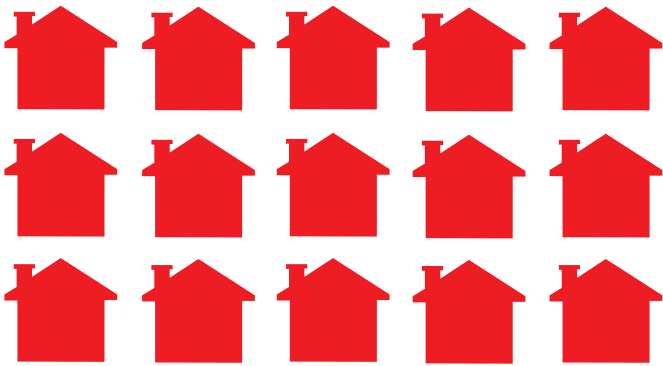


UNLOCKING REGENERATION THROUGH A 'SINGLE CONVERSATION' FOR THE CITY OF NORWICH



1300 homes jointly developed

“This initiative has the potential to deliver a wide range of benefits to the City and its people for decades to come. It is about reimagining the way we deliver - creating local homes, local jobs and sustainable communities for the future, and demonstrates what the HCA and local authorities can do in partnership together.”

Terry Fuller, HCA regional director for the East of England

Regeneration schemes were early victims of the world financial crisis with projects stalling due to problems with viability, risk and finance, yet they are crucial to meeting the UK's still strong demand for housing.

Norwich City Council has a significant portfolio of land available with great potential for regeneration. Investment is needed but due to market conditions the council has received little interest from private-sector developers since the downturn.

EC Harris was appointed by the Homes and Communities Agency (HCA) to advise on the partnership with Norwich City Council to reignite regeneration with the ultimate aim of delivering community benefits for its residents.

Unlocking value

In the current economic climate, single stakeholders cannot deliver the housing solution in isolation. It is the partnership approach that creates the new model for successful delivery.

EC Harris worked with the Norwich City Council and the HCA to structure a ground-breaking deal to release value and unlock regeneration.

The firm advised on all aspects of setting up the long-term partnership arrangement, which was one of the outcomes from the HCA's 'Single Conversation' business process. It saw the Council put in land as an asset and the HCA put in £8 million to fund an agreed set of regeneration and development objectives. It is hoped this will amount to around 1300 homes around the city to be jointly developed.

“The HCA has stated the surplus that comes out of these sites could reach between £60-80 million over the next 12 years.”

The model effectively creates a public sector ‘virtual developer’ that has the potential to release margin and value to meet pre-agreed objectives. The model blends the strengths and contributions of both parties in a pragmatic and focused way and is underpinned by a robust process of financial modelling.

Adding value

The arrangement has huge potential benefits for the Council and the people of Norwich in both the short and the long term. In the short term the city has the opportunity to progress schemes that may well have remained stalled for the foreseeable future through the cash injected.

In the longer term, the partnership will be allowed to use any surplus from the HCA's initial investment to fund future development in the city. The HCA has stated the surplus that comes out of these sites could reach between £60-80 million over the next 12 years - in this respect EC Harris has helped create a new funding stream for future projects in the city. Ultimately, it is hoped the deal will:

- Accelerate the delivery of affordable homes;
- Increase the supply of private homes;
- Improve the quality of existing homes;
- Maximise the opportunities for local employment;
- Deliver early outputs;
- Create sustainable communities;
- Deliver strategic regeneration projects within Norwich, such as eco-retrofit programmes or estate renewal.

Through its advice, EC Harris has helped ensure the council's vision of creating local homes, jobs and a sustainable community remains intact despite the challenging market conditions.

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