

CIPFA Alternative Service Delivery Network (CASDN)

Establishing Housing Trading Companies to Build Properties and Make Financial Returns

16 November 2017 (London)

This event has been specially developed to support local authorities interested in establishing council-owned trading companies to manage the delivery of their housing and regeneration agenda. Housing development offers authorities the opportunity to take proactive steps to deal with the current and complex housing shortages, lack of social and affordable homes as well as offer the opportunity to raise extra rental income or sales receipts and regenerate the local economy through new development. It also offers the ability for authorities to attract high-quality staff and create innovative joint ventures, business growth and job creation.

Authorities are at different stages in their transformation journey and are using a wide variety of models. This workshop will offer an opportunity for practitioners to listen to current best practice, note lessons learned and see how models are evolving to help your authority select the best option and turn your housing and commercial vision into a reality.

09.30 – 10.00	Registration and Refreshments
10.00 – 10.10	Welcome, Introductions and Overview of the Day
10.10 – 11.15	<p>Why Set Up Housing Trading Companies?</p> <p>This session will provide delegates with a strategic overview explaining why public bodies should consider housing development to raise additional revenue and regenerate local economies. It will also include a checklist of key stages in setting up a housing trading company. The session will explain:</p> <ul style="list-style-type: none"> ▪ Background and key policy drivers ▪ Why are local authorities setting up companies? ▪ Could this be done in-house? ▪ Limitations under the housing revenue account (HRA) ▪ Funding sources and types of income ▪ Wider economic benefits and regeneration ▪ Land and planning hurdles ▪ Understanding your own organisation's options ▪ What are your options? Property acquisition, new build development, affordable rent, private rent, sales, joint ventures <p>Mark Baigent, Independent Housing Consultant</p>
11.15 – 11.30	Refreshments
11.30 – 12.40	<p>Legal Steps to Put Your Housing and Regeneration Plans into Action</p> <p>The session will explain:</p> <ul style="list-style-type: none"> ▪ Municipal trading and your powers for house building ▪ Determining your optimum legal structure ▪ Choosing between company limited by shares or guarantee ▪ Alternative options to build-to-sell and joint ventures ▪ How to transfer land to the company? ▪ State aid and transfer pricing issues ▪ Procurement route and development agreements ▪ Right to buy/right to acquire implications <p>Nathan Holden, Partner, Freeths LLP</p>
12.40 – 13.20	Lunch

13.20 – 14.00	<p>Be First – Housing Trading Company Case Study</p> <p>This session will include a presentation from Be First, recently established by the London Borough of Barking & Dagenham. The company is operationally independent of the council, but is expected to drive new housing development, attract investment, help build better infrastructure and secure jobs, as well as secure over £18.6m in income for the authority over the next ten years. It also has a separate subsidiary, Be First ('DevCo'), which will be outside public sector procurement constraints to give greater freedoms in establishing SPVs.</p> <p>Pat Hayes, Managing Director, Be First Ltd</p>
14.00 – 14.40	<p>Commercial and Financial Risks and Opportunities</p> <ul style="list-style-type: none"> ▪ The business case ▪ Analysis of risk ▪ Setting up the company ▪ The business plan ▪ Key differences and considerations for the business case ▪ Risk from a company perspective ▪ Providing the company with resource and working capital ▪ Governance and reporting of the company to the shareholder <p>Chris Shepherd, Director, 31ten Consulting Limited</p>
14.40 – 14.50	<p>Refreshments</p>
14.50 – 15.30	<p>Relational Partnering – What Is It?</p> <ul style="list-style-type: none"> ▪ Where the model originated and its journey to the current time ▪ The model in brief ▪ The benefits for a council <ul style="list-style-type: none"> ▪ Additional tool ▪ The types of projects being undertaken <ul style="list-style-type: none"> ▪ Portfolio ▪ Commercial ▪ Residential ▪ How the councils work together and collaborate ▪ Where next? <p>Mark Hammersley, Corporate Partnerships Director, Public Sector Plc</p>
15.30 – 15.35	<p>Summary & Close</p>

How will I benefit?

This series of events have been designed to provide delegates with all the essential steps required to set up and operate a housing development trading company. It will cover:

- How councils can build the next generation of new towns and make a financial return
- Hear from experts to avoid costly mistakes and avoid optimum bias
- Navigate through legal powers and options in setting up housing companies
- Hear from recent case studies and alternative options
- Future development of housing companies to support regeneration of localities and generate wider economic benefits

Bookings: www.cipfa.org/services/networks/alternative-service-delivery-network

Please book early to avoid disappointment.

Members of the Alternative Service Delivery Network can attend the workshops for free using pre-paid places.

Enquiries: If you have any questions about bookings or regarding the programme, please do not hesitate to contact Louise Southall – **E:** louise.southall@cipfa.org **T: 01244 394612**

CIPFA Sustainability Policy

CIPFA Business is delivering all of our training courses, workshops and seminars in accordance with our sustainability strategy. We do not provide hardcopy course materials to delegates and these are now distributed by email. We are striving to reduce our carbon footprint in every way that we can, and we hope that we can count on your support.