



APSE Annual Housing, Construction and Building Maintenance Seminar 2016

# Setting Up a Local Housing Company

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# Overview of Walker Morris LLP

Single site national firm offering full range of commercial services

Over 500 staff including 47 partners and 268 lawyers

Local government client base throughout the UK includes more than 100 authorities

54% of our top 50 clients have been clients for over 10 years

Nearly 90% of our partners are ranked by Chambers & Partners which puts us 4<sup>th</sup> in the UK top 100 law firms

Partnerships with APSE and other bodies

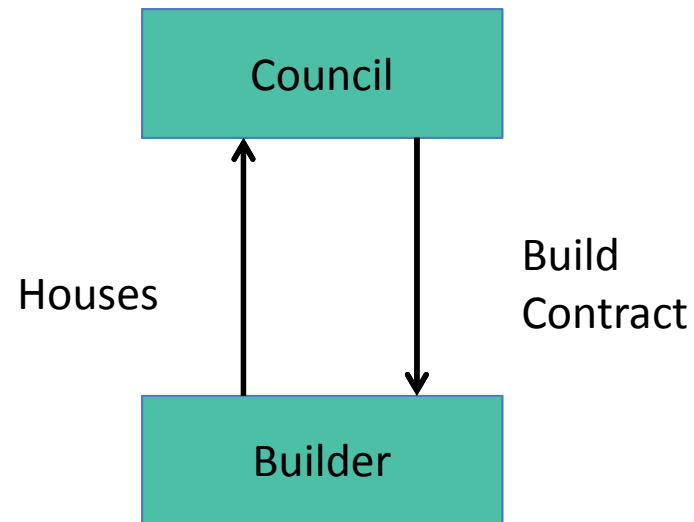


# Delivering Housing: models in use

- HRA new build
- Development agreements
- Lease back vehicles
- Authority loans to Housing Providers
- Joint ventures:
  - Contractual
  - Corporate
- Special Purpose Vehicles
  - Housing Delivery
  - Housing Services

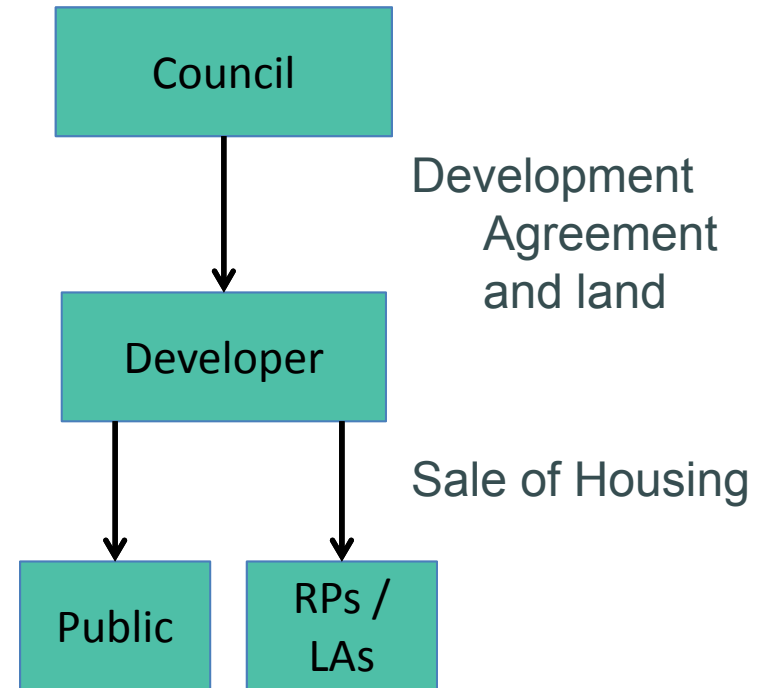
# Direct Build

- Construction agreements
- Owned and controlled by Council
- Within HRA



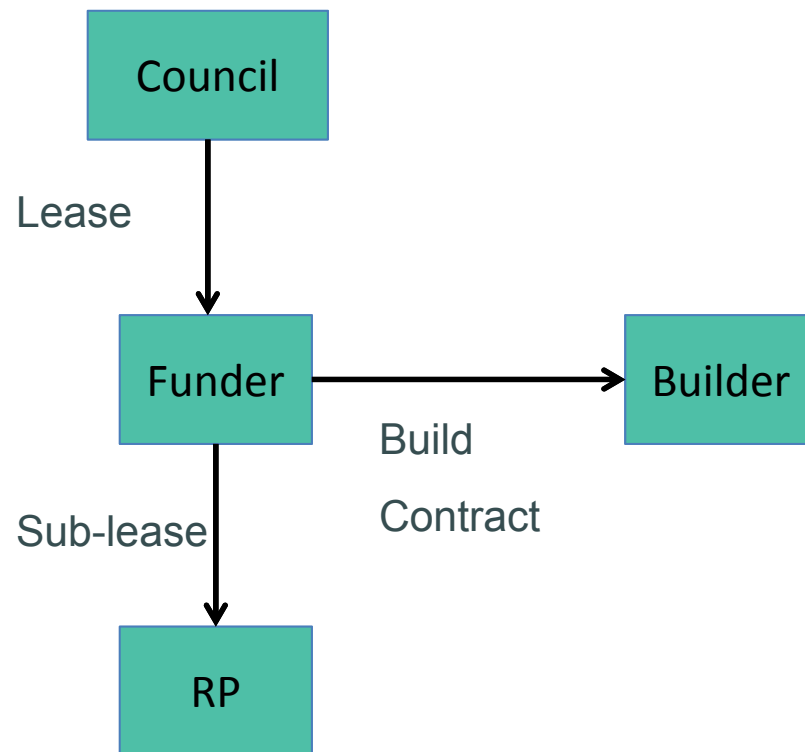
# Development transactions

- Buy now pay later?
- Trigger for payment
- Indexation of purchase price
- Security for payment and fundability
- Restrictions contained in the security
- Release of security



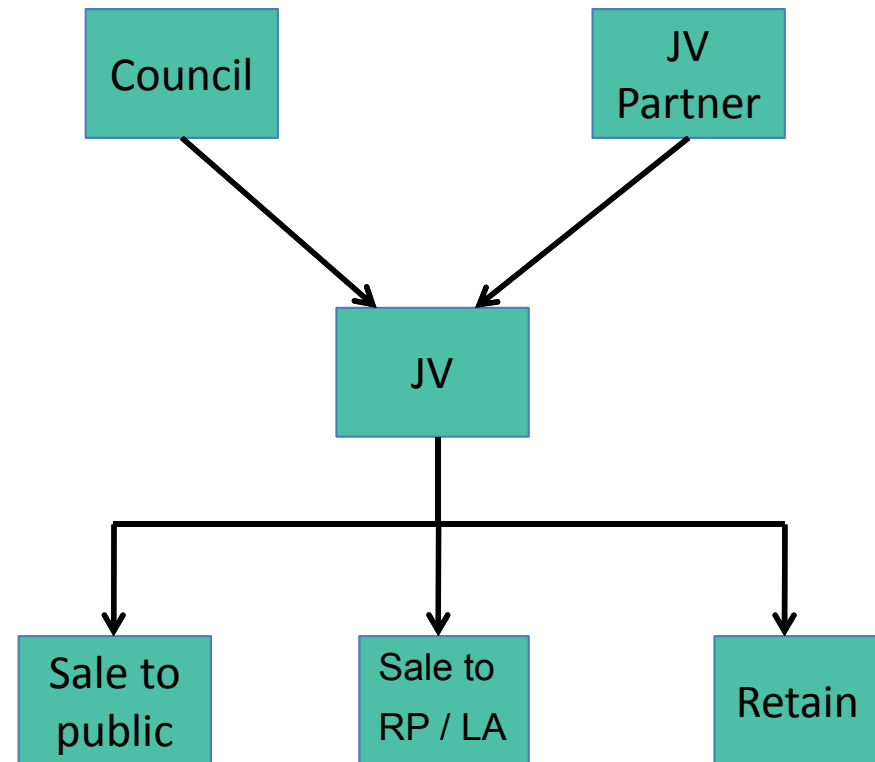
# Investment Models for funding affordable housing development

- 'Aviva' type model
- Site ownership
- Issues for the public sector and RPs
  - Procurement
  - Consent to transfer land

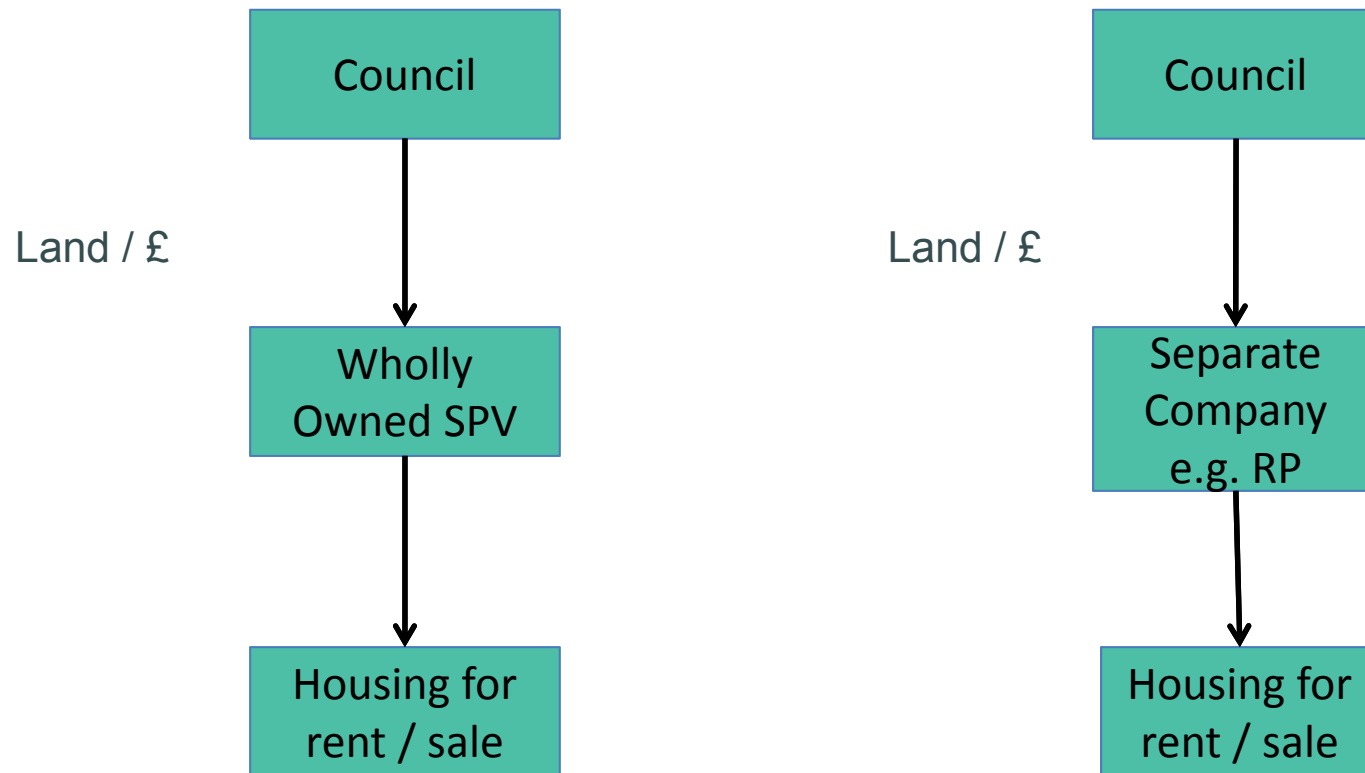


# Joint Venture Local Housing Company

- Contractual Joint Ventures
- Corporate Joint Ventures
- Shared Services?
- Risk and reward share



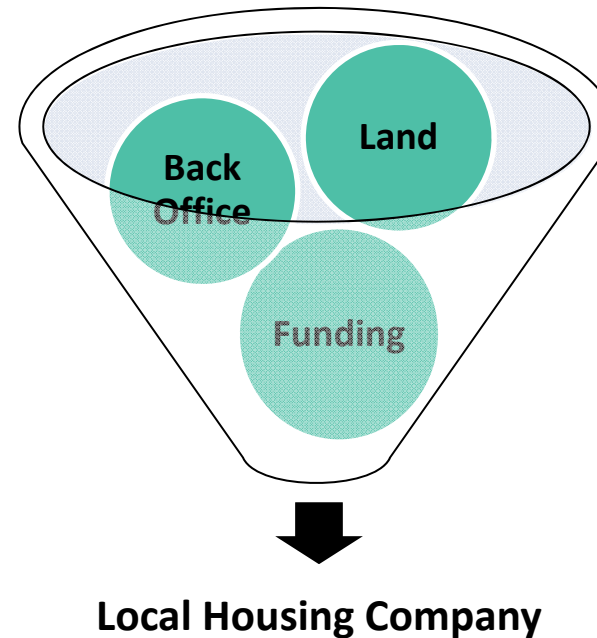
# Special Purpose Vehicle Local Housing Company





# Powers to set up a Local Housing Company

- Power of General Competence
- Local Government Act 2003
- Restrictions:
  - Local Authorities (Land) Act 1963
  - Local Government Act 1988
  - Housing Acts
- Housing and Planning Act?
- Procurement and State Aid considerations

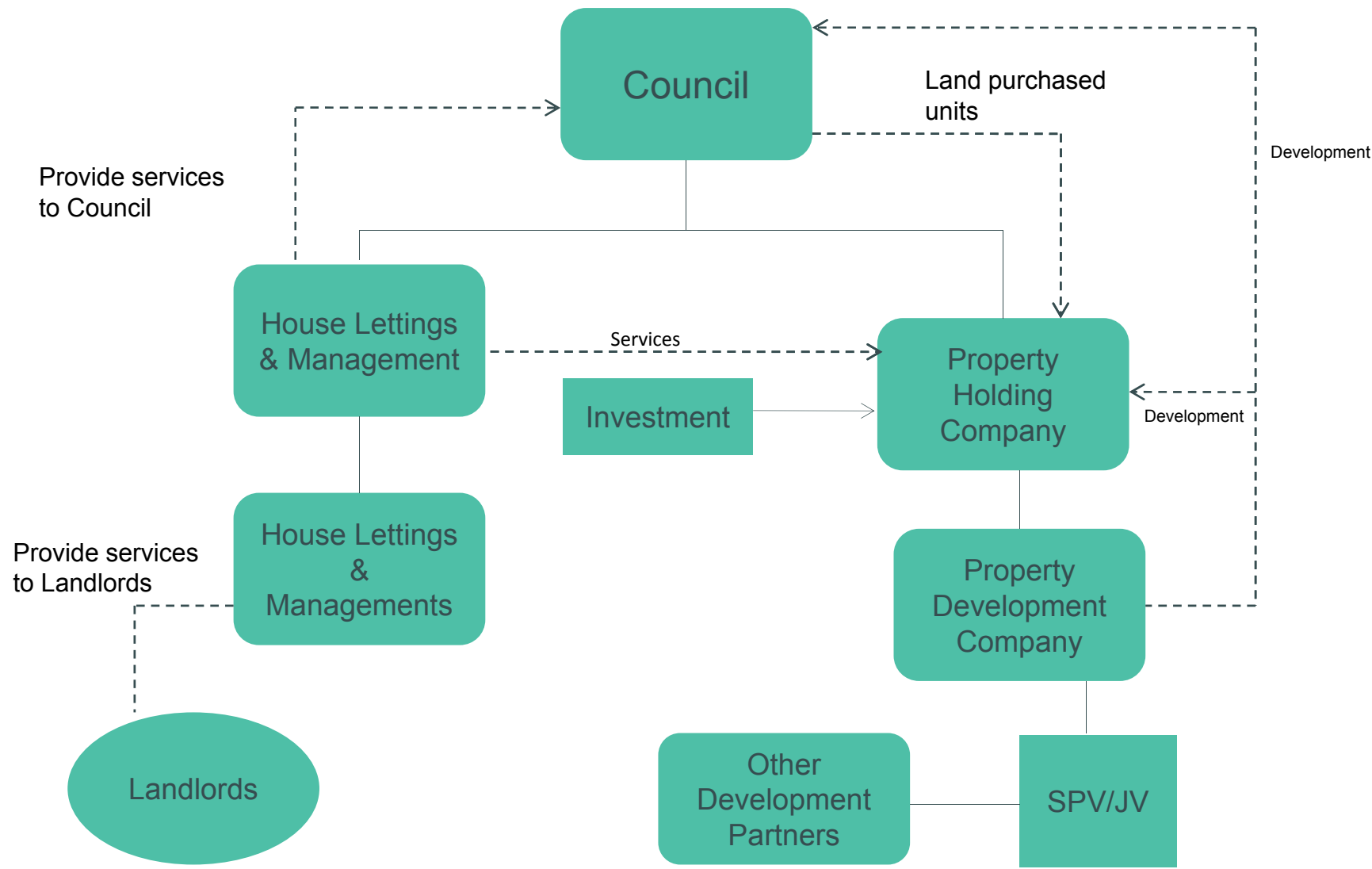




# RIGHT TO BUY?

# Do you need a new delivery structure?

- What is driving the review?
- Who will services or housing delivery be provided for?
- Do you expect to procure?
- How much control does the Authority want?
- What resources will the Authority provide?
- What inputs are needed from others?
- Market appetite?
- Do you have an existing Company you can use?



# Local Authority Case Study

# Contacts



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