



Housing Development

This paper highlights some of the key issues surrounding the provision of new housing in the Thames Gateway and a few of the steps which need to be taken if the ambitious target of 180,000 new dwellings within the period 2001-2016 is to be achieved.

Issues

A high quality supply of adequate, appropriate housing is fundamental to the Gateway's vision of a prosperous, dynamic economy with increased growth, intensified and upgraded land uses, and attractive, sustainable communities.

If this is to be secured however, there are a number of issues associated with the delivery process which need to be addressed, including:

- **Low completion/construction rates** – on the face of it, the Gateway's potential to accommodate a substantial increase residential development looks promising, but in the five years to 2006, only 30,000 new homes were delivered. If the Gateway's target is to be achieved, the rates of provision must be significantly increased
- **Outdated forecasting techniques** – creating mixed neighbourhoods which meet the needs of new residents requires accurate estimates as to the scale/nature of future growth. Traditional Housing Needs surveys draw on established population trends and other household characteristics. In an area ear-marked for significant public sector investment to increase capacity however, using past performance to predict future need could lead to ill-balanced communities and the over/under supply of different product and tenure types
- **Insufficient affordable housing** – good affordable housing is an essential life-quality issue for residents unable to participate in the open market. It is also an important factor in attracting key workers and creating diverse, well balanced communities
- **Exemplar design & energy/resource efficiency** – the environmental impact of the number of proposed dwellings within the Gateway is potentially huge. As the overall aim is to provide genuinely green communities as part of an evolving low carbon region, new schemes will need to reduce the use of natural resources with eco-homes to the highest water and energy/resource efficiency standards.



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Actions Required

Clearly, there are a myriad of ways in which the issues outlined above might be resolved. Drawing upon recent experience and projects within the Gateway however, we have seen the benefits of:

- **Accelerating completion/construction rates** – some of the major barriers (transport and/or infrastructure provision) involve levels of expenditure which are far beyond the budget of individual site owners. As such, a more holistic approach is required to the provision and funding of such infrastructure through public sector led asset based vehicles, the longer term recycling of funds and value, and consequently a more transparent, robust approach to Section 106 (or equivalent) negotiations between the parties
- **Adopting forward-looking forecasting techniques** – the use of more dynamic and evidence based forecasting methodologies, taking into account not only past performance but more importantly changing economic patterns/sectoral growth/large scale infrastructure investment and changing social and travel to work patterns. These will inform the creation of residential products which genuinely match emerging demand
- **Increasing the supply of affordable housing** – initiatives need to focus on developing private 'housing for sale' models at affordable levels, as well as delivering the right product to address specific housing needs. Innovative structures should also be piloted to deliver essential intermediate housing, for example through the use of communal or mutual ownership structures
- **Ensuring the required standards of design & environmental efficiency are deliverable** – by ensuring that design codes and development briefs strike a deliverable balance between what is desirable and what is commercially viable/deliverable for private housebuilders.

Our Experience

We have:

- Played a key role in formulating **bespoke asset based delivery models and revolving investment funds**, including the East Kent Spatial Delivery Company (SDC) which is unlocking over 500 hectares of development land in a cyclical process of investment, reimbursement and reinvestment
- Helped **plan for the expected surge of new residents in London Borough of Barking and Dagenham** with a forecasting model which reflects the impact of structural changes in infrastructure and the local economy and generates future population predictions by age, employment type and socio economic grouping
- Explored the feasibility of a **UK pilot project to provide intermediate housing in the Gateway** using a new Community Land Trust (CLT) and Mutual Home Ownership (MHO) model which, although still in its formative stages, offers an alternative means to invest in and bring forward affordable units
- Researched the **market response to higher energy efficiency/quality standards** in the Millennium Communities on behalf of English Partnerships, and demonstrated the extent to which boundaries and expectations can be re-aligned whilst retaining commercial viability.

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