

**BSc (Hons) Business Management  
Assignment Brief**

<b>Module Title</b>	Strategic Management		
<b>Module Credit Value</b>	20		
<b>Module Level</b>	5		
<b>Module Code</b>			
<b>Academic Year</b>	2019-2020/		
<b>Lecturer</b>	Adeboye Dada		
<b>Learning Outcomes</b>	<p><i>On successful completion of this module students will be able to:</i></p> <ul style="list-style-type: none"> <li>• Analyse the strategic operating environment for a specific business organisation.</li> <li>• Assess an organisation's long term planning decisions in relation to its competitive advantage.</li> <li>• Determine the strategic choice decision of an organisation in the light of their competitive advantage.</li> <li>• Review the implementation and success of an organisation's strategic management processes.</li> </ul>		
<b>Issue Date</b>	16-09-2019	<b>Submission Deadline</b>	Assignment 1: Essay 05-11-2019 4:00 PM Assignment 2: Case Study 10-12-2019 4:00 PM
<b>Signature of Assessor</b>	Adeboye Dada		

### Module Description

Strategic management is concerned with the actions organisations take to deal with the challenges, opportunities and threats in their external and internal environments. The module starts by examining how organisations analyse their strategic environment in the light of their resources and capabilities. This leads to a review of how they determine their desired objectives, consider the circumstances and events that may affect outcomes, decide upon the actions they need to take to achieve their objectives, implement a strategy and evaluate progress.

### Assessment Tasks

There are TWO assignments to be completed in this module:

- ✓ **Assignment 1** – (Essay) 2000 words +/- 10% **Total Weighting: 50% - Intended Learning Outcomes: 1 and 4**
- ✓ **Assignment 2** - (Case study) 2000 words +/- 10% **Total Weighting: 50% - Intended Learning Outcomes: 2 and 3**

### Assignment 1: Essay

1. In an essay format analyse the strategic operating environment for a specific business organisation of choice. As part of the evidence provided, review the implementation and success of the organisation's strategic management processes. **[100 Marks, 50% weighting]**

### Assignment 1 – Indicative Grading Criteria

	<b>Essay</b>
A* 80%+ High First	An excellent answer will have the following attributes: <ul style="list-style-type: none"> <li>• Exceptionally broad factual and conceptual understanding of how changes in the economy can affect business decisions and the behaviour of firms</li> <li>• Exceptional discussions with various examples of market operations and clearly explain how market structure influences a firm's production and strategic decisions</li> <li>• Exceptionally well structured and well-presented arguments</li> <li>• Correct use of English language</li> <li>• Referencing in correct Harvard Style</li> </ul>
A 70 - 79% First Class	All components will have been submitted, and the remaining criteria will be as noted for the 80%+ marking band. However, in one or two areas, the submission will be open to minor criticism.
B 60 - 69 % Upper Second	<ul style="list-style-type: none"> <li>• A good factual and conceptual understanding of how changes in the economy can affect business decisions and the behaviour of firms</li> <li>• A robust discussion with various examples that evidence market operations and clear explanations of how market structure influences a firm's production and strategic decisions</li> <li>• Clear and logical structure showing progression of ideas and argument</li> <li>• There may be some minor mistakes in presentation or referencing.</li> </ul>
C 50 - 59% Lower Second	All components will have been submitted, and the remaining criteria will be as noted for the 60-69% marking band. However, there will be some gaps in knowledge and analysis.

<p>D 40 – 49% Third Class</p>	<ul style="list-style-type: none"> <li>• A basic level of factual and conceptual understanding of how changes in the economy can affect business decisions and the behaviour of firms</li> <li>• Mainly descriptive with limited evidence of deeper understanding of various examples of market operations and clear explanations of how market structure influences a firm’s production and strategic decisions</li> <li>• Limited evidence of understanding of the forces that are playing key part in shaping the future organisations</li> <li>• Weak structure with some mistakes in grammar or sentence structure.</li> <li>• References may have some style errors.</li> </ul>
<p>F 30 - 39% Fail</p>	<ul style="list-style-type: none"> <li>• The submission has a few major flaws.</li> <li>• A few important sections are missing.</li> <li>• Inadequate explanation and/or analysis.</li> <li>• Major language and referencing errors</li> </ul>
<p>F 0 – 29% Poor Fail</p>	<ul style="list-style-type: none"> <li>• The submission has a large number of major flaws.</li> <li>• Most important sections are missing.</li> <li>• Assignment requirements not met at any level</li> </ul>

## Assignment 2: Case study

### Assignment 2 – Task

Review the Homes England strategic plan 2018 to 2023 carefully. Based on your review, assess long term planning decisions of Homes England in relation to its competitive advantage and determine the strategic choice decision in the light of the competitive advantage.

**The break down below will further guide students in completing this Assignment 2.**

1. A constructive and detailed analytical summary of the case study outlining the significance of the longer term priorities / main objectives. Case summary must evidence the sustainability of the Homes England long term planning between 2018 and 2023. **40 marks**
2. Provide a logical assessment of Homes England long term planning decisions in relation to its competitive advantage and determine the strategic choice decision in the light of competitive advantage **40 marks**
3. Showcase some academic evidences, research and references **20 marks**

**[Total 100 Marks]**

**Note:** To achieve high grades and to clearly meet all the learning outcomes, students are strongly advised to carry out further research in addition to the given case study.

### **Homes England Strategic Plan 2018 – 2023 Case study**

As a government's housing accelerator our role is to ensure more people in England have access to better homes in the right places. To make this happen we intervene in the market to get more homes built where they are needed. We accelerate delivery, tackle market failure where it occurs and help to shape a more resilient and diverse housing market. We work in collaboration with partners who share our ambition. These include:

- local authorities
- private developers
- housing associations
- lenders
- infrastructure providers

Our activities are always in response to local needs and robust leadership ensures we deliver best value for money in all of our interventions, including those delivered with partners. Within the next few years, we will have invested over £27 billion across our programmes. Over the next five years we'll help more people in England to access better homes in the right places by:

- supporting the affordable housing market
- providing investment products, including for major infrastructure
- unlocking and enabling land
- delivering home ownership products, such as Help to Buy
- supporting modern methods of construction (MMC)
- addressing the barriers facing smaller builders
- providing expert support to priority locations

### **Our offer, Local authorities, places and Private developers**

We have an ambitious vision to make the housing market work. But we cannot deliver this alone. That's why it's our job to work with partners across the sector. We'll make the following commitments to our partners and ask that you work with us to deliver the homes England needs. We know that there are local obstacles to delivery and our activity will be guided by your plans, insight and leadership. Our infrastructure investment can unlock new sites and we'll support the most ambitious local authorities in turning their visions into reality. For example, by sharing our expertise and professional skills, brigading our resources and through schemes such as the Garden Towns and Villages Programme. We'll also make our procurement frameworks available to help you access the specialist services you need to accelerate the supply of new homes. In return, we ask that you make housing delivery a top priority, particularly in areas of England with the greatest need, by continually developing ambitious plans. We also encourage you to work with one another to share best practice and, where appropriate, partner for delivery.

In the housing market, we'll seek to boost:

- supply
- productivity
- innovation
- quality
- skills
- the use of MMC

We'll also help shape a more diverse and resilient market. Our investment will help smaller builders scale up so that they can access funding privately in their next round of expansion. We'll also unlock and enable sites for the full spectrum of house builders and directly deliver enabling infrastructure where necessary. In return, we ask home builders to commit to delivering the supply that local areas need at pace, and to building high quality homes and developments. We also ask that home builders invest in the next generation of the workforce through apprenticeships and skills training.

### **Housing associations, Lenders and institutional investors**

We'll continue to introduce greater flexibilities over how and when we invest in affordable housing, including through further strategic partnerships with ambitious providers. In return, we ask housing associations to be more ambitious in how they use their own resources and capacity to significantly increase housing delivery. Our investment team will offer greater access to projects which increase supply and/or regenerate priority places. We're also open to creative options for providing long-term, low-risk investment opportunities. In return, we ask that you be more active in addressing the housing crisis, leveraging your significant funds and expertise to deliver new high-quality homes.

### **Infrastructure providers, Buyers and renters**

We'll collaborate with you to make sure that the delivery of transport, utilities, social and digital infrastructure is aligned with delivery of housing. We'll work together to plan for and take advantage of technological advances such as autonomous vehicles and smart cities. In return, we ask that you think about housing delivery when creating your plans, and collaborate with us so that we can coordinate delivery together.

We'll ensure that you have better access to decent and affordable housing. By providing loans to buyers and grant funding to registered providers, we'll support ownership and rental options such as Help to Buy, Shared Ownership, Affordable Rent and Social Rent. We will also continue to work with Ministry of Housing, Communities and Local Government in its ambition to tackle rough sleeping, by providing appropriate accommodation for rough sleepers and those currently living in hostels or refuges.

### **Our mission and objectives**

Our mission is to intervene in the market to ensure more homes are built in areas of greatest need, to improve affordability. We'll make this sustainable by creating a more resilient and diverse housing market. We'll:

- unlock public and private land where the market will not, to get more homes built where they are needed
- ensure a range of investment products are available to support housebuilding and infrastructure, including more affordable housing and homes for rent, where the market is not acting
- improve construction productivity
- create a more resilient and competitive market by supporting smaller builders and new entrants, and promote better design and higher quality homes
- offer expert support for priority locations, helping to create and deliver more ambitious plans to get more homes built
- effectively deliver home ownership products, providing an industry standard service to consumers

## **Why we're needed – Competitive advantage**

England does not have enough homes in the right places. This means that housing is unaffordable in some places and unsuitable in others. The reasons for this include:

- a shortage of land available for development
- a lack of finance available for major infrastructure
- low productivity growth in the construction sector
- insufficient market diversity

Through each of our 6 strategic objectives, we're committed to tackling the underlying causes of England's housing crisis and ensuring that more people have access to a home they can afford. There is a shortage of land available for housing, particularly in the least affordable areas. Over many years there has been a lack of viable and developable land available for housing. This is one of the key reasons for the undersupply of homes. Yet only around 11% of England is developed and only a fraction of developable land would be needed to significantly increase supply. For example, there are 26,000 hectares of brownfield land available, with capacity for 1 million homes. In addition, central and local government owns surplus land with capacity for over 160,000 homes. However, a combination of fragmented land ownership, planning uncertainty, remediation and servicing costs, and a lack of strategic infrastructure mean that land is still a barrier to increasing home building. This is why we'll unlock public and private land where the market will not, to get more homes built where they are needed.

## **Investment, including in major infrastructure, is often required to unlock and support the development of new and affordable homes**

Too often the availability and terms of finance, especially for parts of the construction sector that are considered higher risk and less commercially viable, constrains housing delivery. Since the global financial crisis many of our partners have reported difficulties accessing capital. In particular, there has been little commercial lending to smaller house builders, and where it does take place, it is often on highly restrictive terms. Equally, a lack of coordination and commercial appetite for investing in strategic infrastructure can constrain housing development. Despite the continued growth of the private rented sector, attracting institutional investment will remain difficult until confidence in the sector grows. Housing associations also need funding stability to continue to leverage private finance and increase the delivery of new affordable homes. This is why, where the market is not acting, we'll make a range of investment products available to support housebuilding and infrastructure, including more affordable housing and homes for rent.

## **Productivity growth in the construction industry has been low, constraining the capacity of the sector to deliver more and better homes**

For too long, the construction industry has broadly followed a business-as-usual model.

Productivity and innovation growth has been low for the past 25 years and continues to lag behind the UK economy as a whole. Based on current entrant levels, the construction sector could see a 20 to 25% decline in the workforce by 2026, with skills shortages particularly acute in traditional areas of construction such as brick-laying and plastering. The increase in housing

completions in recent years has magnified this problem, with a shortage of construction and professional skills alongside supply limits on traditional building materials. At the same time, while there is increased interest in modern methods of construction (MMC), take up is being held back. This is due to a number of challenges, including limited production and skills capacity. This is why we'll improve construction productivity.

### **The housebuilding market is increasingly made up of a small number of builders, meaning there is insufficient diversity, competition and capacity**

A study by the Home Builders Federation found that in 1988 more than 12,000 SMEs were responsible for nearly 40% of all new homes. In 2017, there were only around 2,500 SMEs active in the sector, responsible for just 12% of new homes. The financial crisis exacerbated this trend, meaning England is now increasingly dependent on a small number of big house builders. We'll continue to work with big house builders, who play an important role on large and complex sites and who can support industry innovation with their greater resources and influence. However, the big house builders alone will not be able to deliver the homes that England needs and their dominant position can result in less consumer choice in design and the slower build out of sites. There are a number of barriers preventing smaller builders from delivering a greater number of homes including:

- a lack of development finance
- a land market weighted in favour of larger builders
- a complex planning system

This is why we'll create a more resilient and competitive market by supporting smaller builders and new entrants. In addition, we'll work with house builders to promote better design and higher quality homes.

### **Housing is particularly unaffordable in certain parts of England**

This requires us to tailor our interventions so that they address the specific obstacles in local housing markets. Although housing affordability is a problem throughout England it is particularly acute in certain areas. This is most notable in the South East, where the ratio of average house price to average income has reached 10.3. In other parts of England, opportunities for significant growth exist, such as the development of High Speed 2 and new settlements. This is why we'll offer expert support for priority locations, helping to create and deliver more ambitious plans to get more homes built.

### **Millions of households are priced out of the housing market, with the ratio of average house price to income reaching record levels**

Demand for housing (driven up by an increasing population, decreasing household size and improved credit availability) has outpaced housing supply. As a result, England has seen some of the highest house price inflation in recent years and has some of the least affordable areas in the OECD, with an average home now costing almost 8 times more than average earnings. This means millions of younger families and first-time buyers are unable to purchase a home. As a result, owner occupation has gradually declined from a peak of 71% in 2003 to around 63% in 2014, where it has since remained. This trend should be reversed. That is why we'll

effectively deliver home ownership products, providing an industry standard service to consumers.

### **Our impact**

Our impact is measured using the key performance indicators set out below, with relevant targets set against these on an annual basis.

#### **New Homes - Total completed new homes:**

- supported by Homes England
- which are additional to the market
- supported indirectly

**Right places** - Share of funding to the 50% least affordable local authorities by the price to earnings ratio.

**Value for money** - Total economic benefit provided.

**Type of homes** - Total affordable completed homes supported by Homes England and total households supported into home ownership by Homes England.

**Shaping the market** - Share of transactions with low to medium volume house builders. Share of supported completions using modern methods of construction. Average Building for Life 12 score for supported completions.

### **Objective 1: Unlocking land**

We'll unlock public and private land where the market will not, in order to get more homes built where they are needed. A lack of land available for housing, especially in the least affordable areas, has been one of the key reasons for England's undersupply of housing. Only around 11% of land in England is developed. A combination of fragmented land ownership, protective land use designations, a lack of infrastructure and other local barriers to development mean that we're not delivering sufficient land to meet England's housing need. The government has introduced a range of measures to stimulate greater private sector land supply through the planning system. Reforms, beginning with the Housing White Paper and culminating in the revised National Planning Policy Framework, include a new standardised approach to assessing housing need and maximising the use of brownfield land. These have been introduced against an improving planning environment. In the year ending June 2018, the planning system granted permission for 351,700 new homes, up 6% on the year ending June 2017 and up 26% on the year ending June 2016. For the housing sector to sustainably deliver 300,000 homes a year on average, a long-term pipeline of developable land is needed. That is why we'll be more active in enabling land to come forward for housing, especially in the least affordable places.

By acting as a master developer, and using our £1.03 billion Land Assembly Fund, we'll acquire challenging sites that the private sector can't progress without public sector intervention. We'll also acquire sites which are not progressing into production on a commercial basis. For example, intervening where landowners cannot collaborate effectively, or where planning and technical challenges are beyond the appetite of the private sector. Once we've acquired land, we'll use our resources and expertise to bring these sites to market, supporting both major developers and small builders.

We'll also control a significant amount of public sector land. We have a responsibility to make best use of this and we support the government's ambition to release surplus public sector land for housing. So, we will:

- be transparent about our landholdings and act commercially in bringing land to market
- hold land for no longer than necessary, making sure that it is disposed of to support local plans and ambitions
- dispose of land on terms that promote early development, economic growth and achievement of the government's diversification objectives

In addition, we're significantly increasing our partnerships with other government departments to further support the release of surplus public land. Through our Small Sites Fund, we'll also support local authorities and other government departments, as well as the private sector, to unlock land and bring it to market. Our Local Authority Accelerated Construction programme will help to increase the speed of construction and build out, and encourage more widespread use of MMC and smaller builders on publicly owned land.

**2018 to 2020 priorities** - Our priorities are to:

- progress enabling infrastructure works on major developments at Northstowe and Burgess Hill
- acquire land and invest in enabling infrastructure to bring forward developable sites where the market will not, using our £1.03 billion Land Assembly Fund
- continue disposing of our surplus public sector land holdings under the government's Public Sector Land programme 2015 to 2020
- drive forward the delivery of public sector land by working with other government departments, including through land transfers and partnership working
- pilot a direct commissioning contracting approach under which risk and reward is shared with partners – in return for a significant increase in the pace of delivery – to deliver over 1,300 starts on seven sites in the next 2 years
- accelerate delivery on our land by incorporating a requirement to use MMC into our leases, and by increasing our collaboration with registered providers, smaller house builders and build-to-rent providers to drive forward sites with a wider tenure mix
- improve design quality through the use of Building for Life 12 and other tools

**Longer term priorities** - Our priorities are to:

- deliver at least 2,000 starts on site by March 2023, 4,000 starts a year by the mid-2020s and 23,000 completions by March 2030 through the Land Assembly Fund – this fund should be self-financing by March 2023
- unlock public and private land with capacity for up to 27,000 homes by funding on-site infrastructure and land remediation on small sites through our Small Sites Fund
- unlock surplus local authority land with capacity for up to 32,000 homes, by investing in infrastructure and enabling works through our Local Authority Accelerated Construction programme – in return, we will seek to secure commitments from local authorities to progress sites at pace and encourage the use of MMC
- formalise and implement new partnering agreements with other government departments to support an increase in the disposal of surplus public sector land for housing

## **Objective 2: unlocking investment**

We'll ensure a range of investment products are available to support housebuilding and infrastructure, including more affordable housing and homes for rent, where the market is

not acting. Developers of new homes face a range of issues in attracting the investment needed to increase delivery. We'll target our money, where possible in partnership with private financiers, to address this. Alongside the uncertainty caused by the restrictive planning system, a key challenge facing smaller house builders is their ability to access private finance. That is why, in addition to providing infrastructure loans, the £4.5 billion Home Building Fund will provide development finance to developers of all sizes. We'll also invest in partnerships and joint ventures to increase the pace and scale of our partners' delivery, and generate value for public money. By taking a longer term view and allowing funding to be recycled into future schemes, we're able to support significant schemes that commercial lenders would not.

To increase the delivery of affordable housing, we'll continue to provide grant funding through our Shared Ownership and Affordable Homes Programme. Between April 2011 and March 2015, this delivered over 116,000 new affordable homes outside of London. Additional investment, including for social rent in the least affordable places, has been introduced. Alongside our programmes, greater flexibilities over how and when grant funding can be drawn down are being introduced through our new strategic partnerships with housing associations. These flexibilities will come into our wider programme under continuous market engagement. Moving forward, we want to explore the possibility of developing new approaches to investment for housing associations (including equity, debt and guarantees) in return for ambitious delivery targets.

Improving construction productivity is another of our key aims, so we'll encourage developers to use MMC and increase the capacity of the off-site manufacturing industry, including through our provision of development finance. In addition, we know that unlocking significant housing growth requires upfront infrastructure provision. Our £5.5 billion Housing Infrastructure Fund will provide grant funding, alongside our wider expertise, to local authorities to bring forward land they could otherwise not develop. Over the next five years we will be more targeted with our interventions, identifying priority places where homes are least affordable and where increased investment can unlock delivery.

2018 to 2020 priorities - Our priorities are to:

- consider further proposals for Strategic Partnerships with housing associations – looking at greater flexibilities over how and when grant funding can be drawn down through our Shared Ownership and Affordable Homes programme, working towards the delivery of at least 130,000 affordable housing starts by March 2022
- deliver our share of the £163 million national Community Housing Fund to increase the number of homes delivered by the community-led housing sector
- provide up to 879 bed spaces for rough sleepers and those currently living in hostels or refuges by 2021 through the £44 million Move On Fund
- provide development and infrastructure finance to home builders of all sizes through the £4.5 billion Home Building Fund
- work with the Department of Health and Social Care to allocate up to £125 million additional funding to financial year 2020 to 2021, through the Care and Support Specialised Housing Fund – this will be used to develop new affordable homes which meet the needs of older people and disabled adults
- provide grant funding, through the Social Sector ACM Cladding Remediation Fund, for the removal and replacement of unsafe aluminium composite material (ACM) cladding systems

on buildings 18 metres tall or over, owned by local authorities and registered providers (in London, this fund is administered by the GLA)

- work with local authorities to complete funding clarification, enter into contract and make the first payments on successful Marginal Viability Funding bids under the Housing Infrastructure Fund
- co-develop bids shortlisted for Forward Funding under the Housing Infrastructure Fund
- provide development finance to smaller builders through the Housing Growth Partnership and Housing Delivery Fund

### **Longer term priorities - Our priorities are to:**

- deliver at least 130,000 affordable housing starts by March 2022 through the Shared Ownership and Affordable Homes Programme, including at least 12,500 homes for social rent in areas where homes are least affordable
- continue to provide funding for strategic infrastructure to local authorities through the Housing Infrastructure Fund
- continue to provide development and infrastructure finance through the Home Building Fund, Housing Growth Partnership and Housing Delivery Fund
- explore a range of potential investment options – grant, debt, equity and guarantees – to ensure we offer the right mix of financial interventions to most effectively unlock development

### **Objective 3: increasing productivity - We'll improve construction productivity**

The housebuilding construction industry is facing significant challenges in terms of productivity, workforce, skills and materials. If these challenges are not addressed, the industry will lack the capacity to deliver the infrastructure and homes that England needs. Skills shortages already exist in traditional areas of construction and, based on current levels of new entrants, we're likely to see a 20% to 25% decline in the workforce within a decade. This comes on the back of years of low productivity growth in the sector. While there has been some improvement in construction productivity over the past 5 years, it remains low and continues to lag behind the UK economy as a whole. Traditional methods of house building have barely changed in the last 100 years and the rate of modernisation has not kept pace with technological innovation in other sectors of society.

We must embrace change to improve productivity and reduce the impact of the declining workforce. MMC has the potential to be significantly more productive than traditional methods of construction and greatly increase the pace of delivery. It can also improve the quality of construction, address labour and materials shortages and deliver a number of additional benefits such as improved energy efficiency and health and safety. As a result, developers are already introducing MMC. However, the MMC industry is currently immature with limited production capacity and supply chains. It requires stimulus if it is to evolve further. We will support the uptake and development of MMC through a range of interventions. We'll incorporate MMC into our building lease disposals to demonstrate a range of MMC products by supporting pilot projects on Homes England land. We'll also encourage partners to use MMC through our provision of development finance to developers. Our Local Authority Accelerated Construction programme will also encourage more widespread use of MMC to help increase the speed of construction and build out. In addition, the government's industrial strategy has committed to building the skills of the future

workforce. We're engaging with the Department for Education and Ministry of Housing, Communities and Local Government to develop modern construction skills by increasing the number of skilled apprenticeships.

**2018 to 2020 priorities** - Our priorities are to:

- incorporate MMC outcomes into our contracts, both for land and investment
- support pilot projects where there is developer interest in testing MMC to learn lessons and understand costs
- Encourage developers to use MMC and increase the capacity of the off-site manufacturing industry, including through our provision of development finance
- develop and implement a consistent approach to measuring the impact of MMC in partnership with industry

**Longer term priorities** - Our priorities are to:

- capture and disseminate best practice and knowledge of MMC across the industry and encourage uptake by house builders
- work with the Construction Leadership Council, other industry leaders and developers to improve the understanding and uptake of MMC

**Objective 4: driving market resilience**

We'll create a more resilient and competitive market by supporting smaller builders and new entrants, and promoting better design and higher quality homes. The house building market is increasingly made up of a small number of major house builders. A study by the Home Builders Federation, found that in 1988 more than 12,000 SMEs were responsible for nearly 40% of all new homes. Today, only around 2,500 SMEs are active in the sector, with responsibility for just 12% of new homes. The resulting lack of competition has led to low levels of innovation, with relatively homogeneous homes being built. There are a number of barriers preventing smaller builders from delivering more homes. A 2017 survey by the Federation of Master Builders found the top 2 constraints to delivery are a lack of finance and viable land. We're addressing these challenges.

We'll continue to provide short-term development finance for smaller and custom builders through our £4.5 billion Home Building Fund. We'll also continue to invest in lending partnerships, such as the £1bn Housing Delivery Fund with Barclays, to improve the availability of credit to smaller builders, and increase our investment with Lloyds Bank in the Housing Growth Partnership. We've already committed over £1.1 billion of development finance – including part of the additional funding allocated at Autumn Budget 2017 – to deliver more than 55,000 homes, with over 96% of the funded schemes supporting smaller and custom builders and innovators. We're also considering a range of financial support including equity investment and guarantees to support the sector. We'll also support smaller builders to access land. Often, small sites require upfront financial support to unlock them for development. We'll support this through the Small Sites Fund. Where we own sites which are too large to be developed by smaller builders, we'll look for opportunities to create smaller parcels which better suit their capacity.

In addition to this support, we'll promote good design across the sector. The revised National Planning Policy Framework (NPPF), published in July 2018, embedded high-quality design in the planning process and ensured that local authorities use the appropriate tools for assessing design. Our main focus over the next 5 years will be to utilise and promote design quality assessment tools to ensure that we deliver high-quality schemes.

### **2018-20 priorities - Our priorities are to:**

- provide up to £2.5 billion development finance to smaller builders who are unable to access funding from banks through the £4.5 billion Home Building Fund
- launch a Housing Delivery Fund with Barclays to provide £1 billion of development finance to increase the pace and volume of housing delivery and support smaller builders
- increase our co-investment with Lloyds in the Housing Growth Partnership to provide up to £220 million of equity finance for smaller builders
- improve opportunities for smaller builders to access our land, and introduce simpler tender and legal documents on smaller sites to make the bidding process easier
- adopt Building for Life 12 as a tool to improve the design of new communities through the activities within our Land programmes

### **Longer term priorities - Our priorities are to:**

- improve how smaller builders access our land and development finance
- consider extending the support provided through the Home Building Fund to include the provision of finance for housing development on land which is at the pre-planning stage
- bring more small sites to market by unlocking public and private land with capacity for up to 27,000 homes through our Small Sites Fund
- explore opportunities for removing the planning burdens faced by smaller builders on more complex sites
- incorporate design quality assessments across our programmes

### **Objective 5: supporting local areas**

We'll offer expert support for priority locations, helping to create and deliver more ambitious plans to get more homes built. Where places have ambition, potential for growth and a clear plan, we'll combine our tools to partner with them and support delivery. Local housing markets face local challenges, so leadership from local authorities and local enterprise partnerships is crucial. Leaders are often pro-development but their ambition can be frustrated by planning challenges and insufficient infrastructure. This is where we can make a difference by using a tailored mix of land, money, people and powers. We'll help local areas plan for the future and embrace new technologies to meet the changing needs of society. We plan to give places the longer term certainty they need to leverage their own investment, alongside private finance, to increase affordability. In particular, we'll target our interventions in places where high development potential has not yet been unlocked by the market. We already have a track record of delivering major projects in places like Allerton Bywater in Leeds and Cranbrook near Exeter, and we're currently:

- supporting the delivery of major developments including the Northern Arc, Burgess Hill in Sussex, and Northstowe in Cambridgeshire
- supporting local partners in Oxfordshire to deliver their housing deal, which was signed in November 2017

- working with government and local partners in the Oxford-Milton Keynes-Cambridge arc, to set the vision for delivering up to one million homes by 2050
- establishing a joint delivery team with the West Midlands Combined Authority to align our investment and expertise to increase housing supply, increase the proportion of affordable housing, and acquire and assemble land

Over the next 5 years, we'll work with more local authorities with big ambitions to get more homes built.

**2018 to 2020 priorities - Our priorities are to:**

- work collaboratively with local areas to identify and overcome barriers to growth such as infrastructure and planning
- deliver the first stage of primary infrastructure on our land in Northstowe by March 2022, and enter into contract with the first housing delivery partner
- secure approval for the 3,500 home Masterplan and Outline Planning to enable investment in the delivery of the Northern Arc in Burgess Hill – this investment will include enabling infrastructure as part of our role as a master developer of the scheme
- progress the promotion of Ifield as a strategic growth area for a minimum of 3,250 new affordable homes in Horsham, West Sussex
- support the government in the delivery of new Garden Communities
- support the implementation of the West Midlands, West of England, Oxfordshire and Greater Manchester housing deals and the delivery of their outputs
- negotiate new housing deals with areas that experience housing affordability challenges and share ambition for housing growth
- co-ordinate a collaborative government response to the National Infrastructure Commission's report on the Oxford-Milton Keynes-Cambridge arc

**Longer term priorities - Our priorities are to:**

- support the delivery of new settlements, major urban extensions and significant additional housing across the Oxford-Milton Keynes-Cambridge arc, subject to consultation, further analysis and government decisions
- develop a plan for the South East to significantly increase housing delivery across the region by the mid-2020s
- support local authorities' ambition for growth by providing additional professional skills capacity where required
- support joined up housing and infrastructure delivery in major new corridors such as the Thames Estuary
- align the delivery of housing with major transport infrastructure projects such as HS2 and Northern Powerhouse rail where possible
- deliver 300 homes and begin construction on 1,000 town centre apartments, and launch phase 3 at Northstowe by financial year 2022 to 2023
- continue to develop the Northern Arc in Burgess Hill with 500 homes and a major spine road under construction by financial year 2022 to 2023
- begin major infrastructure work and start construction of the first 200 homes in Ifield by financial year 2022 to 2023

**Objective 6: delivering home ownership products**

We'll effectively deliver home ownership products, providing an industry standard service to consumers.

Home ownership is becoming increasingly unaffordable for millions of families across England. Decades of undersupply of housing alongside rising housing demand has seen average house prices increase faster than average incomes. Younger households on average incomes in high demand parts of England feel the impact of this particularly acutely.

Home ownership remains the most popular tenure. Given the choice, 88% of people would choose to buy their own home. Similarly, owner occupiers are far more satisfied with their accommodation, local area and tenure than social or private renters. This is why we'll invest heavily in supporting peoples' home ownership aspirations. We'll reduce the deposit burden faced by prospective home owners by helping them buy with a smaller deposit, buy a share of a home, or save for a deposit by paying a below market rent.

We've already made good progress. By March 2018, the Help to Buy: Equity Loan had supported 169,102 property purchases, including 136,657 for first time-buyers. In a survey, most buyers said that they both started looking for a property to buy sooner than they would have otherwise and that they would not have been able to buy the same property without assistance. For these reasons, the government announced in 2017 that it will invest up to an additional £10 billion in the Help to Buy: Equity Loan to 2021 to help up to 135,000 more people buy new-build homes. The government also announced in Budget 2018 that from April 2021, a new Help to Buy Equity Loan scheme will run for 2 years before closing in March 2023. To ensure future support is targeted at those who need most help into homeownership, the new scheme will be available for first-time buyers only, and for houses with a market value up to new regional property price caps. These caps are set at 1.5 times the current forecast regional average first-time buyer price, up to a maximum of £600,000 in London. The government does not intend to introduce a further Help to Buy Equity Loan scheme after March 2023.

We'll continue to invest in shared ownership and rent to buy through our Shared Ownership and Affordable Homes Programme 2016 to 2021. Since 2010, over 100,000 new homes for affordable ownership have been delivered, including 60,000 for shared ownership, and there continues to be high levels of consumer demand for this stepping stone into home ownership. We'll keep working with our partners, as well as mortgage lenders, to reduce the barriers to entry and encourage them to become more actively involved in growing the scheme further. Furthermore, building on the Social Housing Green Paper, we'll work with our partners to identify how they can help shared owners build up more equity in their homes and progress to full ownership.

Finally, we'll support the Voluntary Right to Buy pilot for housing associations tenants in the Midlands. Right to buy has helped almost 96,000 people living in council housing to buy their homes since 2010. The pilot will test the voluntary agreement with housing associations to extend the scheme to their tenants, in order to enable more people to realise their dreams of home ownership.

**2018 to 2020 priorities-** Our priorities are to:

- strengthen Help to Buy delivery by implementing the changes recommended by the end-to-end review carried out in financial year 2017 to 2018
- provide an industry-leading service to Help to Buy customers, from initial purchase through to loan redemption, including through digital solutions

- work with mortgage lenders to encourage lending on our home ownership products by promoting understanding of them
- agree further commitments to shared ownership and rent to buy through strategic partnerships with housing associations and our wider Shared Ownership and Affordable Homes programme, and raise awareness of the opportunities available and size of the market
- Support the Voluntary Right to Buy pilot in the Midlands to enable housing associations tenants to buy their homes

**Longer term priorities** - Our priorities are to:

- provide shared ownership and rent to buy through the Shared Ownership and Affordable Homes Programme, which will deliver 130,000 affordable housing starts by March 2022
- support people buying shared ownership properties to build up more equity in their homes
- provide continued support to the Help to Buy: Equity Loan programme (by March 2018 over 169,000 homes were completed using this scheme)
- enhance our Help to Buy loan book administration, focusing on value for money

**Achieving our plan - Financial plan**

We're subject to spending controls as set out in HM Treasury's Capital Budgeting Guidance. We work with the Ministry of Housing, Communities & Local Government to establish transparent and robust annual budgets within the context of a multi-year government spending review. The tables set out our agreed budget for 2018-19 and provisional budgets for future years. Budgets beyond 31 March 2021 will be agreed following a forthcoming spending review. All figures are in £000s.

**Land**

Capital financial transactions investment: £5,181

Capital grant investment: £1,557,036

Capital grant income: -£884,906

Programme resource investment: £90,515

Programme resource income: -£127,998

Net budget: £639,828

**Affordable homes (including the Community Housing Fund)**

Capital grant investment: £3,686,244

Capital grant income: -£46,063

Programme resource investment: £5,800

Net budget: £3,645,981

**Investments**

Capital financial transactions investment: £3,740,099

Capital financial transactions income: -£1,054,812

Capital grant investment: £245,234

Programme resource investment: £32,800

Net budget: £2,963,321

### **Housing Infrastructure Fund**

Capital grant investment (over > 3 years): £5,500,000

Programme resource investment: £45,000

Net budget: £5,545,000

### **Help to Buy**

Capital financial transactions investment: £13,869,000

Programme resource investment: £10,500

Net budget: £13,879,000

### **Small Sites Fund**

Capital grant investment: £410,484

Programme resource investment: £1,200

Net budget: £411,684

### **Finance**

Capital grant (admin) investment (year 1 and 2 only): £27,593

Net budget: £27,593

### **Total programme**

<b>Category</b>	<b>Total</b>
Investment	£29,226,686
Income	-£2,113,779
Net budget	£27,112,907

### **Total admin**

<b>Category</b>	<b>Total</b>
Investment	£209,600
Income	-£165,889
Net budget	£43,711

### **Right people, right culture**

The scale of the housing crisis needs a new organisation capable of meeting the challenge. That's why we're strengthening our people, systems and governance. We're recruiting at pace to grow our team of experienced and highly talented staff and to ensure that we have the right technical skills and local expertise. We plan to almost double in size over the next 18 months to achieve this. Our culture is becoming more collaborative, both internally and in terms of working with others outside of the organisation. And we're digitising many of our systems so that, in the longer term, our new digital interfaces will mean that partners can contact us more efficiently. Our governance structure is also being reformed, including clear lines of accountability with the government. We aim to be an organisation that people want to work at for periods in their career, bringing in diverse skills, different approaches and fresh thinking, and then taking strong values and ways of working back out into the sector. We invite industry leaders and experts to partner with us (through secondments and projects) to develop the next generation of diverse, passionate, delivery-focused housing professionals.

### **Digital transformation**

We aim to be a platform for landholders, developers, local authorities and others to work with each other and ourselves. We want to become a marketplace for would-be house builders, connecting them with land and resources. As an organisation it is vital that we continue to embrace technological innovation and adapt to the changing needs of our partners and the market. Over the next 5 years this means we will:

- put in place new technologies to enable modern business process and digital interaction with our stakeholders
- recruit and re-train a new digital team
- launch a website to enable better marketing, communications and stakeholder interaction

### **Equality and diversity**

We have an important leadership role to play on equality and diversity and we're striving to become a role model for the housing sector. We know that we cannot achieve our mission unless we create a workforce that represents and draws on all of the skills of the society we live in and we're proud to be an equal opportunities employer. We want to be an organisation where people feel not only comfortable sharing their true selves but valued for the experience and diversity they bring to work. We've already taken steps to further improve equality and diversity with our organisation. Several networks have been established including:

- the Gender; Black and Minority Ethnic Network
- Disability networks
- our award-nominated LGBT+ Network, 'Build Together'

We want to use the experience and expertise of these networks to improve our organisation, and we're working to launch our new Equality, Diversity and Inclusion strategy in late 2018. We're also developing a Gender Pay Gap action plan and we refuse to speak on all-male panels. We're proud of the work we're doing to improve equality and diversity and, in particular, our 'Excellence in Diversity: Diversity Champion for the Housing Sector' award. We know, however, that we're still on a journey to becoming an agency that exemplifies the best in diversity and inclusion. We're fully committed to achieving this ambition.

### **Managing risk**

Our range of programmes means we're managing a large investment and land portfolio where our exposure is confined to one sector. By virtue of our mission to intervene where the market will not, much of our portfolio is focused on higher-risk borrowers and areas of market failure. Also, providing equity loans to consumers means we have a significant conduct risk responsibility.

### **Economic and credit risk**

We have considerable exposure to the performance of the housing market in the form of loans to developers and equity loans to consumers. Some of this sits within parts of the sector considered a higher credit risk due to it being second charge lending. Robust credit approval processes alongside ongoing portfolio management help mitigate risks relating to recovery of loans. As with other lenders any loans falling outside approved parameters will be subject to remedial action and, where needed, we can exercise our security rights.

### **Operational and delivery risk**

The scale and complexity of our activities is likely to increase in the coming years. The increased risk this presents will be mitigated by strengthening our annual business planning process and recruiting and retaining highly-qualified staff.

### **Land risk**

We own a considerable, diverse and complex portfolio of land and property. The level of intervention needed to market this varies, but some require significant investment, remediation and infrastructure to make them viable. The key risk we face is a failure to recover the value and resource committed to a site. This is mitigated by ensuring all land proposals are robustly reviewed across each relevant business area, including risk, legal, finance and land.

### **Reputational risk**

As a government body, we're subject to a high level of public scrutiny and accountability. Our reputation and credibility are critical to our success. To effectively manage potential reputational and conduct risks, we will be open and transparent in our decision-making and implement robust governance procedures to maintain high behavioural standards. Our risk management framework is designed to provide a disciplined and structured approach to identifying, assessing and managing risk. We're also committed to working with the Ministry of Housing, Communities and Local Government to ensure our approach is aligned with their risk appetite and risk management framework. First-line programme delivery and corporate staff own and manage risk within their specific business areas. Risk directorate develops and owns the risk management framework, provides second line credit approval and assures the first line risk controls. Internal audit provides the third line of objective assurance which is independent of both the business and the risk directorate.

- **End of Case study** -

Source and link to the case study: <https://www.gov.uk/government/publications/homes-england-strategic-plan-201819-to-202223/homes-england-strategic-plan-2018-to-2023>

### **Assignment 2– Indicative Grading Criteria**

	<b>Case Study</b>
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<p>A 80%+ High First</p>	<p>An excellent answer will have the following attributes:</p> <ul style="list-style-type: none"> <li>• An excellent assessment of Home England long term planning decisions in relation to its competitive advantage and constructive determination of the strategic choice decision of Home England in the light of their competitive advantage</li> <li>• A constructive and detailed analytical summary of the case study outlining the significance of the longer term priorities / main objectives. Case summary must evidence the sustainability of the Homes England long term planning between 2018 and 2023</li> <li>• Extensive reading of primary and secondary sources</li> <li>• Exceptionally well-structured and well-presented report</li> <li>• Full reference accurately in the Harvard style of referencing.</li> </ul>
<p>A 70 - 79% First Class</p>	<p>All components will have been submitted, and the remaining criteria will be as noted for the 80%+ marking band. However, in one or two areas student may not have demonstrated the skills as noted in band 80%+</p>
<p>B 60 - 69 % Upper Second</p>	<ul style="list-style-type: none"> <li>• A good assessment of Home England long term planning decisions in relation to its competitive advantage and constructive determination of the strategic choice decision of Home England in the light of their competitive advantage.</li> <li>• Constructive and detailed analytical summary of the case study outlining the significance of the longer term priorities / main objectives. Case summary must evidence the sustainability of the Homes England long term planning between 2018 and 2023</li> <li>• Identify the challenges and provide recommendations for alternative solutions</li> <li>• A well-structured and coherent work written in correct English.</li> <li>• Full list of references with minor errors/omissions.</li> </ul>
<p>C 50 - 59% Lower Second</p>	<ul style="list-style-type: none"> <li>• All components will have been submitted, and the remaining criteria will be as noted for the 60-69% marking band. However, there will be some gaps in knowledge and analysis.</li> </ul>
<p>D 40 – 49% Third Class</p>	<ul style="list-style-type: none"> <li>• Weak assessment of Home England long term planning decisions in relation to its competitive advantage and constructive determination of the strategic choice decision of Home England in the light of their competitive advantage</li> <li>• A limited and not in depth analytical summary of the case study, the significance of the longer term priorities / main objectives may be absence. Case summary must evidence the sustainability of the Homes England long term planning between 2018 and 2023</li> <li>• Mainly descriptive case study summary, work with disorganised or fragmented analysis.</li> <li>• Lack of wider research</li> <li>• Limited evaluation of case study constraining explanation of how market imperfections and market failure can affect entrepreneurship activity, labour and financial products with relevant example</li> </ul>

	<ul style="list-style-type: none"> <li>• Only able to make basic recommendations not demonstrating in-depth understanding</li> <li>• The work will have some noticeable errors in the English Language.</li> <li>• References and citation of all the sources not included</li> </ul>
F 30 - 39% Fail	<ul style="list-style-type: none"> <li>• The work shows an insufficient level of factual or conceptual understanding of the subject or case study.</li> <li>• The work is almost entirely descriptive showing little or no evidence of analysis and with unsubstantiated opinions.</li> <li>• Structure very weak or lacking</li> <li>• Many mistakes in grammar or sentence construction.</li> <li>• Underdeveloped academic style of writing</li> <li>• The references list not complete and not in the Harvard referencing style.</li> </ul>
F 0 – 29% Poor Fail	<ul style="list-style-type: none"> <li>• Largely inaccurate or irrelevant material.</li> <li>• Little or no evidence of factual or conceptual understanding of the subject or of reading or research.</li> <li>• The work shows no evidence of analysis and contains unsubstantiated opinions</li> <li>• Structure very weak or lacking.</li> <li>• Many mistakes in grammar or sentence construction.</li> <li>• Citations and bibliography incorrect or missing.</li> <li>• The work may be incomplete or too brief.</li> </ul>

### Completing the tasks

In order to complete the Assignments 1 and 2, you will need to research different information sources such as textbooks, journals, articles and the internet. You are also required to develop skills in analysis and synthesis of information. Analysis requires you to critically examine different aspects of a topic and identify important issues. Synthesis requires you to summarise the information you have analysed in a clear and coherent manner. Make use of information on assignment preparation and command verb usage in your Moodle Platform.

### Helpful information

#### Core Texts

- Johnson, G., Whittington, R., Scholes, K., (2017), *Exploring Strategy: Texts and Cases*. Harlow, Pearson
- Lynch, R. (2018), *Strategic Management*. Harlow, Pearson

#### Additional Texts

- Paul N. Gooderham, Birgitte Grøgaard and Kirsten Foss (2019) *Global Strategy and Management*, Second edition, Edward Elgar Publishing
- Jay Barney and William S. Hesterly (2018) *Strategic Management and Competitive Advantage: Concepts and Cases*, 6th Edition, Pearson.

- Frank Rothaermel (2019) Strategic Management, Solution Manual For Strategic Management 4th Edition, Edition Mc Graw Hill.
- Gilbert, C.G. and Eyring, M.J., (2010) Wie Gründer Risiken managen. Harvard Business Manager: Hamburg.
- Fred R. David (2011) Test bank for Strategic Management - A Competitive Advantage Approach; Concepts and Cases, 14th Edition Mc Graw Hill.
- Harford, T., (2011) Adapt: Why success always starts with failure. Little Brown: London.
- Hamel, G., (2006) The why, what, and how of Management innovation. Harvard Business Review: Boston.
- Kanter, R.M., (2011) Zoom In, Zoom Out. Harvard Business Review: Boston.
- Kanter, R.M., (2012) Enriching the Ecosystem. Harvard Business Review: Boston.

### **Journal Articles will be provided during weekly lectures and uploaded on the college VLE Websites, Journals and other relevant sources of information**

There are hundreds of relevant journals that support this module. Students are encouraged to read widely from sources such as:

- Business Strategy Review
- Harvard Business Review
- Chartered Management Institute Journal
- Strategic Change
- Strategic Management Journal
- Leadership Management Journal

### **Referencing your work**

References to relevant academic theory and research findings should be provided and cited appropriately using the Harvard system of referencing. Example of this referencing style is as follows:

Sillah, D. (2007) 'Screening of TB in the Gambia' *Journal of Epidemiology*, 1 (2), pp.34-56

Author/s name and initials are listed first, followed by year of publication in brackets. Then there is the title of article and the journal where article appears, which is in italics. Finally, state the volume and issue number (in brackets) along with the pages where article can be located. Include at least two in-text citations and references in each assessment criterion. Further information on the Harvard System of referencing is on your Moodle Platform.

**Note: Do not use Wikipedia as a source of reference.**

### **Academic Malpractice**

You are required to work independently when preparing this assignment and you are reminded of the need to avoid the risk (intentionally or unintentionally) of committing academic malpractice. In particular, presenting another learner's work as yours or taking information from any sources without acknowledging the source correctly can constitute academic malpractice. You are expected to submit your work using the **Turnitin** software

that is provided by the school. Please note that your work may be subject to penalties and/or cancellation if academic malpractice has taken place. The Turnitin similarity report can highlight where academic sources have not been referenced appropriately/effectively and this could result in a concern being highlighted around possible plagiarism (one form of academic malpractice where sources have been used without proper acknowledgement). Make sure you read over your work carefully and ensure that all sources of information have been acknowledged to avoid any untoward investigations that would result in a delay in your achievement of the module. Further information on academic malpractice (including plagiarism) and potential consequences is available in your student handbooks

### **Presentation**

Present a document with a word count of 2000 words (+/- 10%) (Essay) and 2000 words (+/- 10%) (Case study evaluation) excluding references, bibliography, images, diagrams, table and appendices. The word count should be stated in the assignment cover sheet and please note you will be penalized for exceeding the word limit. Work must be submitted in a folder, word processed in a suitable format of 12-point font, 1.5-line spacing and pages numbered.

### **Submission**

When submitting your assignment, you must include:

- An Assignment Submission Sheet/ Assignment Front Cover
- Other documents required by your lecturer as evidence of achievement.
- All assignments should be submitted via Turnitin

**Submission deadlines** must be strictly observed. Therefore, disciplined time management is very important when producing this assignment. Failure to meet deadlines will be considered as a failure by non-submission. You will only have the opportunity for one resubmission of a different assignment. Refer to the Student Handbook for more information

**End of Assignment brief.**