

## Major public-private sector collaboration to create £40m housing-led regeneration

**8 January 2019:** A major public-private sector partnership will see a local authority, social property investor and government agency come together to deliver a £40m housing regeneration programme.

Stoke-on-Trent City Council, Cheyne Capital's Social Property Impact Fund, and government agency Homes England will deliver the major programme, in the first public-private sector partnership of its kind in the West Midlands city.

A total of 379 new affordable homes will be built on cleared brownfield land and at an outdated housing scheme in Stoke-on-Trent under the initiative.

The council has been working with residents in the Hanley area of the city for more than 12 months and has used their feedback to develop the plans for rented housing, one-bed apartments for older people and family housing. The redeveloped site will also include more car parking, improved waste management facilities, extra security and landscaping.

It will mean a total of 155 low rise flats and maisonettes being cleared – more than half of which are already empty – at a 1960s housing estate, being replaced with 226 new apartments. At a second site in the Shelton area of the city, brownfield land that had been vacant for a number of years will be brought back to life with 51 apartments and 62 houses being built. The developments will create a net gain of 224 new high quality affordable homes.

The initiative will see the council establish its own company to be a registered provider of affordable housing, which will enable it to access grant support from government agency Homes England. Cheyne Capital will use its Social Property Impact Fund, which has delivered similar housing projects with councils and housing associations in Bristol, Luton and Sheffield.

The scheme will cost a total of £40m, with Cheyne Capital buying the land and funding the development and build at the two sites, and the council leasing-back the properties over 40 years. The council's housing repairs and maintenance company Unitas will be responsible for maintaining the properties. At the end of the lease period, the council will then have the opportunity to buy the properties for £1. The properties will be eligible for Homes England funding, to help ensure they can be available at an affordable rent.

Councillor Randy Conteh, cabinet member for housing, communities and safer city, said: "This project is really exciting. We have worked in a completely new and innovative way to put forward a programme of work that will deliver the multi-million pound regeneration of two areas of the city in need of attention. It is a project that we do not have the public funds available to lead alone; but by working collaboratively with the private sector we can raise the quality of accommodation and life of hundreds of families, and rejuvenate communities."

Caroline Cormack, head of home ownership and supply in the Midlands for Homes England, said: "We welcome Stoke-on-Trent City Council's ambitions for this development and are excited to be working

with them to explore the best solutions for both of these sites to accommodate the housing needs of the local communities.”

Under the proposals, the Pyenest Street site would be developed first, with new homes expected to be available in spring 2022. Work on the Bucknall New Road site will then commence in summer 2022 and the development is expected to be completed in 2024.

Darren Carter, Investment Director for Social Property at Cheyne Capital, said: “We know that partnering socially responsible capital with councils and government agencies can accelerate the delivery of high quality, affordable and inclusive homes to communities that need them most.

“We were impressed by Stoke-on-Trent Council’s progressive attitude towards addressing their housing needs and are excited to be involved in this landmark project.”

The works are the latest in a series of high-profile housing-led regeneration schemes in the city led by the local authority. The council has already refurbished three of its five high-rise residential blocks at the Hanley site, and the remaining two high-rise blocks will be redeveloped as supported living accommodation.

In addition, the council has identified seven housing zones on brownfield sites in the city. Construction is already underway at two of the sites, and last week the authority’s housing company Fortior Homes announced it is starting on site at a third. The housing zones will create 1,200 new homes. Fortior Homes is also seven months-in to building the city’s first high-end city centre apartments in the Smithfield business district, creating 151 homes for professionals that will further boost the city centre economy.

**-Ends-**

### **Media enquiries**

Stoke-on-Trent City Council:

Andrew Brunt [Andrew.brunt@stoke.gov.uk](mailto:Andrew.brunt@stoke.gov.uk) 01782 232671

Cheyne Capital:

Harriet Sloane [Hsloane@prosek.com](mailto:Hsloane@prosek.com) 0203 8788562

### **About the Cheyne Social Property Impact Fund**

The Cheyne Social Property Impact Fund was launched by alternative asset manager Cheyne Capital in November 2014 in order to help tackle the chronic shortage of housing solutions for disadvantaged groups in the UK. The Fund is a socially responsible landlord which works with high impact, social sector organisations, including local councils that are delivering services in the UK including social/key worker housing, elderly extra care, adult social care and supported living for people with physical and/or learning disabilities. The Fund launched with support from a range of investors including Big Society Capital, who worked closely with Cheyne Capital to anchor the Fund with a seeding commitment.

[stoke.gov.uk/news](http://stoke.gov.uk/news)



Want to receive press releases, council news or job vacancies by email? Sign up for our online alerts at [www.stoke.gov.uk/stayconnected](http://www.stoke.gov.uk/stayconnected).

