are EPC rating B or above
KPI 14	Average percentage biodiversity net gain planned on supported schemes
KPI 15	<i>Indicator to be developed on embodied carbon of Homes England supported development</i>

Corporate health

KPI 16	Share of partners reporting overall satisfaction with Homes England
KPI 17	Average colleague rating for Homes England being a diverse and inclusive employer
KPI 18	Number of principal risks outside risk appetite

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Who we are



By working in a network of offices across England, we ensure we're best placed to understand and support our markets, places and partners.

We are the government's housing and regeneration agency, established by statute in 2008. We are a non-departmental public body sponsored by the Department for Levelling Up, Housing and Communities (DLUHC). Our board is appointed by the Secretary of State for DLUHC and is led by our Chair, Peter Freeman. Our Chief Executive and Accounting Officer, Peter Denton, leads an executive team that includes specialists in housing, regeneration, land and development, investment, finance and risk management. We work across England, albeit much of our role in London is devolved.

Our people have a diverse set of skills. We are surveyors, civil engineers, regeneration experts, planners, development professionals, investment specialists, economists, lawyers, digital service experts and programme and portfolio managers. Our talented workforce is agile and geographically diverse (with more than 80% based outside London). By working in a network of offices across England, we ensure we're best placed to understand and support our markets, places and partners. We value our strong relationship with DLUHC and work in close partnership with them.

The mission and strategic objectives in this plan set out how we will play our part in delivering the government's levelling up and housing agendas. Our ambition is to work in collaboration with equally ambitious partners to deliver the homes and places that our communities need, and to support the regeneration of our towns, cities and rural communities.

We have significant tools at our disposal. We own over 9,000 hectares of land and have £16 billion of combined capital spend (loan, grant, equity and guarantees) to deploy by March 2028. We also have a range of statutory powers that we can use to deliver our objectives. In addition, we have the expertise to broker private sector investment, convene stakeholders, facilitate collaboration, improve quality across the industry and champion good practice.

In order to deliver our contribution to levelling up, our way of working is evolving. As a market-facing organisation, we will continue to work in collaboration with local government, housebuilders, developers, housing associations, infrastructure providers, landowners and lenders who share our ambitions. But we will also work harder to bring our land, funding, powers and expertise together to tackle the housing and regeneration ambitions of specific places, addressing the unique challenges and opportunities their communities face.



York Central
Image credit: Allies and Morrison

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What we do



Why we are needed

Everyone, no matter their circumstances, deserves to live in a comfortable and safe home that is affordable to them, in a neighbourhood where they can work, play and access the services they need. Unfortunately, this is not the case today. There are enormous disparities in the quality of the built environment across the country. These differences are caused by, and reinforce, significant inequalities in the opportunities people have and their quality of life.

Each of our five strategic objectives are designed to deliver on our mission, to support everyone to live in high-quality homes in thriving places. To deliver on this mission, we must tackle challenges that exist at three distinct but overlapping scales:

- the homes people live in
- the places which those homes are a part of
- the sector we rely on to deliver the homes and places we need

Critically, we must also ensure that there is a strong focus on sustainability and quality across all of our work.

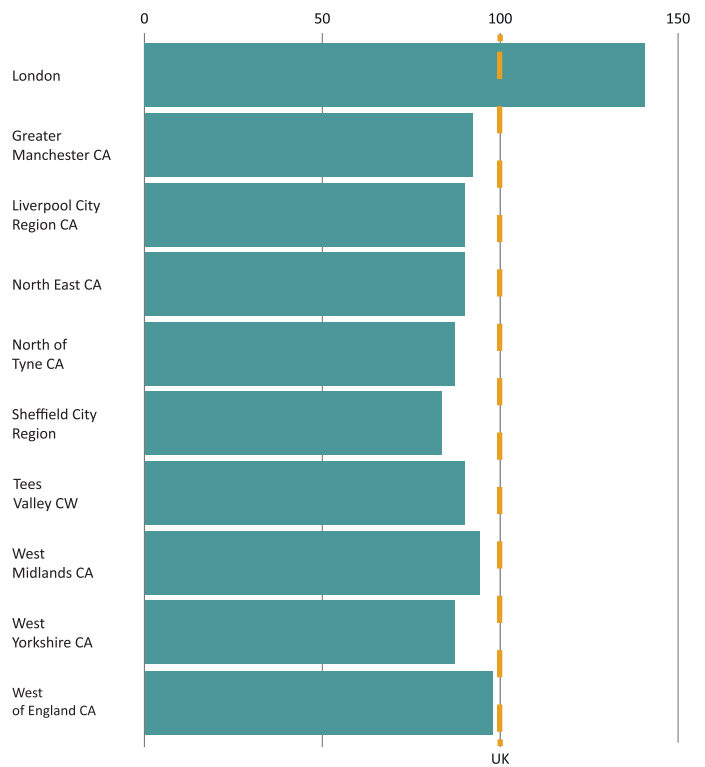
Places

In order to thrive, places need an integrated and sustainable approach to developing the housing, jobs, transport, amenities and green space that people need. Many parts of the country that were once vibrant and successful have seen dramatic changes to their economies and built environment, as industries have moved away or closed down. Where places have not been supported to reinvent themselves and attract new investment, industrial decline has left derelict land and social deprivation in its wake. Even relatively prosperous areas have pockets of deprivation, some of which have persisted for years.

The effects of economic decline can be seen in

towns and cities which have lower productivity rates, poor skill levels, lower levels of income, poorer health outcomes and lower life satisfaction. High property vacancy rates, derelict sites, poor-quality housing and a lack of appropriate commercial space or sufficient green space are often evident in areas of deprivation and economic underperformance. These factors also make places less resilient in the face of economic downturns.

Sub-regional productivity, major city regions, 2020
Current Price (smoothed) GVA(B) per hour indices



Source: Office for National Statistics

In order to both protect our natural environment and build the homes the country needs, it is important to make better use of the large swathes of underutilised land at the heart of England’s towns and cities.

Improvements to the built environment can catalyse wider improvements in people’s quality of life and improve a place’s social and economic



outcomes. We can play an important role in the government's efforts to tackle these complex economic and social challenges.

This is why we will support the creation of **vibrant and successful places** that people can be proud of, working with local leaders and other partners to deliver sustainable housing growth and housing-led, mixed-use regeneration with a brownfield first approach.

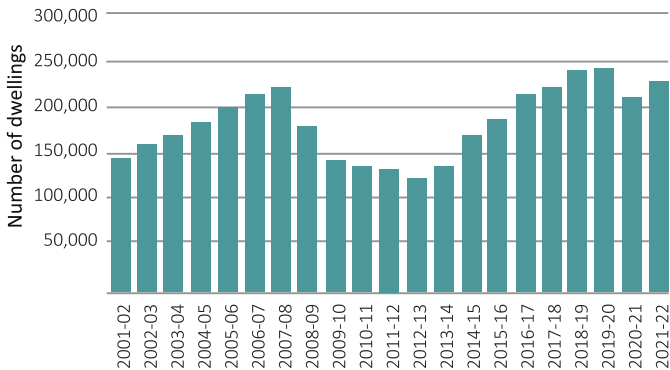
Homes

Too few of the right homes are built in the right places in England. For many years the supply of homes has not kept pace with demand. This has contributed to housing being unaffordable in many

places, unsuitable in others and in some places both.

The construction of new housing has recovered from post-financial crisis lows in 2012-13, almost doubling to over 240,000 homes delivered in 2018-19 and 2019-20. Numbers reduced in the wake of the COVID-19 pandemic in 2020-21, picked up again in 2021-22, but may fall back in the short term as the economic downturn takes hold.

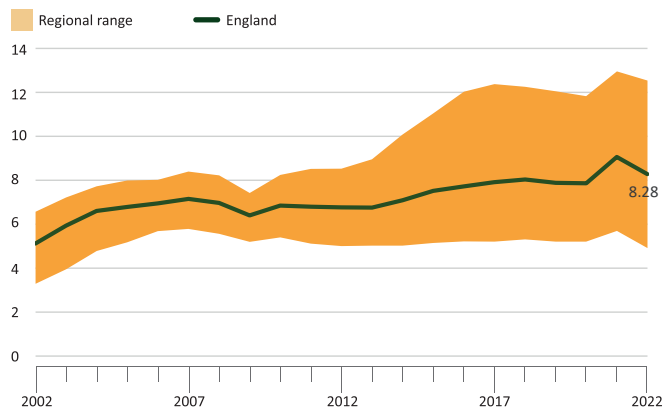
Net additional dwellings in England



Source: DLUHC

Affordability ratio

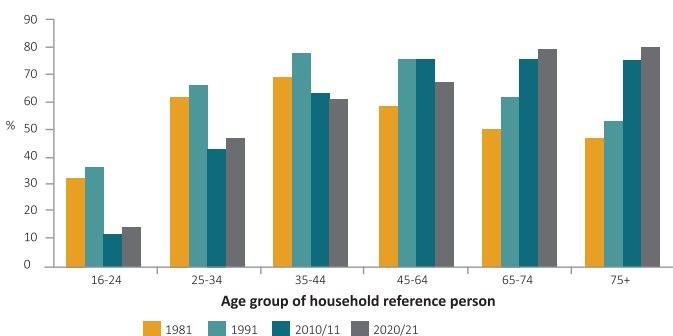
Ratio of median house price to median gross annual workplace-based earnings



Source: ONS

Housing affordability has also worsened across all English regions over the last two decades, with some places lacking the right mix of homes and tenures to meet local need. In England in 2022, full-time employees could typically expect to spend around 8.3 times their annual salary on purchasing a home (up from 3.5 times in 1997), putting home ownership out of reach for far too many people. Affordability is expected to remain a challenge,

Percentage of each age group that are owner occupiers



Source: English Housing Survey

regardless of short-term fluctuations in house prices and borrowing costs.

After a sustained decline over two decades, home ownership rates have increased slightly since 2016-17, but this is largely driven by older households. In addition, despite recent improvements, young people remain far less likely to own their home than their parents' generation at the same age.

Everyone deserves access to a home they can afford in the location where they need it. This is why we will facilitate the creation of the **homes people need**, intervening where necessary to ensure places have enough homes of the right type and tenure.

Housing and regeneration sector

The housing sector is not currently delivering enough new homes or regeneration of existing communities. The sector delivers a relatively narrow range of housing types and not enough of them. While other countries deliver housing through creative models such as community-led housing, self and custom-build, this makes up only a tiny percentage of the homes built in this country – just 13,000 homes per year. This has a real impact on people's lives, limiting their options when choosing a place to live. The sector also needs greater competition, diversity and innovation to disrupt the market. However, small and medium enterprise (SME) housebuilders developed only 10% of new homes in 2020, down from 39% in 1988. SMEs and new market entrants face many barriers and constraints to their growth and are more likely to struggle in an economic downturn, which could further reduce the sector's diversity.

Modern Methods of Construction (MMC)⁶ have the potential to revolutionise the sector. The use of MMC in housing in England is increasing, with most large and medium-sized developers now using some form of MMC in their new homes. However, there is much more potential for the technologies and techniques on offer in the MMC sector to meet the challenges facing the market.

6 <https://www.gov.uk/government/publications/modern-methods-of-construction-working-group-developing-a-definition-framework>

MMC can drive greater efficiency and productivity, reduce carbon emissions, decrease disruption caused by construction, and increase consumer choice.

Undertaking large-scale development or regeneration projects requires strong leadership, long-term commitment and increased collaborative working. It also brings higher levels of risk. Regeneration projects routinely face financial challenges such as viability issues and difficulty attracting investment. The public sector can play an important role in providing the platforms and long-term stewardship needed to give the sector confidence that proposed schemes will go forward.

The involvement of multiple landowners, and the issues associated with relocating commercial or residential residents, make regeneration projects complex. There are also not enough organisations in the sector that have the skills to take schemes forward. Further, many areas have insufficient public sector capacity to give the sector confidence. The country needs more people and organisations capable of taking on such complex projects and a greater willingness from public and private stakeholders to collaborate and work in partnership.

This is why we will build **a housing and regeneration sector that works for everyone**, driving diversification, partnership working, and innovation.

Quality and beauty

Good design quality and beauty are essential aspects of homes and places where people want to live, work and play. However, too often homes are built in poorly designed neighbourhoods, without the necessary supporting infrastructure. Many neighbourhoods are also built without a plan to ensure their long-term stewardship. The link between the quality of homes and places

and health and quality of life outcomes is well-established. Access to, and engagement with, the natural environment is associated with numerous positive physical and mental health outcomes. Improving physical environments and the public realm mitigates the ‘broken window’ effect and reduces fear of crime. Living in warm, energy efficient homes reduces fuel poverty and is associated with improved general health outcomes, improved mental health and reduced mortality. Reducing exposure to environmental hazards like excessive noise and flooding through good design can also reduce stress, anxiety and poor mental health.

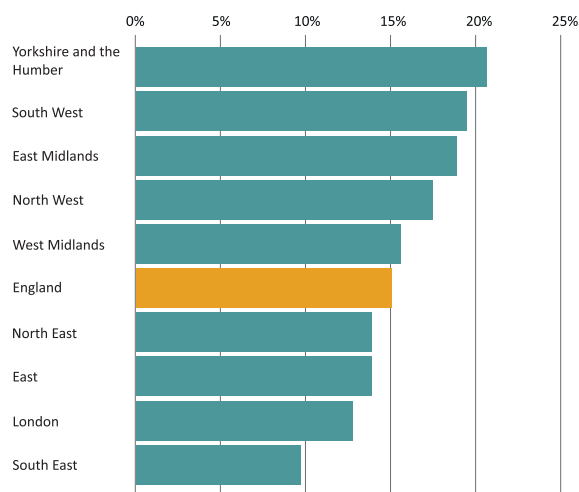
Poor-quality housing is not spread evenly across the country. There are higher rates of non-decent housing in much of the north of England and the Midlands, reflecting and exacerbating regional inequalities in health and employment outcomes.

This is why we will promote the creation of **high-quality homes in well-designed places** that reflect community priorities by taking an inclusive and long-term approach.

Sustainability

Tackling climate change as well as protecting and enhancing nature, habitats and biodiversity is critical for our planet. It can also drive positive outcomes for people and communities. More energy efficient homes can reduce fuel poverty and improve health outcomes, while also reducing carbon emissions. Designing connected places that encourage active transport promotes social cohesion and health, while reducing carbon emissions from transport. Providing access to nature is associated with positive health and wellbeing outcomes and preserves nature and biodiversity for future generations.

Proportion of non-decent homes by region, 2020



Source: 2020/21 English Housing Survey

Poor-quality housing is not spread evenly across the country, reflecting and exacerbating regional inequalities in health and employment

While overall emissions in the UK have reduced by 48% since 1990, emissions from residential buildings have only reduced by 14%. Once built, residential buildings are one of the biggest emitters of greenhouse gas emissions, accounting for 16% of the UK's emissions in 2021. New homes are typically more energy efficient than older ones, but there is more the sector can do to improve the environmental impact of the homes it builds, including improving energy efficiency further. This will be critical to achieving the government's commitment to reach net zero by 2050, and the sector will need to adapt quickly to support this. There is also a growing economic, financial and value for money case for creating more sustainable, energy and resource efficient homes and places. As the world transitions to a more circular economy, Environment, Social and Governance (ESG)-focussed investment continues to rise, and markets increasingly recognise the value of low carbon development.

This is why we will increase our focus on enabling **sustainable homes and places**, maximising their positive contribution to the natural environment and minimising their environmental impact.



The Avenue Coking Works Country Park, Derbyshire
Image credit: Homes England



This plan sets out how we will use our land, funding, powers and expertise to address the geographic inequalities in the built environment and **deliver better homes and places for the people who need them.**

Homes England’s role

The housing and regeneration challenges faced by communities around the country vary, but the factors that shape those challenges are well known. These include:

- shortages of deliverable and developable land in the places where demand is concentrated
- a lack of investment or viability challenges in some parts of the country or on some sites
- town and city centres that have been unable to keep pace with changing economic purposes resulting in dereliction, blight and unfulfilled potential
- the challenge of securing new supply through the planning system
- insufficient infrastructure to accommodate new housing and mixed-use development at the scale required

- a sector that is dominated by a small number of housebuilders and a system that has not uniformly prioritised good design, beauty and sustainability
- a lack of capacity and technical capability in local and combined authorities to deliver regeneration

As the government’s housing and regeneration agency, we exist to work with partners to support them to tackle these challenges and enable the delivery of new homes and housing-led, mixed-use regeneration. This plan sets out how we will use our land, funding, powers and expertise to do so and how we will address the geographic inequalities in the built environment and deliver better homes and places for the people who need them.



Our offer

Our mission and objectives are ambitious and we cannot achieve them alone. Delivering on the levelling up agenda requires us to apply our resources and skills to support the delivery of local priorities. For this reason, in the first part of this plan period, we will dedicate significant resources to strengthening our existing partnerships and building and brokering new ones. Across all of our partnerships, we will seek to be an enabler, working with places that have clear visions that align with our strategic objectives.

We will also seek partnerships with a broad range of organisations who share our ambitions to deliver high-quality, sustainable homes and mixed-use regeneration that meet the needs of local people and communities.

We will bring our land, funding, powers and expertise to these partnerships. In return, we ask partners to:

- be creative and ambitious in identifying opportunities for housing and regeneration that meet the needs of local communities with whom they work, and to be assertive in championing these opportunities
- support and accelerate the delivery of housing-led, mixed-use regeneration projects with a brownfield first approach, focused on areas of greatest need
- support our efforts to attract more investment into the sector from a wider group of investors and to support new entrants to grow
- collaborate, share good practice and identify opportunities for partnership
- set high aspirations for beauty, quality and sustainability, exceeding existing standards and regulations where possible



Homes England site tour of Combee Farm, Saltdean
Image credit: Man Group



- engage proactively with local communities from the outset of any housing development or regeneration project, offering meaningful opportunities for a range of stakeholders to contribute to the design and planning process

Local Government

Local government is best placed to understand the specific housing and regeneration challenges and opportunities of their towns, cities and rural communities. We will partner with local authorities to plan and deliver housing and mixed-use schemes by using our resources, expertise, experience and buying power to support their needs and those of local communities and stakeholders. We will work with our partners in local government in a bespoke way, tailoring our offer to reflect a place’s capacity and ambitions. We will collaborate with DLUHC to ensure our activities support greater devolution where this has been agreed, including exploring innovative partnerships with combined authorities.

Maintaining strong delivery partnerships is key to delivering successful outcomes. We will support local authorities by partnering together and by brokering relationships with institutional investors, other government departments and agencies, public sector organisations, developers and housing associations. We will also support local authorities to deliver the affordable housing needed by their communities. This includes improving their capacity to deliver new council housing.

Our Local Government Capacity Centre will continue to work with local government to develop and deliver technical advice, guidance and tailored support packages. This will draw on the skills and resources from across the Agency and its partners.

Private Housebuilders

We will continue to work with housebuilders to boost the supply of high-quality homes across all tenures and increase productivity, innovation and skills in the housing market. Our strategic objectives to create high-quality homes in well-designed places and to enable sustainable homes and places will cut across all the work that we do. We will also seek to take a leadership role in the sector on these issues, working closely with housebuilders. To do this, we will continue to increase the availability of land for housing by purchasing and enabling sites. We will support housebuilders to work in partnership to deliver housing-led regeneration projects for local places. We will also continue to diversify the sector, supporting ambitious SMEs and new market entrants to grow, and support the increased use of MMC.

Master Developers

We will work with master developers who share our long-term ambitions to unlock strategic sites that will deliver mixed-use regeneration and high-quality homes. We wish to see the master development sector grow and will support new master developers and existing ones (with ambitions to grow) to work in new parts of the country. Where there is a clear need that cannot be met by other parties, we will continue to step into the master developer role – a position we currently hold on over 20 schemes around England. In places that have complex challenges, we will also help to build new partnerships between government and private enterprise.

Affordable Housing Providers

We recognise that affordable housing providers are embedded in the places where their customers live. We will continue to work with them to deliver much-needed new homes, including affordable homes. We will do this by:

- working in partnerships with DLUHC to provide grant funding and guarantees
- supporting the affordable housing sector to access private finance
- enabling access to sites for land-led schemes
- helping broker partnerships between public and private sector organisations (including local authorities) to support delivery of housing that meets local need

Through our strategic partnership with affordable housing providers, we will continue to support partners that have the ambition, capacity and track record required to deliver at scale. This includes providing greater certainty of grant funding, greater delivery flexibilities, wider support and opportunities for collaboration.

Lenders and Institutional Investors

We will offer lenders the opportunity to partner alongside us to finance housing development and regeneration. We will also work with institutional investors and investment managers to provide a range of financial tools that attract more institutional capital to invest in housing, unlocking development pipelines. We will also encourage investors to support the regeneration of places most in need.

Commercial Real Estate

Investment in commercial property can act as a catalyst for the transformation of places and is vital in tackling inequality as well as driving economic growth in towns and cities across England. We will work with commercial real estate partners to support private investment in mixed-use regeneration, including housing, retail space, offices, logistics and leisure facilities. This will include supporting new models of flexible commercial space.

Infrastructure Providers

Our work with government agencies, departments and infrastructure providers (that supply products and services essential to creating successful places) will be integral to unlocking land for housing and regeneration. This includes providers of highways, transport, drainage and utilities infrastructure, as well as education and healthcare providers, community groups and local businesses.

Other Government Departments and Arm’s Length Bodies

We will build on our existing relationships with other government departments and relevant arm’s length bodies (beyond our sponsor DLUHC). This will help identify new partnership opportunities to bring forward more public sector land for housing and regeneration.

Consumers

Through all our activity, we will work with partners to ensure people have better access to the homes they need. In some instances we will work directly with individuals and, in these cases, we aim to be a consumer-centric organisation. This means we will be focused on the needs, preferences and values of those we serve. We strive to deliver high-quality and responsive services to people who have purchased their home through a Help to Buy or Help to Build product. We also work with government to ensure that the other policies and programmes we help to deliver benefit consumers as intended. Our enhanced focus on quality will increase consumer confidence in the safety and quality of new homes.



5

Our objectives



We will support the creation of **vibrant and successful places** that people can be proud of, working with local leaders and other partners to deliver housing-led, mixed-use regeneration with a brownfield first approach.

Outcomes What we are aiming to deliver	KPIs How we will measure our achievements
<ul style="list-style-type: none"> ■ more land reused and made available for regeneration ■ key enabling infrastructure in place to unlock development ■ local places effectively supported to deliver on their regeneration ambitions ■ mixed-use places that create value and benefit local communities 	<ol style="list-style-type: none"> 1. brownfield land reclaimed 2. employment floorspace created 3. number of jobs created 4. a) total number of local authorities receiving in-depth capacity support from Homes England b) of which share who report improved capacity to deliver their place-based ambitions as a result 5. social value per pound of investment

Vibrant and successful places attract people who want to live, work and invest in them. They encourage people to feel pride in where they live and provide economic and social benefit. Many places that were once vibrant and successful have seen their industries relocate or close down and need support to reinvent themselves and attract new investment. Without this support, places may continue to underperform economically and, in many cases, suffer high rates of unemployment and social deprivation.

The built environment often reflects and reinforces a place's economic and social challenges. In deprived and economically disadvantaged areas, a lack of resources to physically regenerate and repurpose land and buildings can lead to high

vacancy rates, derelict sites, poor-quality housing and a loss of pride in the physical environment. A clear, locally-led strategy that coordinates the actions of a range of regeneration delivery partners is vital to improving social and economic outcomes in a place.

To help deliver the levelling up agenda and support a wider range of places over the period of this plan, we will expand our work in regeneration. Complex regeneration schemes are long-term projects, but the Agency is moving quickly to identify projects that can start to be delivered in the next five years. We will support housing-led regeneration projects and mixed-use regeneration that deliver housing alongside employment, retail and leisure space.

We will also prioritise brownfield development to better utilise existing land in built-up areas and preserve undeveloped land.

We want partners who share our objectives and ambition and will work with us to identify opportunities, bring together stakeholders and execute ambitious regeneration projects around the country. We will bring our land, funding, statutory powers and significant expertise to support partners to deliver their plans.

How we will deliver

- we will support regeneration across England by brokering and securing new private sector investment through new partnerships and, building on the success of the English Cities Fund, look to enable the creation of further public-private investment funds
 - we will partner with places and flexibly deploy our funds and expertise across the development cycle to deliver regeneration schemes. We are already applying this approach in projects such as Ancoats Urban Village, where we are working with several partners to provide management and strategic oversight as well as financial support
 - we will unlock more land for regeneration through the deployment of the fund for brownfield land and infrastructure projects
 - we will support places to drive regeneration by making Agency capacity and delivery expertise available. This will include:
 - supporting places to develop master plans for large-scale regeneration projects
 - using Agency coordination and convening powers to bring stakeholders to the table
- providing ongoing technical advice
 - helping to broker agreements between local authorities, landlords, developers and institutional investors
- to drive regeneration, we will work with local partners, communities and across government to establish local or sub-regional delivery vehicles
- we will enable the assembly of land to drive large-scale regeneration by using our legal powers, including exercising our powers to make Compulsory Purchase Orders to acquire land (when appropriate)
- we will work with local governments to bring forward long-term regeneration projects across their towns and cities
- we will work closely with government departments and other relevant government bodies to bring forward public sector land for housing and regeneration, which will support wider regeneration
- we will broker and help establish public and private sector partnerships that enable others to take forward schemes



The Malings and Lower Steenberg's Yard, Newcastle
Image credit: Pfp Igloo

Homes England's role in capacity and capability

We recognise that local leaders and other partners are best placed to understand the opportunities in their area, but do not always have the capacity or capability required to implement their visions.

Constraints in these areas can include:

- a lack of in-house technical knowledge or capacity in specialised areas such as viability assessment and compulsory purchase
- limited experience in delivering certain types of large and complex developments
- limited experience or capacity to influence and convene stakeholders
- lack of capacity and skills in development finance and management

These constraints can lead to significant delays in the delivery of much-needed homes and the regeneration of places. It can also limit our partners' ability to directly intervene in their local housing market.

We are committed to scaling up and targeting our work to help places overcome capacity and capability issues. We will do this by providing opportunities for local leaders and other partners to discuss their specific requirements with us and agree a tailored package of support.

A tailored package of support may include making our capacity and delivery expertise available. For example, we can support with developing a master plan for a large-scale regeneration scheme. We can also use our powers to bring relevant stakeholders to the table, help broker agreements and bring together public and private sector partners where we see opportunities for future joint working.

We will expand the work of our Local Government Capacity Centre to provide local authorities with training and support to develop their housing and regeneration expertise. We will also produce resources that explain standards and good practice in areas such as design quality, placemaking, building safety and sustainability and, where possible, provide support to help partners adopt these.



🔍 Case study: English Cities Fund

Long-term funding partnership delivers place-changing regeneration

The English Cities Fund (ECF) works in partnership with councils, landowners, and key community stakeholders to deliver long-term and complex mixed-use schemes in some of the most deprived towns and cities of England. The fund has transformed challenging brownfield sites into thriving local communities and gateway destinations, while unlocking significant private capital. ECF has secured a number of schemes, including Salford Central, Salford Crescent, Canning Town and projects in St Helens and Plymouth with an anticipated total housing output of 10,600 homes and over 1.6 million square feet of office, retail, innovation zones and leisure space.

To date, ECF has started 2,700 homes, of which almost 2,200 have been completed. It has also delivered more than one million square feet of commercial, retail and leisure space and has improved the public spaces and transport links in the regions it has invested in. ECF's investment has also acted as a catalyst for further investment into these regions, as evidenced by the 18,000 homes that have been (or are in the process of being) built in Salford and the surrounding region.

In March 2022, Homes England, Muse Developments and Legal and General reaffirmed their commitment to this long-standing partnership until December 2036.



Valette Square, Salford
Image credit: Homes England

🔍 Case study: Warwick Bar, Digbeth

Partnership working to deliver mixed-use regeneration

Homes England, in partnership with Digbeth Loc Limited, Stanhope PLC, Steven Knight and K4 Architects, are working together with Birmingham City Council and the West Midlands Combined Authority to bring MasterChef, a hotel, workspaces and other creative industry uses to the heart of Digbeth in Birmingham.

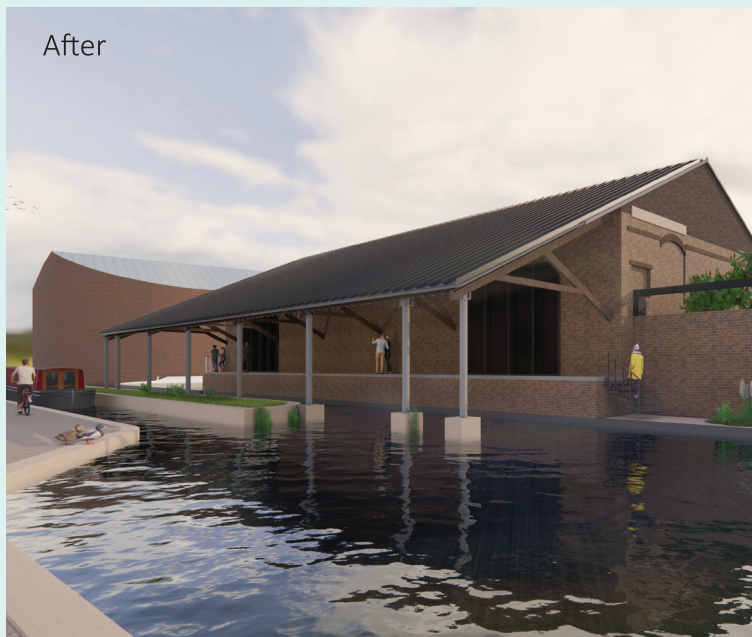
Birmingham City Council and the West Midlands Combined Authority have an ambitious vision for Digbeth, and are working to establish a thriving creative centre by reclaiming large areas of brownfield land and buildings adjacent to Birmingham City Centre and the new Curzon Street HS2 Station. Homes England's assembly and development of Warwick Bar – a collection of brownfield sites of strategic importance – is working to catalyse the wider regeneration of Digbeth. On Homes England's land, there is the potential to deliver around 900 new homes, 25,000 square metres of commercial floor space, new open spaces, public access to the canal network and space for the thriving creative industries based around Digbeth and beyond.

The project is a testament to the importance of partnership working in placemaking. Homes England's collaboration with a range of public and private sector partners ensures the combination of expertise and capital to develop a mixed-used scheme that will have a transformational impact on central Birmingham and the wider economy.

Before



After



Banana Warehouse, Digbeth, Birmingham

Before image credit: Homes England

After image credit: Digbeth Loc. Limited

We will facilitate the creation of the **homes people need**, intervening where necessary to ensure places have enough homes of the right type and tenure.

Outcomes What we are aiming to deliver	KPIs How we will measure our achievements
<ul style="list-style-type: none"> ■ more homes of the right type in the right places ■ more land available for new homes and barriers to development removed ■ more people enabled to own their own home 	<ol style="list-style-type: none"> 6. total number of housing completions directly supported 7. total housing capacity of land unlocked by Homes England interventions 8. total number of households supported into home ownership

Everyone should have access to a high-quality home in the right place that is affordable to them. This is not the case today. In many places housing is unaffordable, unsuitable or both. In addition many households are unable to achieve their dream of homeownership. Too many homes are not of a high enough quality or are built without sufficient focus on the surrounding infrastructure, leaving people without access to much-needed services or feeling unsafe in their own homes.

The government is committed to addressing these challenges by increasing the supply of new homes and supporting the delivery of more housing types and tenures than the sector would provide on its own. It also recognises that building more homes is not enough: homes need to be affordable, built to a high standard and designed to last. We also need a variety of homes to meet the diverse requirements of the people and communities we serve. This includes options that are accessible to first-time buyers, high-quality and affordable rental accommodation, and homes suitable for people with additional needs, older people and the

most vulnerable in society. New homes must also be embedded in mixed-use communities where people have access to services and facilities such as schools, shops and green spaces that promote a high-quality of life and pride in place.

Everyone should have access to a high-quality home in the right place that is affordable to them.

As the government's housing and regeneration agency, we have an important role to play in creating the homes that people need. We will do this by using a range of powers and resources to support our partners and local leaders in their delivery. For example, our targeted investment in infrastructure can boost the supply of land suitable for housing, while our work with affordable housing

providers makes a significant contribution to the delivery of affordable homes. We will prioritise development on brownfield land where possible but recognise that homes may need to be built on greenfield land to meet locally identified housing requirements.



Allerton Bywater
Image credit: Homes England

How we will deliver

- we will invest in and deliver infrastructure to unlock land and provide opportunities for housing, including working with government departments and other agencies to unlock public sector land. We will use the brownfield and infrastructure fund to support projects that deliver new housing. We will also continue to support delivery of the Housing Infrastructure Fund, unlocking new homes by helping to fund much-needed infrastructure in areas of greatest housing demand
- through the Affordable Homes Programme 2021- 26, we will provide grant funding to registered providers of social housing and local authorities to help them build new homes for shared ownership, social rent and affordable rent. We will also work with DLUHC and the market to provide specialist housing for vulnerable members of society, including people experiencing homelessness and refugees
- we will support the development of a more diverse affordable housing sector, by increasing the amount of private investment it secures by:
 - brokering new partnerships, working with ambitious registered providers who wish to further expand
 - supporting land-led development at greater scale
 - supporting smaller providers and new entrants, including smaller non-developing registered providers, local authorities and for-profit registered providers
- we will help housebuilders deliver more homes and support SME builders to grow their business and increase their output through the Levelling Up Home Building Fund. This fund provides development finance directly to developers, in the form of loans and investment. The fund can also be used to develop more sophisticated financial arrangements such as lending alliances with the private sector and joint ventures with councils, developers and others
- we will also work with DLUHC and the market to deliver guarantees on investments for developers, such as affordable housing providers and SMEs. These guarantees signal government support, which brings additional investment into the residential sector and reduces costs for borrowers
- we will support growth in custom and self-build housing with our equity loan funding that helps consumers access low deposit mortgages. We are also establishing a self-commissioned homes unit, delivering on a recommendation in Richard Bacon MP's independent review into scaling up custom and self-build housebuilding
- to help people with a route to home ownership, in addition to providing grant funding for shared ownership homes, we will continue to lead delivery of the grant funded "early delivery programme" of First Homes, which enables eligible purchasers to buy at discount to market value. This will inform the full rollout of the First Homes product through the planning system funded by developer contributions. We will continue to have an important role to play in Help to Buy in the coming period through the management of the loan book
- we will work with the government to implement reforms to the leasehold and commonhold system, where relevant to the new homes that we support

Case study: Bristol Temple Quarter

Supporting delivery of more jobs, homes and opportunities through the development of brownfield land

We are working with a number of regional and government partners to support the development of up to 10,000 homes and 22,000 jobs in a series of new sustainable and inclusive communities on land around Bristol Temple Meads station. £95 million of funding will unlock the first phase of this scheme, with future plans to develop 90 hectares of land across St Philip's Marsh in phase two.

The regeneration of approximately 130 hectares of brownfield land is expected to address regional inequalities through the delivery of new affordable homes, the creation of skills, training, and employment opportunities and improved transport links, resulting in increased regional productivity and economic growth. The funding will also support the creation of three new station entrances to Bristol Temple Meads, connecting the station and the new development to other neighbourhoods in the city.

Case study: Affordable Homes Programme Strategic Partnerships

Working with ambitious partners to deliver new affordable homes

Homes England launched strategic partnerships in 2018, as a new way of working with affordable housing providers who have the ability and ambition to deliver at pace and scale. To date, the Agency has agreed over £7 billion of funding deals which will support the delivery of more than 130,000 affordable homes.

Great Places is a housing association primarily operating across the north-west and Yorkshire. In September 2021, the Agency agreed a new funding deal with them, which will support the delivery of thousands of new affordable homes. Partnerships and collaboration are at the heart of Great Places' approach to delivery. This has been particularly successful across Greater Manchester and is being replicated in the Sheffield City Region.

A collaborative effort between Sheffield City Council, Homes England, Great Places, other strategic partners and local housing providers has resulted in an action plan that could significantly increase the number of affordable homes delivered in the city by the providers involved. This builds on the South Yorkshire Housing Prospectus that local housing providers and South Yorkshire councils have co-developed. It will have a huge impact on affordable housing provision in Sheffield and the wider South Yorkshire region, helping to ensure that there are enough homes of the right type and tenure to meet local needs.

We will build a **housing and regeneration sector that works for everyone**, driving diversification, partnership working, and innovation.

Outcomes What we are aiming to deliver	KPIs How we will measure our achievements
<ul style="list-style-type: none"> ■ a more diverse sector with greater competition ■ a more productive housebuilding sector ■ more private sector investment in housing and regeneration ■ more private sector investment in commercial property and mixed-use regeneration in urban centres 	<ul style="list-style-type: none"> 9. share of supported completions by low and medium volume builders 10. share of supported completions using Modern Methods of Construction (MMC) 11. total value of private sector funds leveraged through Homes England's support

To deliver the homes and places that people need and can be proud of, the housing and regeneration sector needs to be diverse, efficient and have the necessary capacity and capability. This means increasing private sector investment in housing and regeneration, seeking new investment partners and encouraging ambitious collaborations and innovative financial solutions to help deliver vibrant and successful places.

Private sector investment is key to delivering housing and regeneration. However, investors who are seeking opportunities are not always efficiently matched with places that need financial support to achieve their ambitions. Local leaders are best placed to understand the opportunities in their area but do not always have access to the expertise or connections needed to bring in the investment required to implement their visions. Investors are often unaware of, or do not understand, the opportunities in unfamiliar places or consider them to be too risky.

We will use our expertise and act as a bridge to grow and diversify investment in housing and regeneration, attracting capital that would not otherwise find its way into the residential sector.

In many areas, the sector is not working efficiently on its own to support the government's objectives. Our ambition is to increase competition and pace of delivery by diversifying the market, helping new housebuilders to establish themselves and mid-sized developers to grow. Increased investment in the sector and more platforms for the private sector to invest in will give a wider range of partners the confidence to engage earlier and take more managed risk. We will also seek to support the market to innovate in how it delivers new homes and creates better places. This includes supporting the use of MMC which has the capacity to drive greater efficiency and productivity, reduce carbon emissions, decrease disruption caused by construction and increase consumer choice.

How we will deliver

- we will increase the scale of development finance available to developers, including SMEs, by creating finance platforms with commercial banks and institutions as well as directly lending to SMEs
- we will increase private sector investment in homes and places most in need of support by matching people and places with a vision with partners who have the resources to deliver these ambitions. We will also support this through a range of financial tools, including debt, equity, grant, guarantees and by working with financial institutions offering specialist housing and regeneration platforms
- we will support the growth of new entrants to the sector, SMEs and innovators (such as those using MMC) by providing support and guidance and access to development finance through the Levelling Up Home Building Fund
- we will increase the capacity of the sector to support the regeneration of towns and cities and the long-term stewardship of places by supporting the growth and diversification of the master developer sector
- we will support the growth of the MMC sector, increasing demand for MMC by incorporating requirements into programmes and contracts. We will continue to encourage partners to deliver homes using forms of MMC which bring the greatest innovation, productivity or sustainability benefits. We will collect data across relevant programmes and will continue our research into the MMC sector to provide much-needed data and insight

Case study: Housing Growth Partnership

Supporting growth of SME housebuilders

Homes England has a longstanding partnership with Lloyds Banking Group to provide equity which enables the growth of SME housebuilders. The Housing Growth Partnership responds to the relative lack of available commercial finance for SME housebuilders – a key factor holding back their growth in the sector. Since 2016, the Housing Growth Partnership has supported the completion and sale of over 2,350 homes in the UK.

In 2021, Homes England and Lloyds announced a new £240 million commitment to SME and regional housebuilders in the UK as part of the launch of the Housing Growth Partnership 2. The new commitment will help the Housing Growth Partnership achieve its target of supporting the development of 8,000 homes by 2028, through the two funds.

The new fund will also support a wider range of housing tenures to meet the UK's diverse and evolving housing needs, offering support for projects including build to rent, regeneration and retirement living.

We will promote the creation of **high-quality homes in well-designed places** that reflect community priorities by taking an inclusive and long-term approach.

Outcomes

What we are aiming to deliver

- Well-designed homes and places in line with Building for a Healthy Life, the National Design Guide and local design codes, including:
- integrated neighbourhoods with access to nature and amenities facilitated by walking, cycling and public transport
 - distinctive places that reflect local character
 - streets, public space and blue and green infrastructure that are designed for people to use, easy to navigate and have a well-considered relationship between public and private spaces

KPIs

How we will measure our achievements

12. share of supported schemes that meet or exceed the agreed standards for design quality (in line with Building for a Healthy Life)

There are significant disparities in the quality of the built environment across England, which often reflect and reinforce the economic, social and health inequalities in our towns, cities and regions. While we work primarily with the housing and regeneration sector, we have a responsibility to the people and communities who will live in the places we help shape. Everyone deserves to live in a high-quality home in a well-designed place where they feel safe and secure and have access to the infrastructure and resources they need to thrive.

The homes and places we help create should foster a sense of community, belonging and pride in place. At a more fundamental level, they must be well-built, safe and designed to last. Therefore, we will seek opportunities to support the creation of well-designed, safe and beautiful homes and

The homes and places we help create should foster a sense of community, belonging and pride in place.

places that serve the needs of communities. We will encourage those we work with to focus both on the design of individual homes and on wider issues such as public space, social infrastructure, biodiversity and accessibility.

We know that engagement with communities is critical to designing places that meet peoples' needs. We expect our partners to ensure that people can influence housing and regeneration activities in the places where they live. We will also encourage the development of effective plans for the long-term stewardship of places to ensure their continued success.

When disposing of our own land, we will use all our available tools, including procurement and contracting, to promote quality and good design. Our funding decisions will also reflect our ambitions to increase the quality and beauty of homes and places. Where our influence on design is less direct, we encourage high standards. This includes providing additional support and guidance, such as design surgeries. We recognise the capacity constraints faced by local planning authorities and will provide them with additional support through our capacity and capability building offer (see page 32).

We are committed to implementing the government's building safety agenda and ensuring that all the homes we support are well-built and safe. We will work with industry to raise standards and expectations for building safety in line with legislation and regulatory requirements.

There is substantial overlap between the attributes that make homes and places well-designed and built and those that make them sustainable. As a result, our work on design quality will be closely linked with that on sustainability, particularly when working on larger-scale projects and regeneration.

We will work with our partners to embed careful consideration of issues such as building design and materials, the enhancement and creation of environmental assets and the promotion of sustainable modes of travel.



Carr Lodge, Doncaster
Image credit: Andy Tryner Photography

Our work on design quality will be closely linked with that on sustainability.

Homes England's role in building safety

We are strongly committed to building safety. We will take an active role in this crucial area, working with the government and the sector over the period of the plan.

Alongside the administration of building safety funds on behalf of DLUHC, we also have an important role to play in championing high standards and promoting the required culture change across the sector.

In the period ahead, this will include (but not be limited to) promoting and embedding awareness of building safety in both our organisation and the sector. We will also share technical expertise with local authorities to increase their capacity and capability.

In 2021, we embedded the Building a Safer Future Charter in our work with delivery partners. We will continue to support organisations, such as Building a Safer Future, to develop their approach to promoting culture change in the period ahead.

We will also promote safety in operational processes, including on-site operations, building design and specification, and how buildings are managed throughout their lifetime.



How we will deliver

- we will routinely consider design quality in the project approvals process for the Levelling Up Home Building Fund and the fund for brownfield, infrastructure and land
- on our own land, we will engage early with local leaders and communities, developing and implementing design codes for our projects and neighbourhoods
- on our own land, we will continue to transform the way places look and feel by using design codes, supported by our design quality assessment tool, Building for a Healthy Life, and parcel codes
- we will share our design quality and placemaking considerations and standards with partners and make resources available to support them to achieve these
- we will work with partners and other government bodies to reinforce the importance of build quality and safety to ensure the homes and places we support are safe
- we will work with DLUHC to co-deliver the fund for the remediation of unsafe cladding on buildings over 18 metres, and to deliver remediation funding for mid-rise buildings (11 to 18 metres in height)

Driving and measuring design quality at Homes England: Building for a Healthy Life

Building for a Healthy Life (BHL) is **England’s most established and widely used design tool for creating places that are better for people and nature**. BHL consists of twelve considerations which reflect key attributes of successful places and how these can be best applied to the individual characteristics of a site and its wider context. These considerations map to the National Design Guide and the National Model Design Code. They also complement the use of design codes by providing a systematic and measurable way to ensure design reflects the standards set locally. As such, BHL provides a basis for consistent design quality assessment. It is already embedded in our disposal and master planning processes.

Our design quality KPI quantifies the proportion of relevant sites where design quality potential has been delivered. BHL scores are awarded and assessed at various stages in the disposals process by external assessors to ensure that the quality of design sought at the outset (BHL baseline score) is maintained throughout. We are committed to enabling delivery of well-designed homes and places across our portfolio and, as such, are exploring ways to measure the effectiveness of all our interventions in improving quality. Our statement of intent on design quality and sustainability (see page 49) will further articulate how we will do this.



We will encourage those we work with to focus both on the design of individual homes and on wider issues such as public open space, social infrastructure, biodiversity and accessibility.

🔍 Case study: Houlton, Rugby

Urban extension with a focus on community wellbeing

The Houlton development in Rugby is a sustainable urban extension on a former agricultural site and radio transmission facility. Once complete, it will deliver 6,200 homes, up to 100,000 square metres of employment floorspace, primary and secondary schools, a new health centre, and local leisure and retail facilities.

The project was supported by a £35.5 million Homes England loan which enabled the accelerated delivery of a five-kilometre link road. This road unlocked land for housing and provided a connection to Rugby that supports the town's continued economic growth. Houlton has a strong focus on sustainability and community wellbeing through the provision of an extensive network of foot and cycle paths, wildlife corridors, community buildings, and green space. The project uses design codes, adhered to by housebuilders on each development parcel. A Grade II-listed C-station transmitter structure (the site of the first transatlantic telephone service in 1927) has been incorporated into the design of the secondary school.



Houlton, Rugby
Image credit: Urban & Civic plc



We will enable **sustainable homes and places**, maximising their positive contribution to the natural environment and minimising their environmental impact.

Outcomes What we are aiming to deliver	KPIs How we will measure our achievements
<ul style="list-style-type: none"> ■ more homes are energy efficient, carbon efficient and resource efficient both in-use and across their whole life ■ more energy efficient, carbon efficient and resource efficient places ■ places that enhance the natural environment, including air and water quality, biodiversity and habitats 	<ul style="list-style-type: none"> 13. building performance – share of supported completions that are EPC rating B or above 14. percentage biodiversity net gain planned on supported scheme 15. <i>indicator to be developed on embodied carbon of Homes England supported development</i>

Government is committed to tackling climate change, addressing biodiversity decline and improving health and wellbeing. Financial markets and lenders are also increasingly focused on the carbon impact and wider social value of investment. As the government’s housing and regeneration agency responsible for directing substantial government investment into the built environment, we are committed to improving our environmental performance and standards over the period of this plan.

We will work closely with our partners to ensure the homes and places we enable are delivered in a more sustainable way and support people to live more sustainably. We recognise that the projects we support through our funding, powers and expertise will take different approaches to sustainability and the environment as they balance competing priorities and local needs. We will work with our most ambitious partners to innovate and

create exemplars, while striving to lift the baseline across the housing and regeneration sector. In the first year of this plan we will focus on gathering data and setting clear targets. Our ambitions will increase over time as our confidence and capability and that of our partners grows.

Reducing the energy used to build, heat and operate homes and infrastructure will be critical to achieving the government’s commitment to reach net zero by 2050. We will work alongside DLUHC and our partners to adapt to changes to building regulations and the introduction of the Future Homes Standard in 2025, which will be critical in reducing in-use carbon emissions from homes and buildings. We are committed to playing our part in making whole life carbon reporting a mainstream consideration across built environment projects. Alongside this, we are developing our systems and processes to be able to report on, and improve, the broader in-use performance of buildings

we support. This includes tracking performance on energy use, water consumption and waste management, climate resilience and adaptation, and other relevant areas.

We have a responsibility to consider the impact of development on the local natural environment and identify opportunities to enhance this. We will work to reduce and reverse biodiversity decline. This includes using nature-based solutions for green and blue infrastructure (trees, parks, gardens, waterways and drainage) that enhance habitats, support biodiversity net gain, create ecological connectivity and deliver benefits that can be sustained for the long-term.

There is a substantial overlap between the attributes that make homes and places sustainable and those that make them well-designed and built. As a result, our work on design quality will be closely interlinked with that on sustainability, particularly when working on larger-scale projects and regeneration. We will work with our partners to embed careful consideration of issues such as building design and materials, the enhancement and creation of environmental assets and the promotion of sustainable modes of travel.

We also have an important role in supporting research, innovation and cross-sector and cross-government collaboration on environmental and sustainability issues. We know that further evidence is needed to inform policy and practice on sustainability in the built environment. We will use our position in the sector to gather much-needed information, working with DLUHC and other government departments wherever possible.

Developing Homes England's approach to design quality and sustainability

This document sets out our commitment to increase our focus on design quality and sustainability over the period of this plan. It also outlines the high-level outcomes we are seeking to achieve in these areas. To achieve the objectives set out in this plan, we are working to implement a number of changes across our operations and the way we work with partners.

To provide clarity to our partners and the wider housing and regeneration industry, **we will publish a more detailed statement of intent on design quality and sustainability within six months of publishing this plan.** This will also articulate the framework we will use to guide our activities and ensure design quality and sustainability are fully embedded across our projects and operations.



How we will deliver

- we will routinely consider sustainability in project approval processes for the Levelling Up Home Building Fund and the fund for brownfield, infrastructure and land
- we will consider carbon emissions, environmental impact and resilience to climate change across the life of homes, buildings and places at every stage of a project's progress through our pipeline
- we will support our partners to prepare for, and comply with, rising legislative and regulatory standards and to go beyond these wherever possible by supporting exemplars and sharing best practice
- we will work with the sector to raise standards for energy and resource efficiency, both in the construction and operation of homes and places
- we will support biodiversity and contribute to quality of life for residents by working with partners to protect, enhance or create new environmental assets
- we will speed the transition to net zero in both in-use and whole life carbon by collaborating with our partners to identify innovative products and processes, embedding these within the market where possible
- we will explore opportunities to go beyond minimum regulatory requirements on our own land to achieve better sustainability outcomes, and will encourage our partners to do the same
- we will work to improve data collection and reporting, including continuing our engagement in cross-government and cross-industry efforts to standardise reporting for whole life carbon
- we will report on our progress against our sustainability objective and our Greening Government Commitments in our annual report

Case study: Greener Homes Alliance with Octopus Real Estate

Providing support to SME housebuilders, enabling them to build more high-quality, energy efficient homes

Homes England has entered into a partnership with Octopus Real Estate, the property lending arm of the Octopus Group. The new Greener Homes Alliance will provide loan finance and expert advisory support to SME housebuilders, enabling them to build more energy efficient homes throughout England. The alliance will provide loans of between £1 million and £20 million to finance new SME development projects. Homes funded must achieve a minimum EPC rating of B and will benefit from increasing interest rate margin discounts as the energy efficiency of the homes increases above this (as measured using the Standard Assessment Procedure). Homes achieving an EPC rating of A will benefit from interest rate margin discounts of 2%. Before starting their developments, SMEs will also benefit from free expert advice from sustainability consultants, McBains and Octopus Energy.

6 Achieving our plan



Outcomes What we are aiming to deliver	KPIs How we will measure our achievements
<ul style="list-style-type: none">■ an Agency that works for its partners■ an Agency that reflects the communities it serves■ an Agency that effectively manages risk	<ol style="list-style-type: none">16. share of partners reporting overall satisfaction with Homes England17. average colleague rating for Homes England being a diverse and inclusive employer18. number of principle risks outside risk appetite



Homes England Early Careers Network workshop
Image credit: Greg Holmes

People and culture

Homes England has grown since we were launched in 2018 and we now have a highly talented and experienced set of colleagues working across the country. To deliver our mission, we need to ensure we continue to have the right people with the right skills, supported by the right culture.

To define the way we work, we have embedded a set of values that inform the behaviours that all colleagues put into practice every day. Our values set out the need for us to be a commercially driven organisation that embraces learning, development and change.

To help us deliver on the levelling up agenda, our way of working is changing. To tackle the housing and regeneration challenges faced by places, and to make the most of opportunities available to them, we will need to build and maintain long-term relationships with our partners. Our teams are also structured to respond to our full range of partners with a renewed focus on working in a joined-up way.

Diversity and inclusion

We're working to make Homes England a place where everyone can find the opportunity to succeed. We are integrating diversity and inclusion into everything we do to lead by example and to excel in fulfilling our obligations under the Public Sector Equality Duty.

We recognise that there are still ethnic minority groups who are underrepresented in our workforce. We are committed to continuous improvement and, as part of this, we're developing our next set of targets around equality, diversity and inclusion. **We will publish these within three months of the publication of this document.**

To deliver on these targets, we will be inclusive in our recruitment, with the aim of increasing diversity at all levels of our organisation. We are also committed to nurturing the talent which already exists within the organisation, offering our colleagues opportunities to develop and progress their careers.

We are continually reviewing our progress and our employee networks are helping us integrate diverse perspectives to continue to improve our organisation. We are monitoring, reporting on and closing our gender pay gap and exploring how we can do the same for our ethnicity pay gap. We also contractually require our suppliers to meet robust equal opportunity, diversity and inclusion criteria as part of joining our procurement frameworks.

Managing risk

Homes England’s risk management framework and risk taxonomy help us understand how we categorise and manage risks, allowing them to be controlled dynamically. Our three lines of defence model adopts the underlying principles of HM Treasury’s Orange Book, providing a simple and effective way to delegate and coordinate risk management roles and responsibilities across the Agency.

In order to fulfil public policy objectives, a substantial portion of the activity required to deliver our strategic plan carries an inherently higher risk than the activities of commercial organisations in the broader market. We use a risk management strategy based on industry best practice to identify and manage the risks of our activities. Our governance structure delegates risk management decisions to appointed groups and individuals and provides clear mechanisms to escalate risks and issues from the operational layers of the business. Our Executive Leadership Team is responsible for managing risk in the organisation, which is overseen by our board and the specialist Audit, Assurance and Enterprise Risk Committee. Individual members of the Executive also own risks which have been identified as principal risks facing the Agency and are accountable for their management and mitigation.

Financial plan

At Homes England, we’re subject to spending controls as set out in HM Treasury’s Capital Budgeting Guidance. We work with DLUHC to establish transparent and robust annual budgets within the context of a multi-year government spending review.

As a government agency, we have an obligation to comply with the Public Services (Social Value) Act and are bound by the principles of HM Treasury’s Managing Public Money (MPM), which defines a clear expectation that all public bodies should carry out their services while achieving value for money. This is reflected in the inclusion of value for money as one of our principal risks.

We seek to ensure value for money in everything we do by adopting several approaches, including:

- confirming value for money for proposed new programme designs in line with HM Treasury’s Green Book
- ensuring our economics team assess proposals using the five-case model for business cases
- rolling out a post-project evaluation programme

The tables on the next page set out our budget for 2023-24 and the provisional budgets for future years to 2027-28, for existing and commissioned programmes. The proposed budget for the new brownfield, infrastructure and land fund is also set out in the table.



Expenditure						
Portfolio	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Investments	497	915	968	947	920	4,247
Housing Infrastructure Grants	369	678	628	346	225	2,246
Development	241	352	304	282	310	1,489
Affordable Homes	2,022	2,203	1,500	0	0	5,725
Help to Buy	161	108	8	10	10	297
First Homes	36	0	0	0	0	36
Other	123	261	299	377	438	1,498
Brownfield Infrastructure & Land	57	183	329	218	93	880
Total	3,506	4,700	4,036	2,180	1,996	16,418

Income						
Portfolio	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Investments	-414	-613	-773	-887	-793	-3,480
Housing Infrastructure Grants	0	0	0	0	0	0
Development	-250	-345	-307	-306	-320	-1,528
Affordable Homes	-8	-7	-6	-5	-5	-31
Help to Buy	0	0	0	0	-2	-2
First Homes	0	0	0	0	0	0
Other	0	0	0	0	0	0
Brownfield Infrastructure & Land	0	0	0	0	-17	-17
Total	-672	-965	-1,086	-1,198	-1,137	-5,058

Net						
Portfolio	2023-24	2024-25	2025-26	2026-27	2027-28	Total
Investments	83	302	195	60	127	767
Housing Infrastructure Grants	369	678	628	346	225	2,246
Development	-9	7	-3	-24	-10	-39
Affordable Homes	2,014	2,196	1,494	-5	-5	5,694
Help to Buy	161	108	8	10	8	295
First Homes	36	0	0	0	0	36
Other	123	261	299	377	438	1,498
Brownfield Infrastructure & Land	57	183	329	218	76	863
Total	2,834	3,735	2,950	982	859	11,360

(all figures in £ million)

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