## **INSIDE THIS EDITION**

## **Housing policy**

We need to usher in a new era of municipal housing delivery, says Mike De'Ath

## Investment

James Duncan says it's time to consider other funding mechanisms for housing developments

## **Planning**

Will the Government's proposed changes to the planning system help or hinder housing need?



themj.co.uk/housing November 202

## Rebooting the housing crisis

Tackling the housing crisis post-COVID will mean more than just building. We need to build health, wellbeing and communities as well as houses, argues **Tony Clements** 

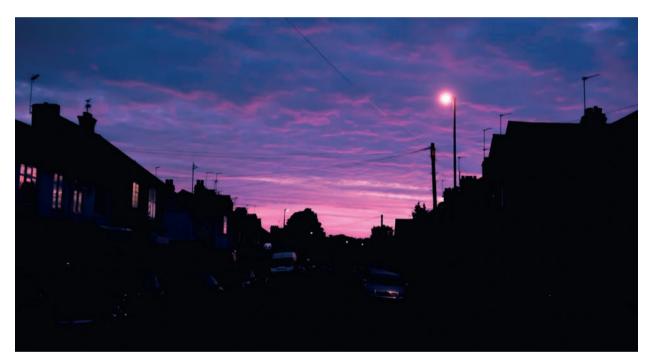
hen the COVID crisis finally subsides, we'll have some big housing questions to answer. Like the last major economic crisis of 2007-08, we'll need to reboot housing delivery and find ways to keep on building the homes we need. However, the questions stemming from this public health and economic crisis are more profound than the credit crunch. It's not just how do we get building again, but what do we build to meet the needs of a post-COVID society?

The experience of COVID and lockdown has changed many people's relationship with their home and neighbourhood. As our travel and geography has been restricted, we've had to meet our needs from where we live. We have a sharper sense of what, in our neighbourhoods, supported our health and wellbeing and what did not. This is experience we can learn from to put health and wellbeing at the heart of new homes and new developments.

There are lots of ways that our homes and neighbourhoods can be good and bad for our health, but there are two which have really come to the fore as a result of lockdown.

Firstly, access to nature and green space has made a huge difference to many people this year. This is unsurprising. Who wants to be stuck indoors during spring and summer? It also chimes with extensive evidence on the positive impact of green space on our health and wellbeing.

In one often cited study, researchers studied the experience of the residents of a social housing complex in Chicago. One block faced onto a concrete courtyard. The neighbouring block faced onto one with grass and trees. In the former, researchers found people were more fatigued, with higher levels of stress and reported feeling angry more often. In another study, even the view of greenery out of a window as opposed to a city view, helped hospital patients recover more quickly from surgery.



How we incorporate open space and access to nature in new developments will surely now have a greater focus. It's not just a 'nice to have'; its absence is bad for us. This is of course easier to achieve outside of our towns and cities. The challenge to which councils, planners, developers and architects need to rise is how we weave access to nature and green space into our urban environments. We'll need more creativity and may need to give up some more land to do it.

Secondly, for many people neighbourly and community relationships have been essential this year. The willingness of people to help each other out has been one of the few bright spots in recent months. This has been through formal volunteering as well as happening spontaneously as people got in touch with their neighbours and offered support. It's been a lifeline for the more vulnerable in our community, but it is good for us all. We now convincingly know that the most important thing underpinning good

health is good relationships. We know that loneliness is worse for your health than smoking or drinking. And it's not just close relationships that matter – of equal importance are the informal friendships and contacts of everyday life.

There are lots of things that contribute to a place where people know each other. How our homes and neighbourhoods are built is one critical factor. We need to build in the 'bumping into' places where it's comfortable and safe to stop and talk. We need development that is dense enough to see and know our neighbours, but not so close that we feel our space is intruded upon and we put up barriers. In some parts of the country we've seen decisive moves towards lower traffic neighbourhoods, where roads are evolving into public spaces. Some of the best development and regeneration involves tenants, residents and the community at every stage, resulting in places that people feel they have shaped and created together.

We also need to hold fast to the

importance of mixed communities and mixed tenure housing. People of different ages, incomes, backgrounds and ethnicities need different things and have different things to offer each other. It's that interrelationship that makes resilient communities and has been at the heart of those communities that have coped best with COVID and lockdown.

We'll still have a housing crisis after COVID. There will be a social and economic need to get building again and much debate and policy will focus on this. But let's also use the experience of lockdown and COVID to put new energy into homes that enhance our health and wellbeing. A generation of new homes where it is easier to know your neighbours and some contact with the natural world lifts your mood would be a rich housing legacy from this crisis.

Tony Clements is strategic director for economy at Hammersmith and Fulham LBC. He writes in a personal capacity

# Changing needs for housing delivery

In order to deliver anything like the number of new homes needed, we need a new era of municipal housing delivery and we need to embrace modern methods of construction, says **Mike De'Ath** 

the biggest housing crisis in a generation.

The Government's own statistics (via the Ministry of Housing, Communities and Local Government's Live Tables 244) tell the story of the devastating impact of market cycles on new-build housing delivery. In 1979 the balance of delivery of 209,460 homes was 57% private enterprise and 35% local authority, with 8% by housing associations. By 1989 we relied on the private sector for 86% of the 179,360 homes that marked peak output pre-1990 recession. By 2007 local authorities were delivering just 0.0014% of new homes. The fragility of this arrangement was highlighted by the 'great recession' of 2008/2009, which swept away a third of SME housebuilders. With further consolidation since, just 10 housebuilders were responsible for 47% of new homes built in the country last year.

With 178,800 new homes built in 2019, it is clear we lack the capacity and models to deliver the 300,000 annual output we need, even before we factor in the economic impact of COVID-19, with some commentators predicting at least a 30% reduction in homes delivered next year.

In times past, national crisis required great public sector intervention and fortunately, since 2012, resurgent local authorities are already building once again. The University College London research

paper *Local Authority Direct Delivery* in 2019 drew on responses from 142 different councils (40% of England's 353 authorities) of which 69% were directly engaged in housing delivery, with 8,992 homes built by 83 councils.

As well as being facilitated by Housing Revenue Account reform and new financial freedoms, this housing drive has been motivated by authorities' interest in delivering genuinely affordable homes for local people, and the political mantra that 'housing is the right thing for councils to do'.

We are seeing an exciting era of municipal housing delivery and the timing could not be better.

Meanwhile the pandemic, and of course Brexit, will impact heavily upon delivery, with construction capacity that continues to drop, as predicted by Mark Farmer in his *Modernise or die* report four years ago. He rightly pointed to a need to move to a greater amount of construction in factories, and away from building sites, as the way forward.

During the lockdown I wrote a paper with Mark Farmer, the Government's Modern Methods of Construction (MMC) Champion, looking at how we might link modular delivery to an industrial strategy that lifts jobs while delivering homes. There have been some fantastic signs that we're not the only ones that see this link. Throughout the UK, combined authorities, unitary councils, local authorities, LEPs and

partner organisations, including housing associations and developers, are embracing to the need to do things in a different way.

The attraction of delivering low carbon housing solutions at speed and scale, while also creating jobs for local people, is not lost on a country facing a massive unemployment crisis as furlough drops away.

## We are seeing an exciting era of municipal housing delivery and the timing could not be better

But manufacturers need a long-term and stable pipeline of orders to confidently invest in scaling up their operations. The 'stop-start' nature of traditional development is counter to this.

The route to truly embracing this opportunity, we believe, is through aggregation and collaboration; multiple authorities coming together to pool resources, sites and standards across a multitude of smaller development parcels, to create a programme based on common approaches to procurement and standards, with early manufacturer engagement.

With government support, Homes England stewardship and local authority leadership we envisage an additional 75,000 homes can be delivered annually by



2030, with potentially 50,000 jobs adding 0.75% to the GDP.

There are many barriers in the way. Human nature somehow favours the belief that each site and location is so unique that even a kitchen, bathroom or stair layout must be bespoke. There are also the various hurdles of procurement, planning, insurance and warranties to overcome, as well as the need to adjust

## You get what you give

Localis chief executive **Jonathan Werran** asks what the inability to deliver a multi-year finance settlement means for housing recovery

Rishi Sunak's decision as chancellor to put the lid on a Comprehensive Spending Review (CSR) meant the country hasn't had a multi-year forecast on public spending since George Osborne in 2015. This is three Conservative chancellors ago in modern money.

Long-term planning is clearly economically as well as politically out of the question. Perhaps not surprisingly so, in the middle of what seems like a resurgence of COVID, and

before harsh choices and tradeoffs on tax rises and spending cuts are finally determined as part of an unprecedented fiscal consolidation and rebalancing act.

Like much of our improvised and patched-up 2020, this wasn't the original plan. At the tail end of July – just after the CSR was first announced – chief secretary to the Treasury, Stephen Barclay, outlined a determination that the Exchequer would drive a faster and smarter culture in

overcoming Whitehall's slow and siloed system and getting resources deployed to maximum effect. Branding his set of Treasury colleagues as 'new radicals', Mr Barclay promised to address the stubborn problem of higher UK capital costs and boost placemaking through a drive to digital and better application of data-science, modelling and analysis.

As a retread of Ronald Reagan's famous lines, perhaps the most frightening words in the English language are: 'I'm the man from the Treasury and I'm here to help.' But what can the Treasury do to throw a big arm around a housing arena which has seen a momentous halving of new starts since the pandemic began?

Ironically, money seems to be the least of the problems. Government itself can borrow at historically low levels – although the situation of national debt figures approaching historical highs of £2 trillion militates against this. On the other side there is seemingly no shortage of capital available for housing. However, the absence of full surety of the £100bn to be allocated in regional growth schemes underpinned by the National Infrastructure Commission, let alone the fate of the Shared Prosperity Fund, might have knock on effects in delaying certain schemes.

The Treasury view has traditionally been that planning is gumming up the housebuilding





standards as we get to grips with failures of the past so terribly illustrated by the Grenfell tragedy.

Our experience over the past decade tells us that the quality that can be achieved in offsite built housing often far exceeds that of traditional construction, with benefits in terms of speed, productivity and performance predictability. Importantly these homes are delivered with up to

40% less carbon, fewer defects, and less disruption to neighbourhoods where sites are located. Once completed the fact they are made in a factory is not obvious to the passer by or occupant, it is just great housing, beautifully built, with low running costs.

The recently published Housing, Communities and Local Government Select Committee inquiry into long-term delivery of social and affordable rented housing [July 2020] concluded that we need an additional 90,000 new social homes every year. It is encouraging that the government has responded, if with a smaller ambition, but with a strong link with offsite delivery. If we can bring this together with an incentivisation for aggregation and collaboration, we can supercharge how we provide housing in the UK, and finally tackle an issue that has hampered our

growth for 40 years, while aiding recovery over the next decade.

Mike De'Ath is a partner at HTA Design

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Build Homes, Build Jobs, Build Innovation: A blueprint for a housing led industrial strategy is available at www.hta.co.uk

taps. This analysis survives confrontation with the fact more than nine in 10 planning applications are passed and a million homes for which permission has been granted remain unbuilt. Hence support for 'Planning for the Future' and its agenda to dismantle the post-war consensus and air of Butskellism through a mix of zoning and nationally set algorithms — hopefully of the non-rogue variety.

Whether the centre's zeal for these reforms will assuage backbench concerns over the impact of national housing targets on constituencies, and what the increase in new builds may portend for areas of high demand in the south east, is another matter.

Regardless, it seems difficult to see how the Johnsonian ambition to 'build, build!' a target figure of 300,000 new homes can be achieved on such uncertain foundations.

more than three and a half times. But social housing on its own is not and cannot serve as the be all and end all. So much has changed since councils last built out homes at scale five decades ago.

## Mixed tenure and spreading things around must be a better route to recovery which will require a mix of the tried and the trusted with the radical and the innovative

As to what types of housing, the Treasury view, radical or otherwise, seems resistant to social rent homes, but blithely content to fund an everburgeoning housing benefits bill – one which outstrips public housing investment by a ratio of

Mixed tenure and spreading things around must be a better route to recovery which will require a mix of the tried and the trusted with the radical and the innovative. A traditional lament is that housing civil servants are incrementalists when we

need transformationalists – but quick political fixes are best avoided. Hopefully something will be learned from the fiasco of the Osborne era's 2015 Starter Homes programme, which at a cost of £173m failed to build a single home at a 20% discount to a single first-time buyer under the age of 40.

Instead any hope we have of restoring a home-owning democracy, even of a shared ownership variety, will depend on Homes England stepping up from serving as banker to adviser. In this capacity their strongest role would be to set a framework for long-term investment to let our local authorities use their land assets, borrowing, investment and convening

powers to build partnerships as master developers.

When interested parties next get a chance to dust down their recent CSR submissions, they should firmly restate the case that the next multi-year funding settlement must be an opportunity to fix chronic housing shortages. Successful collaborative housing partnerships require the right set of regulatory tools and fiscal flexibilities to do the job. As the New Radicals had it in their infectious New Wave revival one hit wonder smash: 'You get what you give'.

Jonathan Werran is chief executive at Localis

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# The power of perseverance and partnerships in placemaking

## By Jake Fellows

nsurmountable pressure is put on local authorities to find solutions to social, economic and environmental issues — which they cannot achieve without support and collaboration from central government and the private sector.

There can be few challenges greater than that of addressing the UK's current housing shortage — increasing the supply of high quality mixed tenure homes, whilst also being mindful of evereducing budgets, net zero carbon ambitions, and mounting pressure to build on wasteland instead of green belt, made all the more difficult by the many complexities brownfield sites often bring.

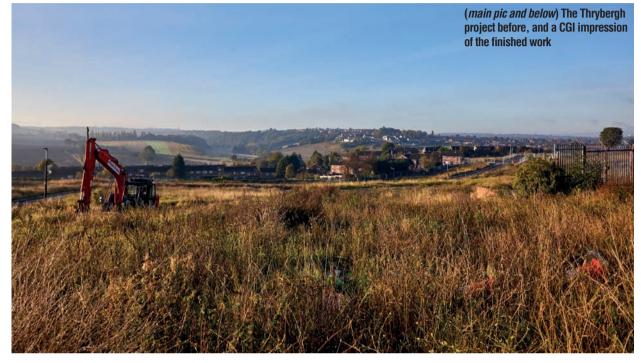
When faced with the task of unlocking a complex site, a partnership approach can often prove to be the key local authorities need to transform derelict land into neighbourhoods that people are proud to call home.

This was certainly the case for our longstanding partner Rotherham Council in its quest to regenerate three brownfield sites in Thrybergh, a former coal mining village on the outskirts of the town.

The land at Whinney Hill had been cleared of old back-to-back terraced housing in the 90s, with Chesterhill Avenue remaining derelict since 2008, when around 140 unsustainable council homes were demolished to make way for new housing, as part of a wider transformation of the area.

The previous year, Chesterhill Avenue had been identified as the most vulnerable community in Rotherham. The council implemented a yearlong multi-agency intensive neighbourhood management pilot project, with the ground-breaking initiative resulting in successes including a 50% reduction in recorded crime and a 70% decrease in anti-social behaviour.

However, the missing piece of the area's regeneration jigsaw remained the redevelopment of the now-demolished sites.



Discussions with several developers failed to come to fruition, resulting in the land standing empty for more than a decade.

ENGIE's business model is centred on partnerships and we knew — given the complexities around this particular site — that if we were to successfully regenerate this land and invest in the local community, we had to bring a range of partners on board. We looked at demand for housing in the area and assessed exactly what was needed — and it wasn't homes for open market sale.

Our creative solution centred on a mixed tenure proposition, which comprises 84 affordable rent homes on behalf of Great Places Housing Group, 73 new homes for Sanctuary Homes (62 for affordable rent and 11 shared ownership) and 80 homes for market rent through Wise Living. All 237 homes will be energy efficient and the

scheme has been awarded a grant from Homes England, the Government's housing agency, to support in the delivery.

## We are wholly confident of the success of this scheme, because every partner on board – together with the local community – has a shared ambition

Following a competitive process in 2019, ENGIE was selected as preferred bidder, with the Council enthusiastically opting for the partnership's approach to providing a much-

needed range of options for local people — as well as a shorter build period — over other private sale options.

The scheme also resulted in a land receipt for Rotherham Council, as well as contributions to local sporting facilities via a Section 111 agreement. Local support for the Thrybergh regeneration is also significant.

This — for us — is true regeneration, made possible by the power of partnerships. A derelict and run-down area will now be brought back to life; offering warm, low carbon and affordable housing. This, in turn, will provide a new community which will support in boosting the local economy.

We are wholly confident of the success of this scheme, because every partner on board — together with the local community — has a shared ambition

The challenges ahead for local authorities are vast. But what the Thrybergh story exhibits is that collaboration and creativity will be fundamental; and ultimately — these ambitions are achievable.

Rotherham Council's Cabinet Member for Housing, Councillor Dominic Beck, said: 'I'm delighted that the Whinney Hill and Chesterhill Avenue sites will be developed to create muchneeded homes in the borough. This development demonstrates what can be achieved through partnership working and I'd like to thank ENGIE for their investment in our community. This project marks a significant milestone in Rotherham's 30-year housing strategy — providing high quality and energy-efficient homes for local people.'

Jake Fellows is Major Projects Director for ENGIE UK









## Investing in a not so risky business

ocal authority borrowing is an often-analysed topic. That makes sense – as central government funding has fallen in the past decade, money has been sought from elsewhere and the strategies of different councils have been up for scrutiny.

The debate was sparked again in October, with the announcement of new projects by Southwark and Brent LBCs, which will see them explore private equity options to fund housing. Both councils cited recent increased interest rates on loans from the public works loan board (PWLB), the statutory body which provides councils with funding from central government, as reasons to seek private sector co-investment and funding. With those increases taking place nationwide, that suggests the move may soon be replicated by others.

The news was followed by analysis of Spelthorne BC's investment strategy, which has been criticised by MPs and the Government for, in some cases, overuse of PWLB borrowing. Spelthorne's approach has attracted much comment in the current market, demonstrating the level of scrutiny which accompanies the use of public funds, even when made available on a commercial basis.

So the question remains, what do councils stand to gain from private sector co-investment and funding? And what's more, how do councils ensure that private sector funding arrangements present simple, safe, and good value opportunities which provide benefit to their communities?

### The benefits of private finance

The recent focus on Spelthorne, and the scrutiny it is receiving (exacerbated by the current market conditions and considerable uncertainty), demonstrates the extent to which public borrowing has become difficult.

By taking the route into private investment, councils avoid the responsibility of handling public funds, but retain all the necessary control over the investments they make.

Housing, in particular, is an attractive asset for public-private collaboration. Every local authority in the country has a need for more housing, and it is something which brings tangible benefits to communities. That goes beyond the simple provision of homes; the residential sector can also reinvigorate ailing high streets, improve quality of life for vulnerable populations, and provide homes at

discounted market values and rents.

On the other side of that coin, that versatility and the resilient desire for more housing makes it an attractive, ethical, investment grade, and (generally) inflation-linked proposition for private sector co-investors and funders.

#### **Keeping control**

Control is key. Local authorities naturally want to know that private sector partnerships do not mean making risky investments with their own funds and publicly held land.

Councils do typically keep all the relevant veto rights they need to demonstrate good governance, value for money, and reversion rights to safeguard their investment. They also have the option to retain the freehold ownership of any public land, and instead make it available for improved housing through long-term leasing structures.

However, local authorities do need to be prepared to relinquish day-to-day control, and to take a collaborative approach with private partners. Those which try to overly control public-private partnerships often see the process slow down, and become unnecessarily protracted with unclear management lines and responsibilities.

Day-to-day local authority management of any housing investment also makes onerous procurement obligations more likely.

The key is to strike the right balance between day-to-day oversight, management control, reporting, and the need to safeguard council investments, without triggering those procurement responsibilities.

### One size fits all

A key benefit of public-private partnerships is their simplicity. Granted, there are initial structural framework issues to grapple with, but once councils have established the first framework model it is more easily duplicated.

Once the structure has been established, it can be used again and again as a catalyst for additional collaborations and the development of more quality housing.

From a legal perspective, local authorities need only do the difficult work once. When the systems are in place, adding new housing sites is a straightforward and streamlined process saving the need to re-invent the wheel for each new development.

James Duncan is head of real estate investment at Winckworth Sherwood

# Connected homes, smart cities – and satisfied citizens

## How Ireland's innovation agency is supporting continuous improvement in UK local authorities

nterprise Ireland is a valuable strategic partner to UK local authorities. Its value as a resource comes from linking innovation-led Irish companies with the UK local authorities that can best benefit from their products and services.

It's why so many Irish companies are already partnering successfully with UK councils and local authorities, supporting them in their social and economic strategies and helping them to deliver on the objectives that will improve the lives of their citizens.

Right now smart city solutions are playing a central role in many of these partnerships.

Smart city development is about using sensor-based technology in urban areas to allow for greater collaboration between stakeholders such as citizens, city authorities, entrepreneurs, innovators and the wider business community, as well as academia.

All of this collaboration is being driven by the rapidly accelerating Internet of Things (IoT) sector. It is already responsible for billions of connected devices, from fridges that reorder your shopping to traffic flow monitoring.

As IoT technology develops, the potential it will offer for ever more connected homes, and ever smarter cities, means it already takes centrestage for councils looking to improve standards of living and future-proof infrastructure needs.

That's exactly where Enterprise Ireland can help.

Ireland's innovation agency has a large portfolio of government backed client companies which offer innovative technological solutions to a range of new and emerging smart city challenges.

These solutions can support councils both by alleviating the issues they face today and by facilitating the smarter, greener, more sustainable connected communities of tomorrow

#### Here's how

Taoglas Crowd Insights provides footfall analytics and intelligence — via existing wifi infrastructure — to measure, monitor, predict, alert and notify of potential mass gatherings in physical venues and outdoor locations.

In so doing it can help keep communities safe and support social distancing but also assist with planning, crowd management and traffic management in urban areas. It can provide a 'before and after' view as well as real-time status.

It allows local authorities to monitor and manage the economic impact of events by understanding volumes of people, how long they stay and how they move, where they come from and go to. In doing so it provides valuable data to assist with a range of decisions, from property asset valuation to advertising locations and the positioning of street furniture.

It also helps councils to understand the movement of shoppers and tourists, providing both real-time and historic insights for a range of stakeholders.

PEL Waste Reduction Equipment is already working with UK councils to provide 'smart' waste collection services. The company's latest product, a solar-powered, smart compacting bin, can also be seen on streets around the UK.

Using integrated IoT technology it provides for more efficient public services, monitoring waste in real-time and helping councils to make informed decisions and reduce unnecessary lifts

Aico, a connected home company, is pioneering new technologies that bring benefits to social housing landlords by incorporating IoT sensors into domestic fire and carbon monoxide (CO) products, capturing valuable information from sensors in homes and uploading it to the cloud.

Danalto provides smart district and smart building solutions throughout the UK. Its mission is to make IoT technology adoption and deployment easy for councils everywhere.

It delivers flexible, low-cost connectivity solutions which release the potential of low-power sensors for asset tracking and management, key focus areas in which Danalto supports public sector projects.

It is an inspiring company that has already assisted the Orkney Islands in Scotland to become smarter, greener, more sustainable and better connected. In fact, its technology has touched nearly every part of the Orkney Islands' community, being deployed in its schools, libraries, council offices, sports centres and care homes.

These and many more Enterprise Ireland client companies are all using smart technologies to help UK local authorities improve service delivery and address a range of economic, social and environmental challenges.

In so doing they are supporting UK local authorities to enhance the lives of their citizens now - and in the future.

To find out how Enterprise Ireland can help your team, contact Laura Brocklebank, its Manchester based Local Authority Lead laura.brocklebank@enterprise-ireland.com







# Interview with Tommy Griffith, PEL Waste Reduction Equipment

efore the onset of COVID-19, there was a global focus on the very real need for industry across every sector to factor sustainability and environmental impact into their future plans.

And while this has been somewhat overshadowed by the immediate needs to address the current crisis, reducing waste, recycling and minimising carbon footprint remains as important as ever.

Tommy Griffith of PEL Waste Reduction Equipment, is well aware of this and since starting the company in 2005, has gone from strength to strength, locating areas where change can be made and developing ideas to enable businesses and society to become more environmentally aware.

Initially developing products for reducing glass waste with a patented range of glass crushing equipment for use in the hospitality industry, the Mayo entrepreneur saw an opening for 'smart' waste collection and the company's latest product, solar smart compacting bins, are in demand not only in Ireland, but also in the UK and beyond.

'We have been developing products throughout our business life and these new bins are proving to be the way forward,' says Griffith. 'We supply them to councils in Ireland, Britain, Europe and the US and the beauty of them is that they reduce the need for street bin collections by up to ten times less than would have been previously required.

'Our software — Britebin — allows users to log on at any time, see the exact fill level of the bin, how many people have used it, when they were last emptied and when they need to be emptied. They also get a text or email to notify them when the bin needs emptying and this creates efficiency within busy centres, reduces carbon emissions as there are fewer trucks on the road and, because the bins are sealed, the contents can't be accessed by vermin.

# 'Like everyone else, when COVID-19 happened initially, we were affected badly, but I believe that there will always be a silver lining somewhere'

'Also, it means less interference and disturbance for the general public — so if you take Galway city for example, before the council started using our bins, they were being checked up to five times a day. That meant the public was being disrupted by the truck going down (often a pedestrian) street, bags were being pulled out and refuse collectors were getting in people's way. Now they are being emptied every second day at 6am, so there is no disruption for anyone, and it is a much more efficient system for the council.'

Along with these very apparent benefits, the Britebin is also very useful during the COVID-19 pandemic and this has meant that the company, which has 25 in-house staff and up to 50 subcontractors, has been able to weather the ongoing crisis which has affected so many businesses.

Like everyone else, when COVID-19 happened initially, we were affected badly, but I believe that there will always be a silver lining somewhere,' says the CEO. 'Our bins are non-touch as they are opened by a foot pedal, so they are very hygienic. And because they are sealed, refuse, including the seemingly endless number of disposable masks which are often littered about, can't blow out on the street. So from a hygiene point of view, our bins are perfect, they are also solar powered, which is another bonus and we have had had a lot of interest in recent months.'

So while the current global crisis has in fact been good for business, it was the last recession which saw the firm branch out into overseas markets.

'In the middle of the last crash, we knew that we had to expand out of Ireland in order to survive and generate sales, so we decided to see how we got on in the UK,' says Griffith. 'We started selling to that market in 2009/2010 and then in 2011, we decided to open an office there as we believed it was really important to have someone on the ground

targeting the hospitality and retail sector.

'In the last three years, we began approaching the councils and we now have about five or six UK councils using our products and are currently involved in several other tenders with different councils around the UK. We have found them to be very direct and straight, easy to work with and couldn't fault them at all.

'In fact, in some ways the UK is almost a home market as it is so close to us geographically and of course there is no language barrier either. And obviously now with COVID making travel much more difficult, it has been great having an office over there and being able to easily trade with the market which is closest to us — so we are currently targeting hard across the UK with virtual meetings and there is definitely a lot of interest.'

Britebin is the only product of its kind selling both in Ireland and in the UK. And while Griffith says there are some other competitors from abroad interested in entering the market, he believes they cannot be beaten on quality and price.

And to keep things that way, the company is staying on top of its game and has plenty of other ideas in the pipeline.

'When you look at our business, we have gone from developing products to developing technology and this is going to continue to be the way forward for us,' says Griffith. 'There are so many add-ons we can develop for our product as we go forward and learn what the customer needs. And because we are very visible and the product is out on the streets, this is also very good for the promotion of our brand — we are in so many locations across this country and the UK and in fact, I was watching a news on Israel the other evening and saw one of our bins in the shot — so they are definitely getting around.

the shot—so they are definitely getting around.

There is so much potential for our product as every city in every country needs waste collection so there are lots of possibilities for new business. And to that end, Enterprise Ireland has been a huge support every step of the way with grants for R&D, strategic marketing, and financial planning as well as mentoring and support before and after COVID.

'And right now, we are working on R&D and have established our own technology department — so the world is our oyster in relation to smart cities and I believe we are ticking all the right boxes with regard to emerging technology and reducing carbon footprint.'

#### www.pelmfg.com





## Will the planning shakeup help to level up?

Colin Brown asks if the Government's proposed changes to the planning system will help or hinder housing need across the UK

oncerns about unmet housing need are far from new. In London, where the proposed new London Plan is anticipated to result in an annualised shortfall of at least 14,000 homes, the cost of under-provision is well known.

But London is not alone and the issue is accelerating elsewhere. In the North and Midlands, infrastructure changes including HS2 and the various initiatives contained within the Northern Powerhouse are set to bring about increased demand. And, while housing need in the South East will remain, this could be exacerbated as counterurbanisation and outwards migration from London to all corners of the country takes hold as a result of COVID-19 and the move towards remote working.

As the planning system undergoes substantial change, housing need is a constant challenge that all local authorities face.

So it is perhaps unsurprising some have commented that the proposed revisions to the standard method of assessing housing need – which were published for consultation in August – will bring about substantial increases in the rural shires and suburbs relative to the urban North and Midlands. Figures from the House of Commons library suggest that rural and suburban Surrey will see an increase of 45,000 homes while Manchester – the ultimate destination of HS2 and one of the remaining strongholds of the Red Wall – will see a reduction of 14,000.

Garden communities have long been viewed as a means of successfully aligning the delivery of residential housing, employment, social, community, and strategic infrastructure. And yet proposed garden cities are appearing disproportionately in the South, with no fewer than five planned for Essex alone in response to likely increased demand because of Crossrail 2. There is indisputably demand in Essex, but why is a similar approach not being planned for Lancashire or the Midlands in relation to HS2?

A particularly pressing issue is affordable housing. The Government's planning White Paper proposes some fundamental changes to the delivery of affordable housing which could have



ramifications for registered providers and developers alike, throughout the UK-but will they deliver the necessary results?

steep discounts may reduce the value of the affordable housing units below the level a registered provider would have

The current planning regime is far from perfect. But large-scale changes provide the opportunity to improve upon it while also delivering on the Government's 'levelling up' objectives

The current system sees developers and local planning authorities negotiate levels and tenures of affordable housing up front, based on policy. Typically, a mix of rent and shared ownership units would be provided and sold to a registered provider based on a payment profile which would help cashflow the development.

Within the proposals, the preferred affordable homeownership product will be First Homes, and the Government anticipates that a minimum of 25% of all affordable housing units secured through Section 106 agreements will be delivered as First Homes. A minimum 30% discount to market sale prices is proposed (potentially up to 50%) with the homes being sold to first time buyers directly by the developer. However, such

paid for an equivalent shared ownership unit, thereby reducing a scheme's viability. Furthermore, in bypassing the registered provider on this element of the scheme, there is no cashflow benefit to the developer and the reduced crosssubsidy makes it difficult for the registered provider to deliver the rented element.

The White Paper aims to increase the quantum of affordable housing above current levels and at the same time raise more money from developer contributions. These will be seen in some quarters as laudable goals, but there is limited planning gain available. The proposals seek to inextricably link the on-site affordable housing provision with levy receipts so that they could flex up and down with market changes. But how will a registered

provider purchaser build a development programme with the potential for so many moving parts?

A number of registered landlords have also raised concerns about the potential removal of the requirement for developers to build affordable housing on small sites, which forms part of the proposals. Recent analysis carried out by Glenigan for the Local Government Association demonstrates how, had this been in place over the last five years, 30,000 fewer affordable homes would have been built across England.

The current planning regime is far from perfect. But large-scale changes provide the opportunity to improve upon it while also delivering on the Government's 'levelling up' objectives. They provide the opportunity to accommodate the additional demand brought about by HS2 and demographic shifts while delivering truly sustainable communities and an adequate proportion of affordable housing. This kind of strategic thinking has the potential to substantially benefit future change.

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