

Theme: Housing Renewal

BBP Regeneration is a specialist property and regeneration consultancy providing advice to public and private sector clients at all stages of the redevelopment process. Our experience in property development and understanding of its economic, social and political context helps clients

This newsletter profiles our recent work on new models of development for the housing market;

- A new approach to **housing forecasting** models developed for Barking and Dagenham
- An innovative **intermediate housing finance** modelling to deliver affordable housing on public sector land
- The development of an **urban extension** to deliver up to 1,100 new homes along with the enabling infrastructure

Forecasting for Barking and Dagenham's housing future

We recently worked with the London Borough of Barking and Dagenham (LBBD) and English Partnerships (EP) on a unique project to predict housing growth in the area over the next 20 years. LBBD is now using our forecasts to ensure that future growth is planned and managed effectively.

The Borough, in partnership with EP, asked for our advice because it is expected to absorb a significant share of growth over the next two decades. BBP led the team including Cambridge Econometrics and, economists, Colin Warnock Associates.

To plan ahead for this surge, the partnership wanted to understand more about what its future holds and commissioned us to lead a study forecasting the scale and nature of housing growth over the next two decades so the borough can make sure it plans for the right housing.

Usually housing forecasts are based on past population growth trends along with other household characteristics but our study was much more broadly based.

We knew Barking would see considerable change in the period, including developments on sites such as Barking Riverside (a 10,800 home joint venture between EP and Bellway Homes Ltd) and Ambition for South Dagenham, as well as major improvements to transport. Those improvements won't be isolated either, but will happen in the context of wholesale economic change expected throughout East London.

The new approach to modelling, compared with the traditional approach, allows structural changes to infrastructure and the economy to be reflected in the forecasts.

Key growth sectors within the economy suggested the potential to increase employment by some 6,000 to 11,500 above its current baseline. Estimates show this could increase the number of households by between 7,000 and 15,000.

Taking account of the types of jobs to be created within the key growth sectors anticipated to dominate in this part of London over the next 20 years results in a shift in household incomes, significantly increasing the proportion in higher income brackets, giving rise to more residents being able to afford a wider range of housing. These conclusions have critical implications for the way in which new housing sites and mixed use

developments are structured for implementation over this period, affecting a range of policy approaches, including the recommendations of the London Plan.

This study has highlighted an interesting approach to urban design and development forecasting and can be applied across a range of growth areas currently formulating their regeneration and future development policies.



Barking Quay



Barking Town Hall

For more details contact Rob Bennett, Director

RBennett@bbpregeneration.co.uk



New Housing in Docklands

Helping to make housing affordable

We're helping to develop new ways to make housing affordable through our work with housing economics specialists Tribal HCH.

The London Development Agency, supported by the Greater London Authority, asked us to assess the feasibility of a pilot project to provide around 100 units of intermediate housing using a new Community Land Trust (CLT) and Mutual Home Ownership (MHO) model.

The new scheme, which we've been testing, aims to provide a way of financing low cost housing by removing the value of the land from the pricing structure and retaining it in perpetuity for the benefit of the community. Where development costs are high, a cash subsidy may be required to aid viability.

The model depends on holding the land value in trust for the community, whilst developing the housing funded through a commercial loan, which is then repaid by residents who buy investment units based on their ability to pay. When a resident moves out of the development, they receive the uplift in the value of their investment.

Similar models based on limited equity and market rate housing co-operatives have been tried and tested in Scandinavia and the United States but, until now, not in the UK.

For more details contact Colin Ross, Associate Director

CRoss@bbpregeneration.co.uk

Housing Consultancy

BBP Regeneration offers a range of services relevant to housing, these include:

- *Research and forecasting of housing needs*
- *Project appraisal and financial modelling*
- *Project management and scheme delivery*



Aylesham Masterplan

Greenfield housing in rural Kent

Using our expertise in development management, we've recently been working on a project to expand an existing village in East Kent.

The addition of 1,100 new homes, retail, employment and community facilities to Aylesham, between Canterbury and Dover, will add a massive 40% to its population over 10 years.

Acting for Dover District Council, we've managed the process of taking the masterplan through to its adoption as Supplementary Planning Guidance. We're now working with CBRE to choose a private sector development partner to implement the proposal.

Originally set out by Sir Patrick Abercrombie, Aylesham was established in the early 20th Century to serve the Snowdown Colliery in the heart of the Kent Downland.

Masterplanners, EDAW, steered the design process and developed a proposal for the urban extension based on both the original design principles of the village and modern standards of urban design and sustainability.

We were brought on board to provide development management expertise, advice on implementation and delivery structures, financial modelling and, crucially, to secure a development partner to work with the Council to put the masterplan into action.

Following the Enquiry by Design, we set to work to find out what people thought about the proposals through extensive market research. The resulting 77% approval rating gave the Council the confidence to press ahead with the development.

For more details contact Stephen Pritchard, Director

SPritchard@bbpregeneration.co.uk

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enquiries@bbpregeneration.co.uk