

7. futureproof: Conclusions and Next Steps

A Concept with Genuine Potential

futureproof offers an exciting and innovative approach to housing delivery, and already has traction and support with a wide number of stakeholders.

futureproof has emerged as a new business model designed to increase the quality, variety, sustainability, and speed of delivery of new homes in the UK. It is a whole lifecycle model based on flexible housing tenure; a delivery model designed with the specific aim of accelerating the delivery of zero carbon new homes at scale.

The model overcomes traditionally perceived barriers to the supply of sustainable new homes, including low absorption rates.

The financial modelling has included rewarding the risk takers and keeping the value created through homebuilding within the broader project team that includes the investor and the landowner.

Additional value is generated by reducing waste, increasing speed and productivity, and adopting innovative technologies and construction methods. The result is a proven investor friendly route to the acceleration of extremely high quality, zero carbon development.

futureproof has the potential to transform the housing market whilst maintaining the current secure envelope of land values. It will use equity finance to enable all potential occupiers to live in an off-site manufactured, zero carbon home on a site with first class public realm.

To derive this financial benefit, however, the parameters mentioned above still apply – particularly in relation to scale: the scale gives the economies in construction cost, opportunity for infrastructure innovation and attractiveness to institutional investors, which is essential for the model to work.

Since 2019

In the months following successful completion of the proof-of-concept study, Daedalus sought to identify and secure next stage funding to develop the concept further and bring it to market within a large scale, live development site.

A collaborative partnership was formed including:

- Daedalus Environmental
- Swan Housing
- Homes England
- Haven Gateway Partnership

...to assist in this process, and we retained the involvement of the consulting team involved in the SELEP funded proof of concept phase, whilst adding further expertise in legal support and design:

- CampbellReith (engineering)
- Clifton Emery (design)
- Burges Salmon (legal)
- Gardiner Theobald (QS)
- SQW (economic modelling)

In late 2019 Daedalus secured significant funding under the InnovateUK Transforming Construction programme to support the next steps, alongside matching private investment. Commencing formally in April 2020, this partnership has spent 12 months working actively on developing the details of the concept, creating the necessary modelling tools, and applying the thinking to a large-scale development site in Sussex.

Running to September 2021, this phase of the project is coming to an end in the next few months, and the team is now developing the investable business case to secure large scale institutional investment into its first development site.

A formal, public launch of the concept is expected in Summer 2021 and will be rolling out as rapidly as possible to support both public and private sector residential plans thereafter.

The initial SELEP funding has contributed significantly to getting the concept 'off the ground', and it has been a complex, resource intensive exercise since that point.

Transforming the UK housing sector will not happen overnight, but futureproof offers an important step in the right direction.