



Development Strategy

2023 - 2027

Introduction

This strategy sets our development ambitions, aligning them with our Strategic Plan vision that ‘every one has a safe place to call home’.

Our development programme will provide a mixed tenure approach consisting of social rent, affordable rent, market rent and, where suitable, intermediate rent, as well as a range of home ownership products including shared ownership and shared equity. We will look to achieve more through collaboration and new partnerships and be open to and seek out joint initiatives with house-builders, developers, local authorities and other housing associations to help us deliver our development aspirations.

We will favour a ‘land-led’ approach where we remain in control of quality and design. We will ensure that this approach still represents the majority of our programme.

We will also look to supplement our development programme where opportunities arise by agreeing good quality, affordable Section 106 schemes from private developers.

We will ensure we maintain a balanced programme but will explore opportunities to work with developers to acquire additional affordable homes in the event of market uncertainty.

Where possible we will seek to combine sites with private sales through Orwell Homes and support the Orwell Homes’ ambition to grow and recognise this as a potential strength in supporting land acquisitions.

We will aim to grow our supported housing portfolio across a range of customer groups, supporting the ambition to grow the care and support arm of the business. We will do this by delivering high quality supported accommodation and seek out further opportunities to increase Orwell’s market share in this area.

Operating Environment

The need for affordable homes across our area of operation is increasing with house prices still often beyond the reach of typical local incomes. The demand for quality affordable homes for rent and sale remains high.

We will continue to develop affordable homes in what is currently a very challenging market. Recently, we have seen some turbulence in the wider economy playing out with signs of uncertainty in the housing market and a cost-of-living crisis caused by macro economic factors which directly impact our customers and target market.

In addition, our contractors continue to face labour/construction skills shortages. This has led to a period of volatility and an increase in construction costs coupled with rapid inflation in certain areas.

As we look towards 2024 there are early signs that this may have peaked and we are entering into a period of more cost certainty. Changes in planning and environmental legislation continue to impact the viability and deliverability of some sites, in particular in areas where nutrient neutrality legislation has been introduced. This may lead to some of our communities seeing less social housing development despite housing need in that area being high. We are committed to working creatively to ensure that sites in these areas continue to be developed whilst recognising the need to ensure the development programme remains affordable and within the financial parameters set by the business plan.

We will ensure our schemes strike the right balance of tenure and are appropriate for the locality, led by housing need. We will also ensure that our shared ownership products are assessed for affordability and are within reach of local incomes.

Despite these challenges we are well placed to continue to deliver and provide much needed affordable homes for our customers. We will support the growth of Orwell Homes, Orwell's private delivery arm, who have their own ambitions for growth through the provision of outright sale homes.

Position Statement

Orwell as a developer

Our aspiration to continue to grow our portfolio is a key strand of our 2023 - 2027 Strategic Plan. We have an excellent local reputation as an affordable housing landlord and developer and have strong relationships with local authorities, stakeholders, the local construction industry and local communities. We have an established reputation as a quality developer with lenders and funders and have a programme capable of making a significant contribution to local housing need and to shaping communities.

At the heart of our place-making approach is the provision of quality, genuinely affordable homes for our customers to enjoy and to create thriving, sustainable communities. We will ensure our developments integrate with local communities and make a positive contribution to people's lives and the wider area. We will deliver this through working in partnership and collaboration.

Our development programme will continue to be locally based in Suffolk, southern parts of Norfolk and North Essex. The programme will be directed to where we are able to provide a responsive and efficient housing management and maintenance service with the emphasis on the quality of service we can provide our customers.



Our Objectives

1 People Focused - Put our customers, our communities and our people at the heart of our organisation.

Provide an excellent 'customer journey' for our customers.

We aim to be a market leader both in build quality and in levels of customer service for the new build homes we provide and want to improve on current levels of customer feedback on development to drive forward improvement in building quality. To do this we will work with our customers to understand what is important to them and how we can build our homes even better. We will look to adopt new technology and digital solutions to capture feedback, as well develop and improve our after-care service on new homes and continually drive through quality improvements.


What we want to achieve:


 92% customer satisfaction with the quality of their new build or refurbished home.

To achieve this over the next 5 years we will:

 Benchmark our development services and our design specifications with peers and the private sector to ensure competitiveness.

 Ensure the design guide and scheme designs are reviewed annually using customer and stakeholder feedback.

 Work with the Customer Insight and Engagement Team to increase levels of customer engagement with the design and build quality of our new homes to 70% by 2027. This work will inform our decision making and ensure that our developments meet local housing need and customers aspirations.

 Produce a customer satisfaction survey to capture the experience of our shared ownership buyers in 2023 and use its feedback to influence and improve our shared ownership offering.



2 Ambitious – Be ambitious and invest in our communities and people.

Deliver a development programme in line with the Strategic Plan target of having 4,900 homes in ownership and management by 2027.

What we want to achieve:

- 4900 homes in ownership and or management by 2027.
- To develop, on average, 100 new build homes each year of the plan.
- Maintain Homes England funding through the 21-26 National Affordable Homes Programme to support our growth ambitions.

To achieve this over the next 5 years we will:

- Build a healthy programme and aim to contribute an average of 100 homes into management a year. This will help keep us on the trajectory to achieve an overall goal of 4,900 homes in management by the end of 2027.
- Provide a range of tenures including affordable, social, or intermediate levels supplemented by Home Ownership products in accordance with local need and government policy.
- Look to expand our development activities into bordering Local Authorities specifically Colchester, Tendring, Braintree, and West Suffolk whilst ensuring we can maintain a responsive housing management service.
- Utilise the land banking and option facilities to help build a pipeline of development sites.
- Continue to look at investor led models as a way of growing our stock without using our own financial capacity and be open to leasing deals with investors subject to them being viable and appropriate for our business.
- Develop relationships with investors to help open up opportunities to increase the number of homes managed by Orwell but owned by others.

England
www.gov.uk/homes-england

Developing

9 NEW HOMES FOR AFFORDABLE RENT AND SHARED OWNERSHIP DUE FOR COMPLETION SUMMER 2023

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3 Collaborative – Work in partnership with others to help optimise our resources and improve delivery.

In order to support and deliver our ambitious development goals we will seek partnerships with local developers, contractors and funders.

What we want to achieve:

-  Joint partnerships with contractors and developers and other local developing housing associations which enable us to share risk and enhance our capacity.
-  Closer relationships with private developers that help us secure affordable homes through planning gain.
-  An increase in the social impact of our development procurement by supporting local employment through the use of local contractors and developers.

To achieve this over the next 5 years we will:

-  Identify key local developers and establish better links and closer working arrangements. We will also review the market regularly to ensure that our S106 offers are competitive.
-  Work with our existing partners to sustain and expand the existing development partnership arrangements by maximising the opportunities presented by Homes England grants.
-  Combine the resources of our partners to ensure our development partners can deliver on their contract with Homes England and provide high quality, affordable homes efficiently and effectively across the eastern region.
-  Continue to understand our partners' development objectives and tailor our approach to meet their changing needs.












WARNING
LOADING BAY
MAX HEIGHT
2.50M

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4 Effective – Improve our efficiency, effectiveness and sustainability.

In accordance with Orwell's Asset Management Strategy and linking with our wider environmental and sustainability objectives, we will ensure our new building projects respect natural resources and look to reduce and off-set any damage to local habitats. We want to ensure our new homes are sustainable in the broadest sense and improve our customers quality of life, socially, environmentally, and economically. We will work with our partners to understand how procurement, design, and the use of modern methods of construction (MMC) can be used to maximise efficiencies and speed up housing delivery.

What we want to achieve:

-  Improve the accuracy of cash-flow management and forecasting across the development programme to ensure that our rental incomes, cash-flows and sales projections are up to date, accurate and regularly reviewed and that projects fit the Orwell business model and are financially sustainable.
-  Sell our services and expand our in-house skills.
-  Ensure fee income generated by selling development services to our partners provides a surplus and continues to be cost effective.
-  Continue to lead the e² development consortium offering development services to other social landlords to both maintain the professionalism of the in-house development team and to share costs.
-  Ensure schemes are viable and fit our financial parameters.
-  Enhance the reputation of the development team to raise our profile and improve brand awareness.
-  Set out our environmental and sustainable ambitions and goals.
-  Ensure our new build homes are affordable for our customers to live in, helping to minimise fuel poverty.
-  Contribute towards sustainable communities, designing in biodiversity, safety and comfort to meet social, environmental and economic needs.

To achieve this over the next 5 years we will:

- Continue to offer our project management services within our geographic area, providing professional support and expertise on a range of construction projects, whilst not compromising our own ability to provide more affordable housing for Orwell.
- Review our current service delivery model and produce a business case that considers whether there is merit in bringing more specialisms currently outsourced in house (such as employers agent, planning expertise etc) with a view to be more effective and improve service quality.
- Continue to provide development services to Orwell Homes
- Support any local developing providers with future partnership working arrangements to maximise opportunities created by the Homes England 21-26 funding round through the continuous market engagement process.
- Set up an annual review of appraisal model and financial parameters.
- Utilise social media to improve marketing and our digital presence promoting the work of the development team linking with the People and Culture Strategy and the communications teams.
- Ensure our marketing information is up to date and refreshed regularly.
- Work with our communication team to pro-actively promote key development milestones and achievements throughout 2023.
- Continue to support a 'Fabric First' approach to our designs ensuring all our new homes are maximised for thermal comfort and solar gain.
- Work alongside our Asset Management Strategy to review our existing specification and components to ensure they are still appropriate.
- Review how we can contribute to Orwell's de-carbonisation strategy and adjust our new build design guide accordingly, exceeding Building Regulation requirements where possible.
- Work with the forthcoming biodiversity requirements on a specific site by site basis to enhance and where possible improve local wildlife and habitats.
- Engage with partners to trial new technologies, using these for monitoring and research purposes.
- Create developments which help form sustainable communities, provide a range of affordable tenure options and opportunities for families in need, and contribute to social mobility and the wider economy.
- Ensure our developments are well integrated and connected by giving regard to sustainable transport links, and access to local employment and services.

Our Measures and Metrics

By 2027 we will achieve:



92% Customer satisfaction with the quality of their new build home.



4900 homes by 2027.

100 homes per year of the plan.

Maintain Homes England grant funding for the development programme.



Strategic partnerships with developer, contractors and private investment firms to share risk and enhance capacity.

Sustainment of our development service to other landlords.



Sell development services and expand in-house skills.

Ensure development fee income provides a surplus.

Ensure development programme meets the financial parameters of the 30 year plan.





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