

Blue Skies, bright future



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To describe the current housing market as volatile is something of an understatement. With several major housebuilders weathering the storm and new developments being frozen out in some areas, you might well perceive that the outlook is gloomy.

But for the Blue Skies Consortium, the prospects are surprisingly bright.

The consortium was founded by Longhurst Group and Nottingham Community Housing Association in 2005. The alliance provided an opportunity to share costs and regional expertise, and compete with larger organisations for development funding.

Three years on, Blue Skies is out-performing much larger competitors – having secured the tenth largest affordable housing allocation nationally. The consortium supports member organisations and, through their development services company POD, Longhurst and Nottingham Community provide consultancy to consortium members, as well as to the local authority, private developer and ALMO sectors.

How it works

- * Consortium members identify and submit potential development opportunities
- * Each potential project is reviewed to check deliverability and financial and technical viability
- * 17 organisations bid for collective funding from the Housing Corporation
- * Bidding programmes and targets are agreed over a three-year period
- * The POD team work up scheme ideas, advise how best to target funding priorities and submit the final bids

Membership benefits

Blue Skies gives smaller and specialist organisations the chance to develop homes. Everyone brings different skills and experience to the table – from stock transfers, to supported housing or community specialisms.

Opportunities are distributed fairly, based on needs and business plans – it's not about bigger members carving out larger portions of the pie. As Longhurst Group partnerships director Alan Whyte explained: "We're genuinely interested in helping clients to

develop their business, because it makes the consortium stronger."

Longhurst and NCHA also have a consultancy arm, called POD, that works with organisations awarded separate investment partner status. POD provides services such as financial appraisals, audit compliance checks and technical development advice. As Alan said: "Through POD, we offer the same services as many private companies – but our understanding of housing needs, regulatory requirements and the housing environment is much deeper. After all, we've been developing in this region for over 20 years, so we know which projects will meet key priorities and can bring them forward."

In the current financial climate, the scale and scope of opportunities handled by the consortium gives added flexibility to adapt to changing circumstances. So if demand for a particular house type or location shifts, or a developer threatens to pull out of a project, the consortium can bring in replacement schemes. It's all about managing risk effectively for partners' mutual benefit.

Further information

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