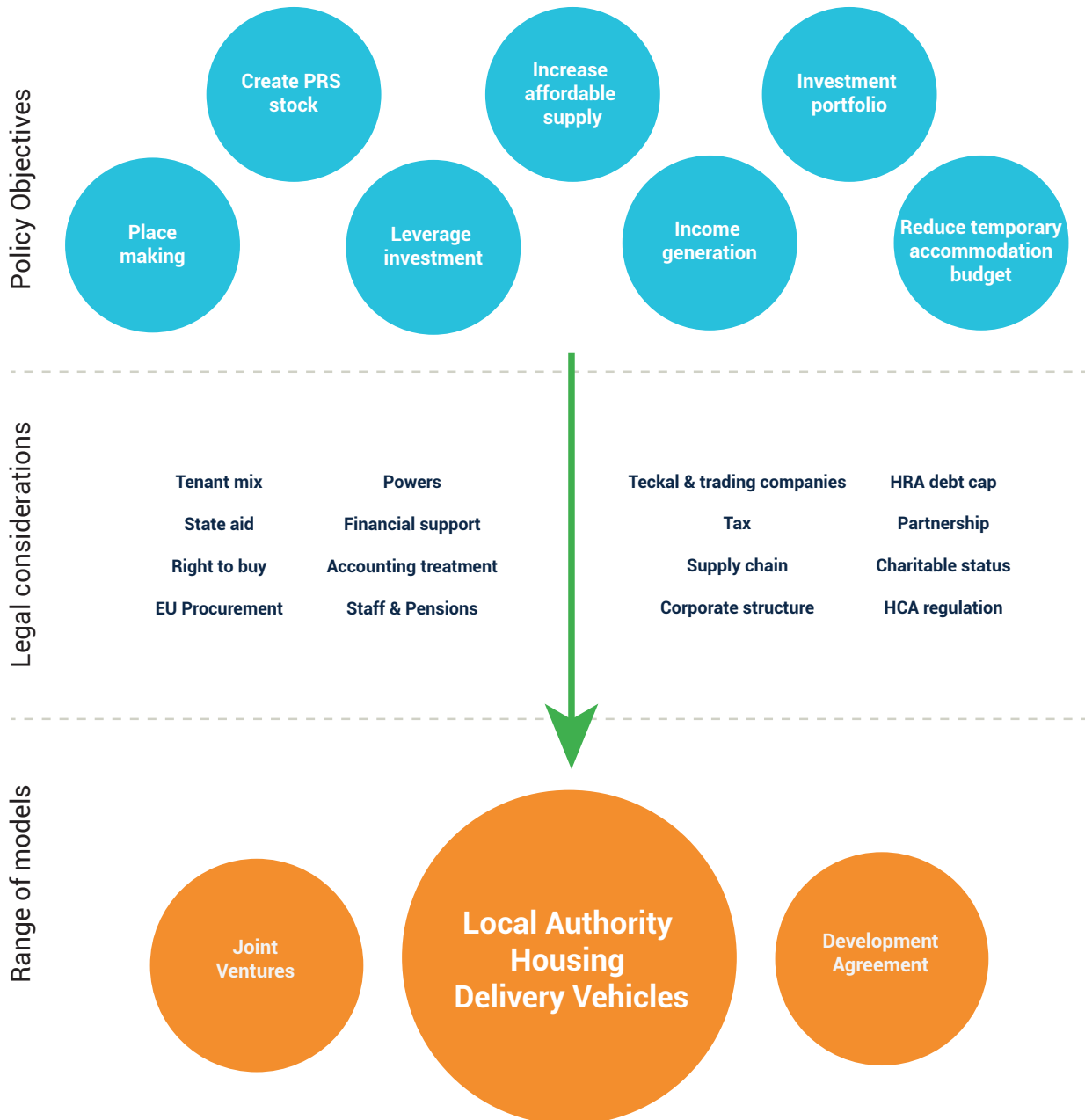


## Local Authority Housing Delivery Vehicles



## Diagram Key

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**Place making** Authorities taking a more on-going proactive role in shaping and owning the housing presence in their geography. What does the current market not adequately provide for? What part of the market does the authority want to be take a lead on? What role does the authority see for Developers and Housing Associations?

**Create PRS stock** Authorities owning housing for private rent to increase supply and / or generate a return. Is the authority equipped to run a PRS stock? What segment of the market is the authority looking to provide for? Will the stock be acquired or developed and if developed by the authority, will this be via direct delivery or a third party developer? Does the authority have appetite for PRS void risk?

**Leverage investment** Authorities wanting to have a structure that facilitates third party investment into housing either at the outset or in the future. What will the capital need be? Will the authority be able to de-risk for investors by providing first risk investment? Will the scale of capital needed be of sufficient scale to be attractive to the market? Does the authority have a view on what is an acceptable level of return?

**Increase affordable supply** Authorities owning affordable housing outside of HRA. What will be the benefit of not using the HRA? Would the return from affordable be sufficient to provide a sufficient return for third party investors or the authority as an investor? How can the authority make best use of its HRA?

**Income generation** Authorities using ownership of housing stock as a revenue stream for the general fund. Will the market segment being targeted produce a sufficient return? What is the authority's appetite to risk? Is the aim for short or long term returns?

**Investment portfolio** Authorities owning housing as an investment asset with the principle aim of capital growth. What sort of risk and return portfolio does the authority want? How does the approach fit with the authority's existing treasury policy? Does the authority have the skills to effectively manage the assets as an investment?

**Reduce temporary accommodation budget** Authorities increasing the supply of appropriate temporary accommodation to meet homelessness duties and reduce the bed and breakfast budget. Will the accommodation be purchased from the market or developed? Will the LHA be sufficient to make a viable financial model?

## Meet the team

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