

LONDON BUILD: INTERVIEW WITH SOPHIE WHITE OF HOMES ENGLAND

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Fixing the Housing Market – an Interview with Sophie White of Homes England

Sophie White is the Head of PRS, Infrastructure and Complex Projects at Homes England. A chartered surveyor with over 20 years' experience, and a busy working mother, she is currently helping to deliver the agency's £3bn Home Building Fund with a particular focus on enabling the delivery of large sites.

We were lucky enough to grab a quick coffee with Sophie at a heaving King's Cross station to discuss how the fund is being deployed and the complex challenge of how the housing market can be fixed.

Sophie is the head of a fifteen-strong investment team, primarily working with developers to place loans for the funding of infrastructure to help accelerate the delivery of housing schemes. This includes funding for roads, parks and community centres, but can also cover Section 106 costs.

Sophie said:

"We define infrastructure as everything except the occupiable space, in effect ensuring a developer isn't having to use up all its equity to get a site going. By lending significant amounts of money, we enable them to concentrate on the funding of housing delivery rather than having to exhaust funds to get a scheme to a developable stage."

Much of the funding is for big-ticket developments, with the average scheme being two to three thousand homes, but they can go to ten thousand. And, the average loan is between £30 to £50million, but again some of the vast schemes can require £150million of funds.

Sophie is also a member of the ULI UK Residential Council, while her role at the agency also involves acting as the lead for Build to Rent (BTR). She said that:

"We still have some appetite to get involved in BTR schemes where we can make a difference. I'm involved in a lot of industry engagement around BTR both internally in government departments and also externally in the property industry.

"I'm something of a subject matter expert on BTR within the agency, and we are keen as an agency on mixed-tenure. BTR is a big part of that, and we've completed significant amounts of funding to help accelerate delivery of BTR schemes.

"And, although we're a lender (and we act in many ways like any other lender), as a government entity we are also here to act as an innovator and disruptor, challenging the status quo to accelerate homes into the market.

"For instance, we funded the infrastructure for Quintain's 85-acre development at Wembley in north-west London. The combination of infrastructure funding and BTR delivery means we are seeing a major acceleration of homes coming forward from that scheme."

Sophie's presentation at 15:50 on the 23rd October in the Infrastructure Zone of London Build is titled: Fixing the Housing Market. It's a situation affecting the entire country, but what are the main challenges? Sophie explained that:

"Homes England has a national remit, and we are very focused on the nation as a whole. My particular focus as part of the funding teams is in the south and south-east, but there are challenges around the availability of land and many other factors across the country.

"As an agency, we are committed to seeing more mixed-tenure schemes. Some of the larger schemes in the capital can face delays and many challenges to delivery, but we must appreciate these big schemes can take time. We have to try to work as effectively as we can with other stakeholders to make sure the big brownfield sites especially are enabled as sensibly as possible."

Sophie continued:

"It's critical that we all work together to achieve the common goal of building more housing. That's the number one issue!

"My goal is to see the fund used to make a difference – to enable schemes that are suitable, and by working with our development partners to unlock the acceleration process – this will have significant impacts on not only the London market but nationally too."

"We are challenged with disrupting the market. Our historical success with BTR (at the outset we were the only player in town) has encouraged banks to fund developments as they become increasingly comfortable with the sector. As we prove you can fund these schemes and structure them in a way that is commercial and robust, it enables them to come forward. This will then lead to more funding sources! We want to get people more confident about providing support for the schemes that ultimately deliver more homes!"

There's a shared interest within Homes England and the construction industry to develop a thriving and robust housing market. The industry itself has challenges to address, and Sophie is quite clear that:

"We need to work together to ensure we are protecting against major staff losses within the building industry. Forecasters are predicting this will be a problem if it isn't addressed, but we also need to think about modern methods of construction and the mix of delivery models within the construction market. We need to be focused on delivering more houses in a robust, economically viable fashion, but we also need buildings in the future to be proud of."

"We need quality and quantity. We can't just build homes. We have to build communities and places for the future that have enormous benefits for health, safety and security."

Finally, we turned our conversation to the London Build 2018 conference and why Sophie was keen to get involved. She said:

"Homes England is committed to continuing to discuss our efforts and be an open and engaged agency. So, part of the opportunity to be at the conference is to keep the conversation going about what we are doing and having the ability to engage with others and their story. This conference will be critical in that conversation."

Don't forget that you can see Sophie White speak at 15:50 on the 23rd October in the Infrastructure Zone about "Fixing the Housing Market" so register for your free ticket here: <https://www.londonbuildexpo.com/register-your-tickets>

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