

The time is now 

Building Together

Scalable financial models for regeneration and housing delivery



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Foreword



Lloyds Banking Group's Social Housing Initiative brings together Housing Associations, private investors, house builders and the public sector to support progress in increasing the delivery of social and affordable housing.

Across the UK, public and private sector organisations are coming together in innovative ways to deliver housing and urban regeneration. If replicated and scaled, this new wave of partnerships can play an important role.

This report brings together successful examples of existing approaches to support their replication and scaling.



Turn ambition into more homes

Bias to action

Prolonged under supply drives up public spend, strains social care, and drags on productivity and growth. Getting homes built is foundational to better lives and a stronger fiscal position.

Focus on delivery, not just funding

Without accessible, scalable delivery models, waiting lists persist, budgets are absorbed, and public value erodes.

Capital is available, but structure wins

New national institutions (National Housing Bank, National Wealth Fund, Office for Investment) can crowd in capital, but places need investable structures to turn funding into homes at pace.

Align with investor reality

Private capital is moving into residential. Partnerships that manage risk and provide clear exits, unlock sustained investment beyond one-offs.

What works

UK case evidence shows that blending public stewardship with private finance and delivery capacity, de-risking sites, phasing pipelines, and focusing on place outcomes, unlocks more homes, faster.

National ambition

This document sets out an ambition for the whole of the UK, across the Core Cities and other key places for growth.

Making this happen

There are three technical factors required to meet this challenge:

- 1 The opportunity of public land should be recognised**
This is a critical asset to delivering the homes this country needs.
- 2 Blended finance can unlock pace**
Only through combining public and private capital with different levels of risk and reward can we unlock the scale of investment needed.
- 3 Development needs to be scaled**
Approaches taken need to be standardised and replicated, saving time and effort, strengthening supply chains and scaling success.

However, successful partnerships are rooted in people:

- Leadership matters**
Setting direction, instilling confidence and maintaining momentum. Strategy is articulated and embedded in structures and culture.
- Building a single team**
Dedicated effort required from the partners to forge close working relationships and operate as a single team.
- Pace matters**
Delays damage project viability and hurt the supply chain.

The potential of partnerships



Unlocking this is not straightforward. Local authorities are navigating reduced budgets, fragmented capital funding, uncertain and protracted time frames, and growing statutory service demands.

The commercial viability of delivering new homes across the full spectrum of the housing market remains constrained.



Public-private partnerships can provide a space, for all parties, to find a balance of control, risk, and reward.



This “Building Together” report presents a typology of partnerships which have shown the capacity to bring together the comparative strengths of each sector, combining the public sector’s strategic oversight, deep understanding of their place, and long-term stewardship with the private sector’s capital, innovation, and delivery expertise.

The report details lessons from existing and past partnerships across the UK that are delivering new homes and regenerating areas.

Typologies of public-private partnerships

Single Arrangement or Framework

Traditional contract for a defined scope/budget. Framework arrangement used with a small number of contractors or developers for repeated commissions. Common for single-site developments or repeat small packages where the delivery risk is borne by the contractor.

See pages 13, 14 and 18 for case study details

Development Agreement

Contractual partnership where land and delivery responsibilities are shared. Developer brings finance and delivery expertise; authority sets outcomes and monitors performance.

See pages 15, 16 and 17 for case study details

Joint Venture

Formal corporate partnership between public and private partners, sharing risk, reward, and decision-making. Used for complex, multi-phase regeneration.

See pages 15, 18, 19, and 20 for case study details

Commissioning Board

A cross-partner decision-making forum, usually led by the authority, that sets outcomes, approves pipelines and funding, and commissions delivery packages across a programme. It is not a JV; procures through existing routes (e.g., frameworks, development agreements, concessions)

See page 21 for case study details

Scalable Fund

A scalable fund operates across multiple sites. Can include multi-sector opportunities. Partners are aligned around a defined geography and commit dedicated funding, enabling them to agree which projects to prioritise and take forward. Emerging role for Combined Authorities.

See page 22 for case study details

Emerging practices

Some approaches are effective on individual sites but do not scale

Single Arrangement or Framework

Best for:

Short spikes in delivery pressures or quick-turn developments.

Risk/return profile:

Public side holds outcome risk (e.g. changes, approvals timing, access, stakeholder issues, statutory changes); suppliers carry task-level delivery risk only. No balance-sheet risk or capital at play.

Oversight:

Clear deliverables; simple KPIs (quality, timeliness); contract manager signs off; call-off against master agreement where appropriate.

Funding structure:

Case-by-case; fee-for-service; capped by call-off value; no success fee or profit share.

Advantages:

Speed of implementation, continuity opportunity, low overhead, opportunity for optimisation of delivery by continuity of work with the single contractor.

Challenges:

Over-reliance on one partner; limited scalability; capacity bottlenecks; limited innovation or investment.

Council resource demand:

Low-medium.

Set-up costs:

Low.

See pages 13, 14 and 18 for case study details



Others require more effort but support repeatable projects

Development Agreement

Best for:

Single or clearly phased schemes where the brief, site, and outcomes are defined; authority wants strong control on what gets built without forming a JV.

Risk/return profile:

Developer takes design, build, sales/lettings and most market risk; authority bears planning/enabling commitments it controls. Returns via land payments, overage, profit share or minimum guarantees.

Oversight:

Conditional Development Agreement (CDA) + specification; milestone gateways.

Advantages:

Clear outcome control; meaningful risk transfer; simpler than a corporate JV; transparent obligations.

Challenges:

Can be a lengthy negotiation; viability re-openers can dilute outcomes.

Council resource demand:

Medium.

Set-up costs:

Medium-High.

See pages 15, 16 and 17 for case study details

Joint Venture

Best for:

Portfolio or multi-phase regeneration; where flexibility, long-term alignment and reinvestment are desired.

Risk/return profile:

Shared. Equity at risk from both sides; returns as dividends/profit share; risk allocation set via members' agreement and project-level contracts. Public land deployed.

Oversight:

JV board with reserved matters; business plan approvals; audit and performance frameworks; conflicts management; robust exit/termination and deadlock provisions.

Advantages:

Strong alignment; ability to flex scope and pipeline; shared upside; capacity to leverage private expertise/finance at scale.

Challenges:

Higher setup cost/time; complex governance; reputational exposure if objectives diverge; higher exposure to Key Person Risk.

Council resource demand:

High.

Set-up costs:

High.

See pages 15, 18, 19 and 20 for case study details

There are emerging practices that can deliver at scale

Commissioning Board

Best for:

Complex, multi-site or clearly phased programmes where outcomes, standards, and place objectives are defined at a portfolio level.

Situations where the authority wants strong strategic control and the ability to commission multiple delivery routes (DA/call-offs/concessions) without forming a corporate JV.

Risk/return profile:

Strategic/programme risk sits with the authority; delivery and market risks are allocated per package to appointed partners.

Oversight:

Commissioning Board with clear Terms of Reference, scheme of delegation, and gateway approvals.

Advantages:

Strong outcome control and strategic coherence across a pipeline. Flexibility to use the right delivery route per site/phase; meaningful risk transfer at package level. Enables blended funding and phasing; clearer market signalling once established.

Challenges:

Set-up can be lengthy and legally complex; requires a capable PMO.

Council resource demand:

Medium.

Set-up costs:

Low.

See page 21 for case study details

Scalable Funds

Best for:

Multi-site pipeline where partners want to deploy and recycle capital through a defined investment vehicle (e.g., a fund, platform, or programme finance structure).

Risk/return profile:

Strategic and place risk is shared through the fund mandate (with the authority typically retaining accountability for outcomes). Financial risk is managed through the fund structure and capital stack.

Oversight:

Fund Board/Investment Committee with clear, measurable objectives and transparent performance reporting.

Advantages:

Strong alignment around shared objectives and a defined geography; ability to flex priority projects and pipeline over time; pooled expertise and disciplined investment decision-making; potential to recycle returns to grow delivery.

Challenges:

Legal structure and governance decision-making takes time to define; assurance requirements are heavier.

Council resource demand:

High, but shared.

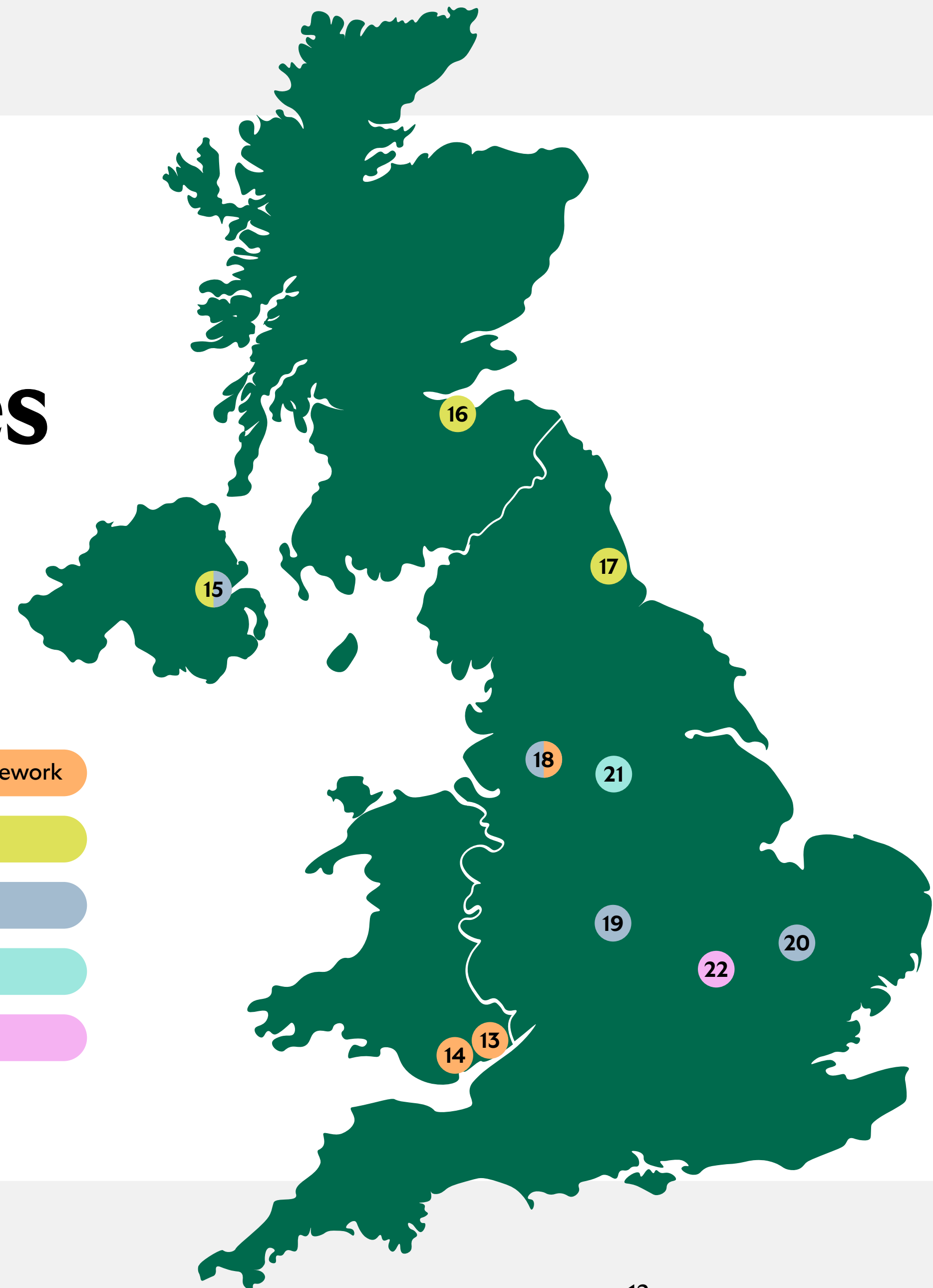
Set-up costs:

High.

See page 22 for case study details



Case Studies



Legend

- Single Arrangement or Framework
- Development Agreement
- Joint Venture
- Commissioning Board
- Scalable Fund

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Single Arrangement

Tirion Homes



Partnership:

Tirion Group, Welsh Government and Principality Building Society

Tirion Homes, a Community Benefit Society, has developed an innovative financing model underpinned by a partnership between the Welsh Government and Principality Building Society and financing from M&G.

This partnership enabled Tirion to build over 1,200 homes across three sites in Cardiff and Newport with more in the pipeline. These are mixed communities on brownfield sites, including private sale, low cost ownership, social rent and discounted rent.

The Welsh Government provided land remediation. PBS provided a warehousing funding facility for the land and development finance repaid after construction.

Tirion Group was formed by Welsh Government and PBS, based on a proposal by the latter, to unlock stalled brownfield regeneration sites, and deliver more low-rent homes without relying on traditional Social Housing Grant.

Key insights

Leveraged institutional investment through public sector balance sheet:
Welsh Government's patient capital role helped refinance the initial construction using institutional investment, repaid out of rents.

Single Arrangement

Cardiff Living



Partnership: Cardiff Council and Wates Residential

A long-term programme using a Strategic Development Agreement with site-by-site call-offs. The Council retains land control, governance and value share, while partners deliver at pace across a mixed portfolio.

Following Cardiff's strategic decision to establish its first housing partnership and its need of a development partner, Wates was appointed to deliver the Cardiff Living programme as the Council's flagship route for c.1,500–1,700 new homes across multiple sites in the city.

Key insights

Strategic DA at programme level; plot-specific Development Agreements/leases at call-off. Value shared through agreed mechanisms; risks allocated per site.

Hundreds of homes delivered; ~1,700 in the 40-site pipeline.

Success has directly enabled the Cardiff & Vale Housing Partnership with Lovell, a 10-year JV targeting 4,000+ homes, extending the approach across a wider geography.

Scale what works: The initial JV with Wates provided the governance and commercial template to expand - via a second JV with Lovell - without losing public control or programme outcomes.

Graham Partnership



Partnership: Belfast City Council and GRAHAM

Belfast City Council has established a long-term partnership with GRAHAM to lead council-owned, city-centre regeneration. The Council retains control of site selection, development objectives and governance. It is intended to crowd-in private investment to deliver a pipeline of mixed-tenure homes alongside complementary commercial and community spaces, embedding placemaking and inclusive growth within the city-centre strategy.

GRAHAM was selected as the long-term private-sector/delivery partner and cites a c.£630m programme with an initial tranche of Council-owned city-centre sites valued at £280m to deliver mixed-tenure homes.

The partner will act as master developer within a long-term joint venture under a Strategic Partnership Agreement (SPA). Site delivery will proceed through Site-Specific Development Agreements. The SPA commenced 7 Apr 2025 and runs for 15 years (extendable).

This partnership emerged from Belfast City Council's need for a long-term private-sector partner capable of delivering a £630m housing-led regeneration programme.

Key insights

The partnership is underpinned by a cross-party Regeneration and Investment Strategy with a clear mandate to grow the city-centre population.

Development Agreement

Granton Waterfront Regeneration



Granton Waterfront Site

Partnership:

Edinburgh City Council and Cruden Group

The Granton Waterfront Regeneration is demonstrating how public-sector leadership can unlock complex brownfield sites for long-term, place-based transformation.

Developed in partnership by the City Council and Cruden for the first phase of regeneration, the project combines early land acquisition, outcome-based public funding, and a phased masterplan to deliver new homes, infrastructure, and community assets. By retaining strategic control and bringing in delivery partners at the right stage, the Council has aligned regeneration with wider policy goals.

Working with Cruden as delivery partner, the programme combined early land assembly, outcome-focused public funding, and a phased masterplan to deliver new homes, enabling infrastructure, and community assets.

The agreement emerged from Council ambitions to secure a development partner to lead the first phase of a town regeneration, delivering around 750 net zero homes.

Key insights

Led by the public sector and the developer: The Council assembled and remediated a contaminated brownfield site to make it investable, unlocking access to vacant/derelict land and wider regeneration funding.

Phased, outcome-driven approach: An approved masterplan and early political mandate streamlined planning and established a clear delivery framework, with private partners engaged later and with defined roles.

Broader outcomes built in: Mixed-tenure housing is delivered alongside social infrastructure and place-making, catalysing secondary economic and cultural activity.

Development Agreement

Ouseburn Valley

Partnership:

Newcastle City Council, Igloo Regeneration
(with Homes England engaged through the framework)

Ouseburn is a decades-long, culture-led brownfield regeneration that's created a new quarter in Newcastle.

A framework development agreement (FDA) establishes the partnership framework, sets out roles and decision rights, and balances risk across parties.

The partnership emerged from the Council's need to secure a long-term joint venture to assemble land and deliver a residential-led, mixed-use "urban village".

Key insights

Build flex mechanisms into FDAs/JVs:
Scheduled re-baselining, price/risk reopeners,
and transparent triggers for variation.

Maintain formal, collaborative governance with
clear escalation routes and member oversight.

Protect delivery through contingencies:
Step-in rights, succession planning for partner
change, and options to re-sequence phases.

Roles of partners

Council: Land assembly, strategic brief,
governance and assurance, funding alignment.

Igloo (developer): Development management
and delivery within Council-set parameters.

Homes England: Engaged through the FDA
to enable delivery.



Ouseburn Valley Phase 1

Joint Venture

Single Arrangement

MADE Partnership



Godley Green – A MADE Development project

Partnership:

Tameside MBC and MADE Partnership

Established in 2024, the MADE partnership is a tripartite joint venture between Lloyds Banking Group, Barratt Developments PLC and Homes England backed by combined equity funding of up to £150m provided equally by the partners.

The MADE Partnership will act as master developer for multiple large scale, residential-led developments from 1,000 to more than 10,000 homes along with a variety of community facilities and employment. MADE aims to unlock large, complex sites at pace.

Tameside MBC is working with MADE on Godley Green, which sits within GMCA's "Eastern Growth Cluster". Godley Green is a priority opportunity to diversify and expand local housing supply while supporting Hyde town centre renewal.



Following outline consent for Godley Green Garden Village, the Council recognised the need for a long-term partner to develop and implement a comprehensive long term master development strategy for the site to deliver up to c.2,150 homes.

Key insights

Innovative structure: Balanced governance and shared returns across a house builder, a public finance institution, and a major lender.

Master-developer bridge: A practical route from commercial terms to delivery, with the JV de-risking infrastructure and sequencing parcels for multiple builders.

Roles of partners

Master developer JV: MADE identifies and assembles large sites and leads master planning. The model blends institutional capital, private delivery capacity, and public policy leadership in a repeatable structure - accelerating supply on strategic sites while protecting long-term place outcomes.

Council role: Set vision and outcomes, provide planning leadership and governance, align public funding, and coordinate stakeholders to maintain policy fit and community benefit.

Joint Venture

Stoneleigh View in Kenilworth

Partnership:

Warwick District Council (through Milverton Homes) and Vistry (via Linden Homes/Bovis Homes brands)

Kenilworth was picked as a priority projects for the partnership because it needs more affordable, sustainable homes. Population growth, demand for family houses, and strong local schools all add pressure. Through Warwick District Council's leadership support and alignment to Homes England's social value aims, the partners set up a partnership aiming to deliver 620 homes at pace.

Warwick District Council, working through its housing company Milverton Homes, partnered with Vistry Group (through its Linden and Bovis brands) and Countryside Partnerships. The District Council invested in the joint venture and provided loan facilities to support delivery.



Stoneleigh View CGI



Key insights

Hybrid partnership model:

The collaboration blends a council-owned company structure with private delivery partners, reflecting a practical middle ground between direct public delivery and full private-led development.

620 homes in total delivered to date:

- 50% affordable: mix of social rent, shared ownership, and private rent
- Remaining homes sold on the open market

Cambridge Investment Partnership (CIP)



Partnership:

Cambridge City Council and Hill Group
(Grant provided by Cambridge and Peterborough CA)

The CIP is a successful 50:50 partnership between Cambridge City Council and Hill Investment Partnerships (part of Hill Group).

CIP was formed in 2017 as a Limited Liability Partnership (LLP). This partnership unlocked council-owned and other sites (mainly third-party owned but also other public sector owned) to accelerate the supply of high-quality, energy-efficient council homes alongside market housing, community facilities and commercial space.

The CIP was seeded with a £70m government grant from Cambridge and Peterborough Combined Authority and the partners both provide funding (and land assets) evidenced through the use of loan notes which are repaid at the end of partnership via a waterfall mechanism.

Sites are transferred into the LLP at best value if public sector owned. A mixture of equity, Right-to-Buy receipts, and senior debt are utilised to fund development costs. Part of the profit from homes built for sale can also be used by the council to cross-subsidise the purchase of new council owned homes.

The partnership emerged from the Council's strategic decision to create a joint venture vehicle to accelerate housing delivery in Cambridge.

Key insights

Single team - Partnership 'deadlock' governance structure. Dedicated effort from the partners has forged close working relationships and enables the operating model as a single team.

Transparency - There is a high level of transparency built into the process; decisions on land acquisitions/disposals, loan finance and contract routes are published and scrutinised in public committee papers.

Commissioning Board

Sheffield Together



Commissioning Board led by: Sheffield City Council

The Sheffield Together partnership demonstrates how strong governance structures can underpin effective housing delivery. At its centre is a Housing Growth Board, chaired by the Chief Executive, that brings portfolio holders together with Homes England, the South Yorkshire Mayoral Combined Authority, the Sheffield Property Association, and the South Yorkshire Housing Partnership.

The Board provides a single forum to set risk appetite, agree delivery priorities and align public and private investment, creating a clear, auditable route for decisions and escalation. This visible leadership and joined-up approach signal commitment to delivery and give external partners the confidence to invest and mobilise.

Working through the Board, partners maintain a shared pipeline of sites alongside an integrated affordable housing programme, with a clear focus on increasing housing starts across the city. In short, Sheffield Together couples senior sponsorship with practical, citywide coordination to turn intent into delivery.

The Board was established to turn a shared housing growth agenda into a coordinated programme of delivery.

Key insights

Collaborative governance over formal JV: Sheffield Together is not a corporate JV but a structured partnership that uses governance, not ownership, to align delivery, illustrating the flexibility of partnership typologies available.

Balancing innovation and assurance: The Board structure allows for trialling (sp) new delivery mechanisms (e.g. JVs, MMC pilots, lease-backs) within a managed framework that protects public value and political confidence.

The Board is delivering

Prior to being set up in Dec 2021, Sheffield had received £32M from Homes England over the five year period beforehand, so was securing roughly c. £6M per annum. Over the past 2 years, Sheffield has secured £129M funding from Homes England.

Milton Keynes Development Partnership



Structure owned by: Milton Keynes City Council

The Milton Keynes Development Partnership (MKDP), established in 2013, is a wholly owned limited liability partnership of Milton Keynes City Council (MKCC). Its creation was underpinned by a £31.6 million loan from the Council to acquire 130 hectares of land and property assets from the Homes and Communities Agency.

A central feature of MKDP's model is the Revolving Development Fund (RDF), introduced through the £22.7 million Bletchley and Fenny Stratford Town Deal. The RDF enables MKCC and MKDP to acquire, repurpose, and recycle underused or dilapidated sites, such as the Brunel Centre and former Sainsbury's unit, into housing, commercial, and community uses.

The MKDP partnership originated in order to drive growth and regeneration in line with the Council's Core Strategy and economic plans.

Key insights

Early phases have focused on land assembly, demolition, and relocation of existing businesses, with the Council and Town Deal Board setting the vision and MKDP leading acquisition and preparation.

Developers are procured once sites are de-risked, ensuring a smoother entry point for the private sector.

Public ownership with commercial delivery: MKDP puts in practice a hybrid model, combining public asset control with private-sector operating principles.

Reinvestment and stewardship: The revolving fund and asset retention strategy ensure that value generated locally is recycled into future regeneration, reinforcing focus on long-term value creation.



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