

# Housing Association Resource for Investment Scheme (HARIS)

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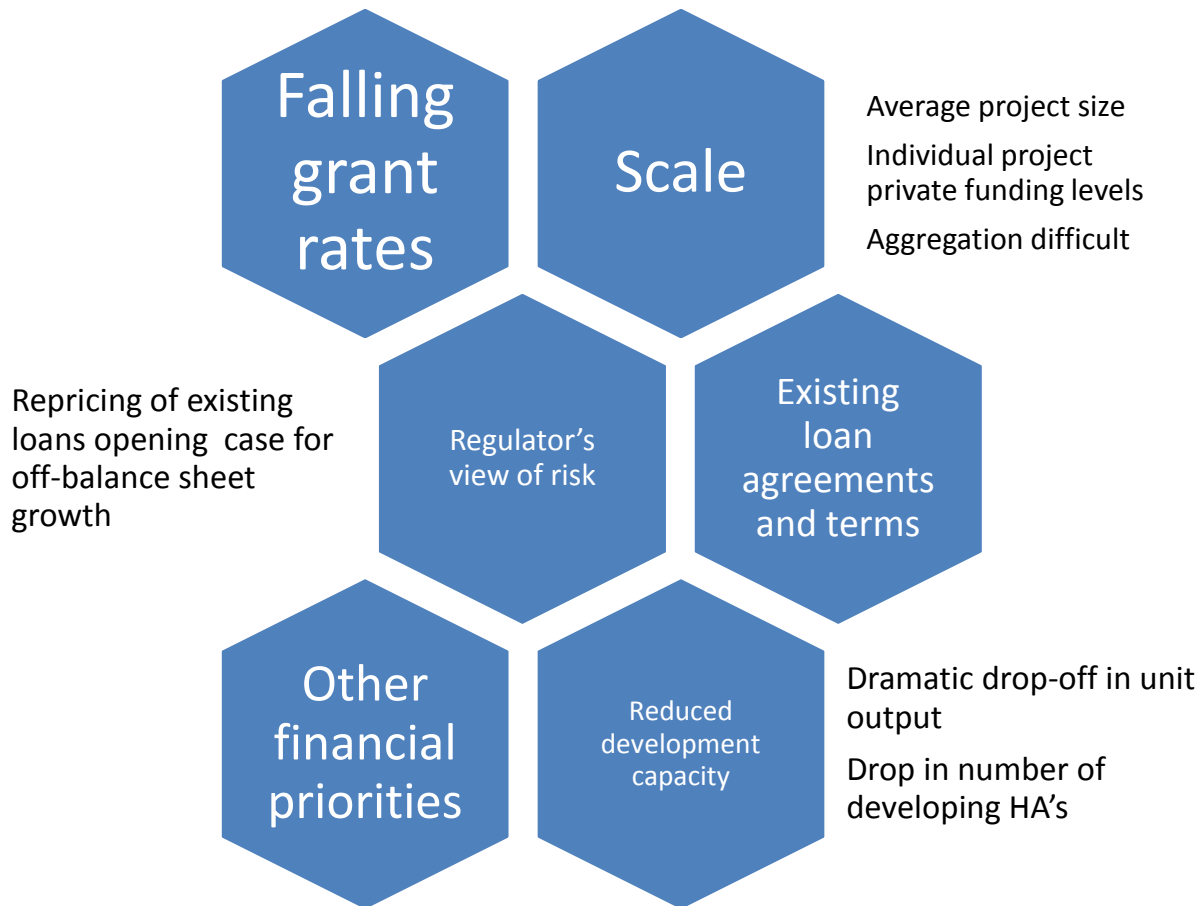
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# What does our sector look like?

- 280,000 homes for rent,
  - plus shared homes, part ownership and factoring
- 11% of all housing in Scotland
  - 46% of all affordable rented housing
- 150 HAs and co-ops
  - Range of sizes: 400, 4000, 40,000. Typical around 1800.
  - Roles vary
    - Very general to very specialised
    - Very local to national, across Scotland
  - All registered social landlords (RSLs) regulated by the Scottish Housing Regulator therefore comfort to investors
- Strong track record for innovation and reputation good
  - Demand is strong

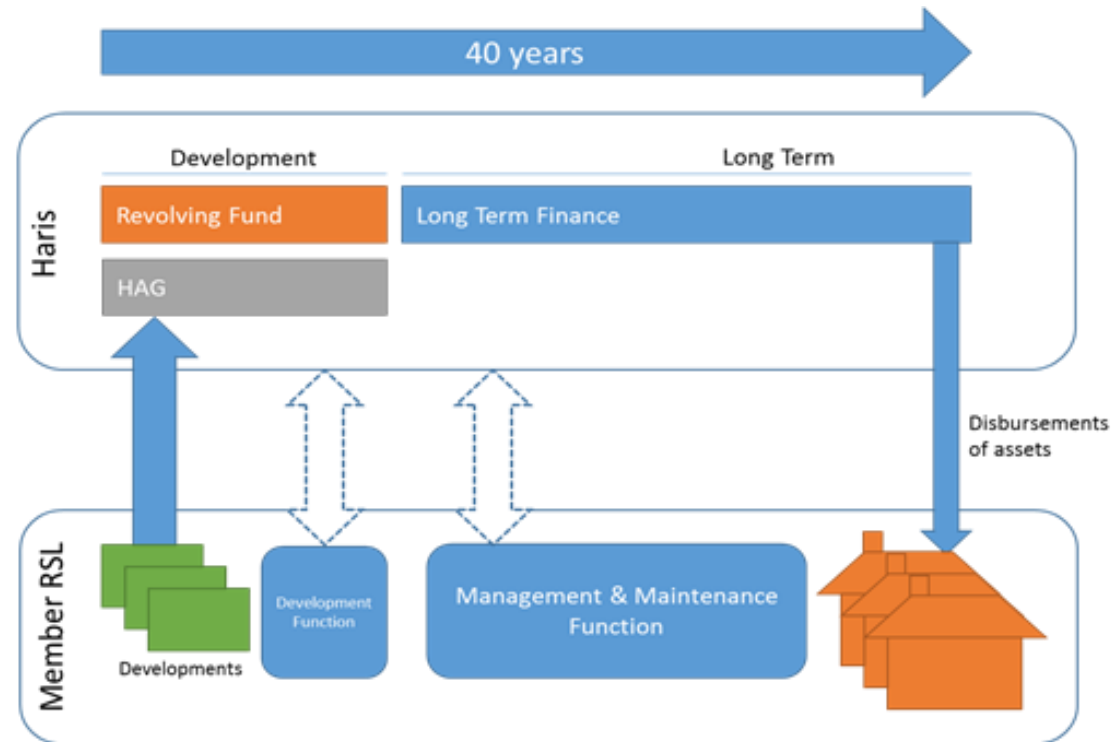
# Sector challenges



- Housing a political priority
- Support for social housing
- Housing need continues to rise
- Most HA's want to do more but are limited
- Challenging unit target
- Councils want HA's to do more if they can
- Subsidy changes
- **BUT** funding constraints remain

# What is HARIS?

- RSL, charity HARIS owns homes
- Members put projects to HARIS for approval in 2 stage process
- HARIS assesses project viability within its model
- HARIS builds significant number of homes over 5 year period
- Partner RSL develops, manages and maintains on Devt Agreement and M and M Agreement
- HARIS accesses private finance at a scale likely to be of interest to big funding institutions
- Modelled on 2000 units requiring £110m of long term money



# Why might EIB be interested?



- Safe investment in a sector which is enormous force for good
  - Never been a lending failure
  - HARIS an investable prospect with index-linked rental stream
  - HARIS will benefit from reassurance of regulation as an RSL
- Support of Scottish Government
  - Sector vehicle an early priority of Government's Housing Delivery Plan
- HARIS offers a unique funding opportunity to:
  - Support projects that contribute to growth and employment
  - HARIS vision, purpose shows strong synergies with EIB lending aims
- HARIS is ready to go:
  - Legal structure, Governance, Agreements well advanced
  - Financial model that works
- HARIS sustains its association members by:
  - Employing their development and asset management skills
  - Investing In HARIS means 'investing' in member associations but only one due diligence process

# Why does it matter?

- **More than just housing**  
Potential to change lives for the better, health, economic and educational benefits  
Recent report £3.25 SRIO for every £1 invested in social housing
- **Housing associations as community anchors**  
Support, care, regeneration, employment training, supporting the development of local social enterprises, money, energy advice services
- **HARIS – a unique model**  
Design excellence  
Opportunity for more award-winning low-energy homes  
Place-making track record of the member associations  
Provide homes that meet the highest possible design and quality standards within acceptable cost limits  
Interest from NHF and others





# Thank you

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