

# **Local Housing Companies**

**Cllr Paul Smith, Cabinet Member - Housing, Bristol City Council**



# THE TARGET



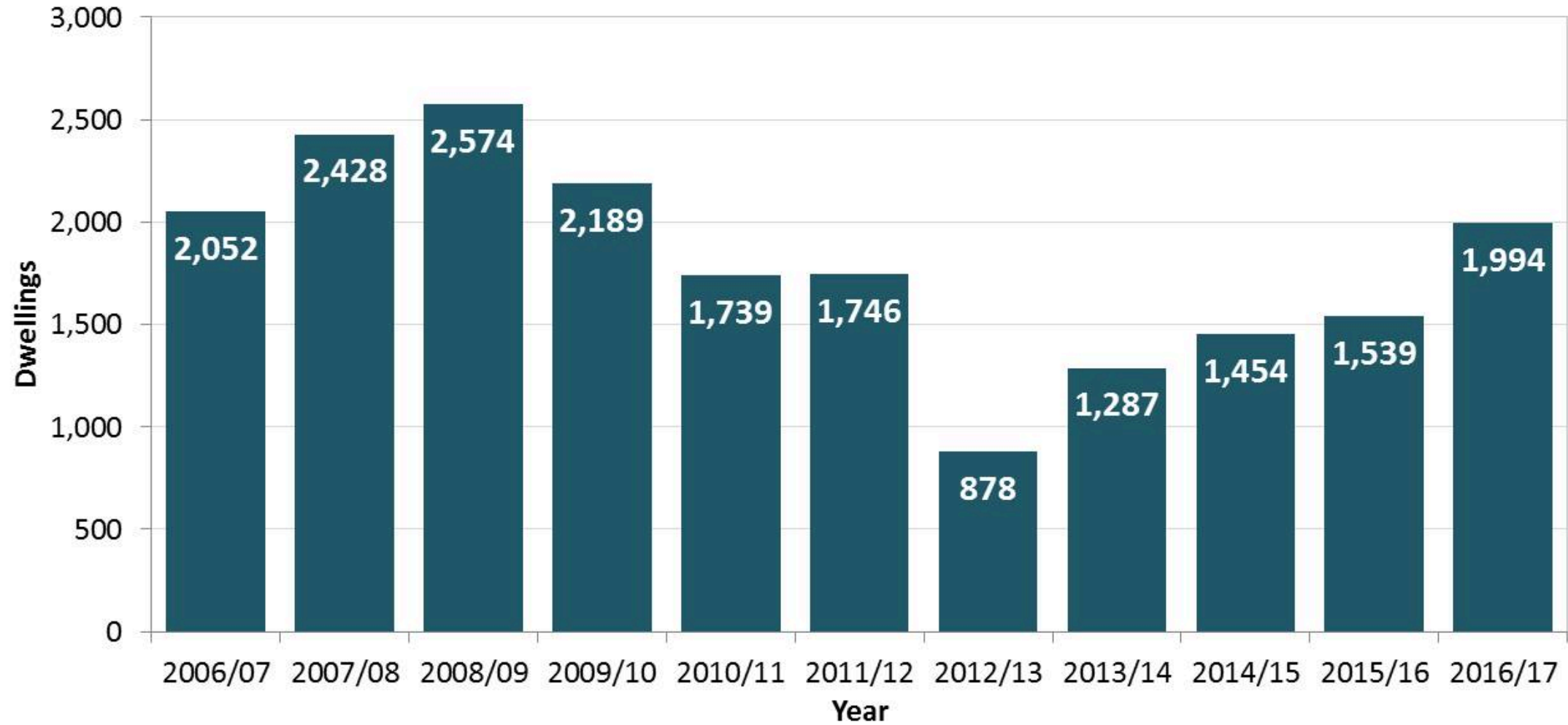
“ I will build 2,000  
new homes a year  
– 800 affordable –  
by 2020. ”

MARVIN REES

#Marvin4Mayor

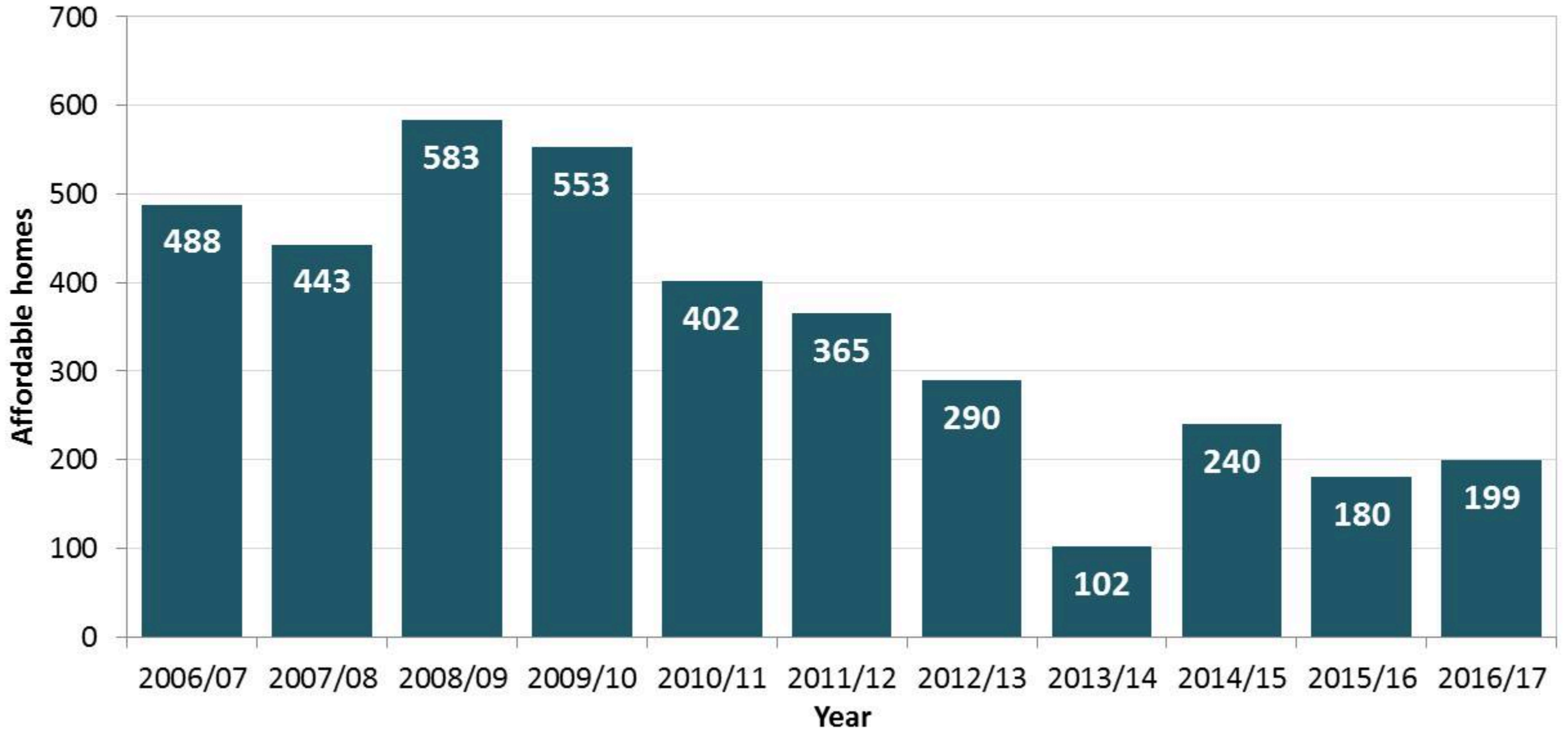
# Net dwelling completions 2006-2017

Source: BCC, Bristol Residential Development Survey



# Affordable housing completions 2006-2017

Source: BCC, Bristol Residential Development Survey





# Land Filter

1st

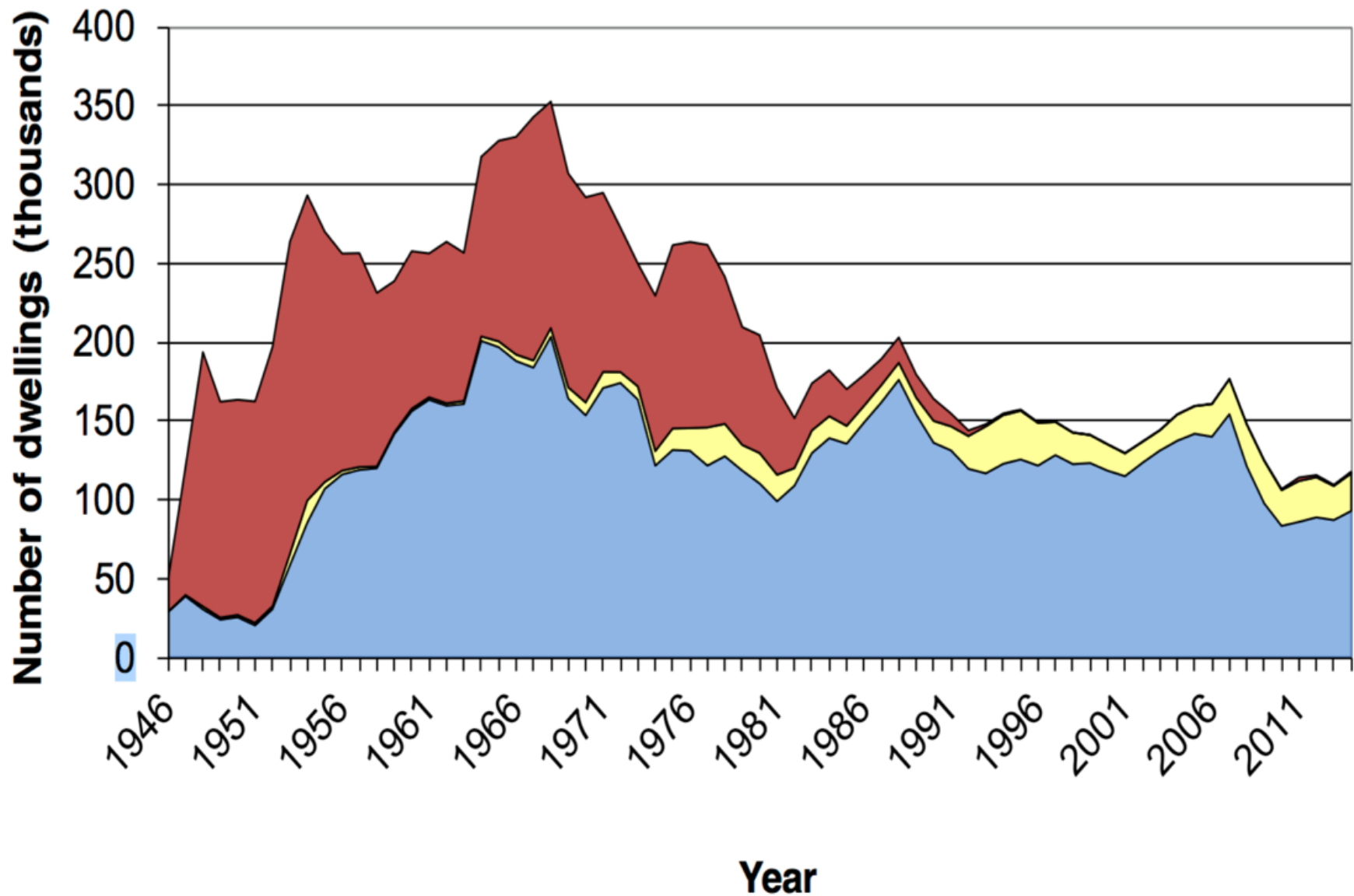
- Council Housing
- Housing Company

2nd

- Registered Provider (Homes West)
- Community led organisation

3rd

- SME builders
- Developers



Private Enterprise
  Housing Associations
  Local Authorities

# Delivering the Renaissance in council-built homes: the rise of local housing companies (Oct 2017)



## Main Findings

Currently 150 LHCs – likely to be set up in half of councils

### Triple Dividend for Councils

- Additional Housing
- Greater control over development and 'place-making'
- Financial return

# Housing Revenue Account

- Many councils have transferred housing so don't have one
- Most HRAs are at or close to their borrowing limits
- Council house rents too low to generate substantial profits to invest in new build
- Can only manage social rented housing and affordable rent
- Inflexible use of Right to Buy receipts
- Right to buy

# General Fund

- Most General Funds have access to low cost borrowing
- Can manage a wide range of housing, social rent, affordable rent, intermediate rent, market rent, student housing, shared ownership
- Can enter into Joint Venture agreements
- Access to council land
- No right to buy (yet)

# Structures

- Wholly owned council companies which can form joint ventures
- Joint venture companies
- Two housing companies – development and ownership

# Bristol Drivers

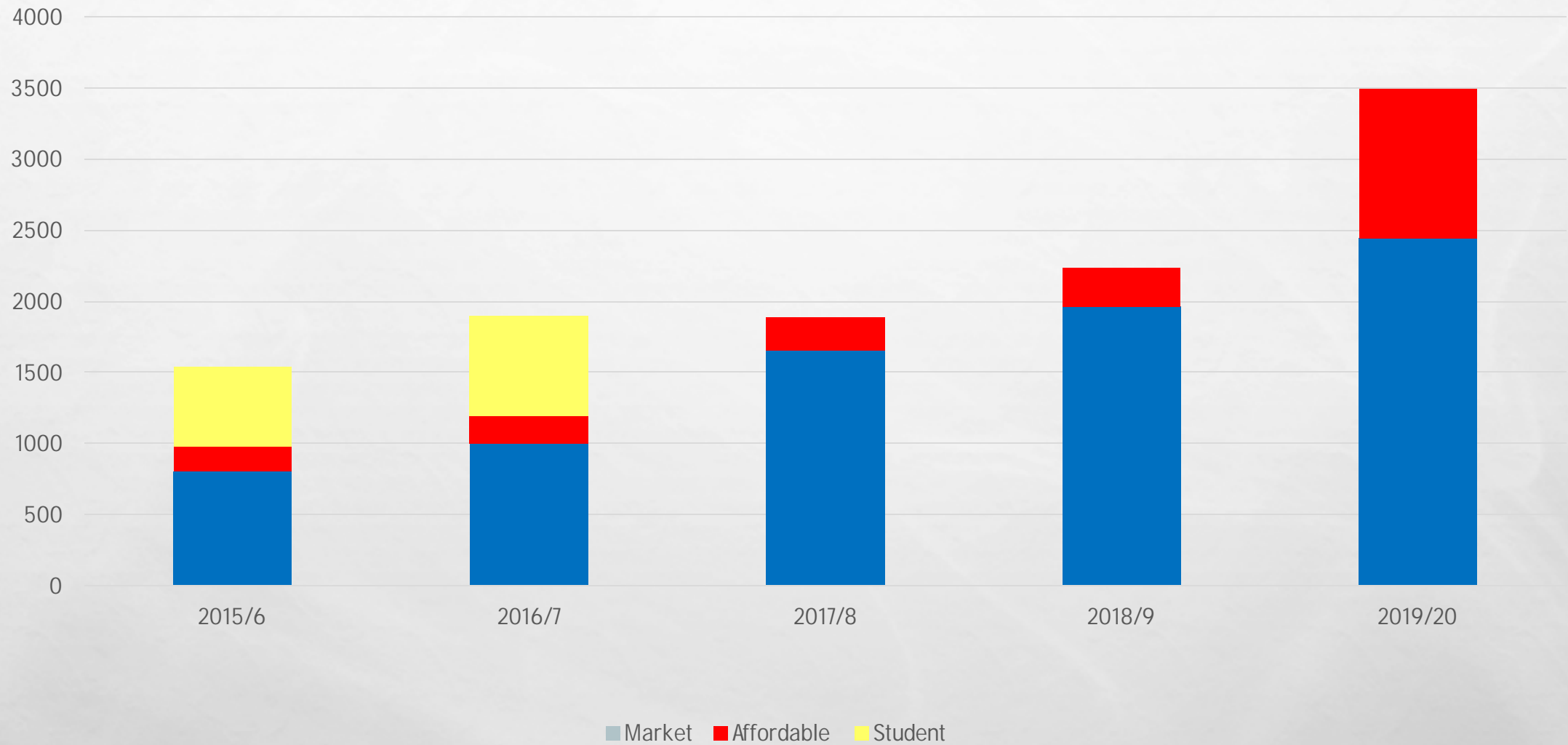
- Accelerating housing delivery
- Affordable housing delivery
- Avoiding land speculation and banking
- Council realising developer profit
- Focus on balanced communities

# Bristol Housing Company

- Two company model
- Site specific Joint Ventures (LLPs)
- Initial sites being considered total 700 – 800 homes
- Planning policy compliance - OJEU

# One size fits all?

- Company just one approach
- Continue with HRA delivery
- Continue with land and money to support housing associations
- Continue with support for community led housing
- Continue to press for affordable housing on private sites



N.B. These are projections based on our best information, schemes may slip or be shelved, new projects may become available



**KEEP  
CALM  
AND  
ASK NO  
QUESTIONS**