

# DEVELOPMENT FINANCE | TODAY



**L**arge corporate companies have the capability to provide affordable homes at scale, according to a London-based housing developer.

At a recent industry event, it was highlighted that it shouldn't solely be down to the development industry to solve the housing shortage, but that large corporate companies should be responsible for delivering homes for their workers.

Since then, one specialist finance broker offered pros and cons on the idea.

“In our view, there are several reasons why large companies should not be required to provide permanent homes for their employees,” said Sam Le Pard, adviser at Arc & Co.

“In most cases, this would be hard to implement and generally undesirable.

“However, there are several reasons why large companies may choose to provide some form of accommodation for their employees, especially when travelling across the country.

“The greatest beneficiaries of this corporate-sponsored accommodation will likely be professional serviced accommodation providers.

“In America, serviced accommodation options are popular for professionals travelling to their places of work across the country.

“This may be an area for future growth in the UK.

“However, as the UK is much smaller, it is unlikely that domestic providers will ever benefit in the same way.”

Richard Skellett, founder of Allied Worldwide, believed that large corporates should provide homes or at least assisted housing in the future.

“I also believe that smaller companies can also do so as it funds itself.

“It’s important today to have a much closer relationship with employers and employees.

“Assisting with housing can increase the disposable income to be spent, which benefits the economy as well as the employee.

- [Co-living 'definitely has its space in the millennial marketplace'](#)
- [Lidl looks to support development of over 3,000 new homes](#)
- [Google acquires Bolands Quay campus](#)

“The UK government should be doing more to support this.”

Martin Bellinger, executive chairman at Guildmore, added: “As we have seen with [Lidl’s plans to build thousands of new homes and community facilities](#), large corporate companies have the capability to provide affordable homes at scale.

“This should be further encouraged, as there is a serious risk of workers being priced out of their own neighbourhoods while house prices and rents continue to rise.

“Incentivising companies to develop affordable flats close to employees’ workplaces could help to tackle the housing deficit.

“There are plenty of unused brownfield sites in London that are ripe for development and unlocking their potential could result in a huge increase in new high-quality affordable homes.

“However, this can only be achieved through greater collaboration.”

Stephen Burns of Adapt Finance said that he couldn’t see how either the employer or employee would benefit.

“Obviously, we would need to understand the definition of a ‘large corporate company’, but the cost per property/person would far exceed providing other housing-related benefits, be it financial assistance, more thoughtful sourcing of workplace and even working hours to suit families or missing the ‘rush hour’ twice each day.”

Roxana Mohammadian-Molina, chief strategy officer at Blend Network, said that she could see the appeal of this idea from an employer’s point of view, at a time when attracting and retaining talent was becoming increasingly difficult.

“This also fits in with the **emerging trend of ‘community living’** we have seen in recent years, whereby professionals share accommodations that comprise loads of shared spaces and minimal private quarters.

“In recent years, we have certainly seen the emergence of ‘high-end HMOs’ targeted at professional tenants.

“This type of housing is built around the idea of loads of shared spaces such as large, shared kitchens, dining rooms, games rooms etc and smaller private areas.

“I think this concept responds to the needs of today’s professionals and I believe we could see a lot more of this trend going forward.”