

First ‘build now, pay later’ sites revealed

31 March 2011 | Updated: 31 March 2011 10:18 am |

Homes and Communities Agency sites where developers can build homes without first paying for land are being announced today.

Housing minister Grant Shapps will name the first five sites to be included in the ‘build now, pay later’ initiative.

Under the scheme, house builders pay for the land after they have started work on the new homes.

The HCA will be offering six sites for development, five on the ‘build now, pay later’ model (see box, below). It believes they could hold up to 3,000 homes, with the building work creating 18,000 jobs.

Ministers hope the initiative will encourage cash-strapped builders to get on with development.

With house building levels at their lowest peacetime level since 1924, the government is keen to help the construction sector. Mr Shapps will say that making public land available could offer a huge boost to the numbers of homes being built and jobs supported.

Up to 40 per cent of land suitable for housing development is believed to be owned by the public sector, and making it available could deliver 60,000 homes over 10 years.

Last week’s Budget outlined [plans](#) to force government departments to publish plans to release land, with the Ministry of Defence alone expected to sell £350 million of land to deliver 20,000 homes by 2014/15.

Pat Ritchie, chief executive of the HCA, said: ‘We are leading the way by making more land available for development through a range of options that will help developers get on site more quickly and help communities access the homes, amenities and public space needed in their local area.’