

Legal & General, Homes England and Muse recommit to The English Cities Fund to develop 6,600 more homes and deliver against Levelling Up agenda

-Move enables the £200m joint venture to continue to deliver transformational regeneration schemes, including 6,600 new homes and 2m sq ft of innovation and commercial space in high priority Levelling Up areas, beginning with Salford Crescent and St Helens-

Homes England, the Government's housing and regeneration agency, Legal & General and national regeneration business, Muse Developments, have reconfirmed their commitment to their long-standing partnership, The English Cities Fund (ECF), for a further ten years to December 2036. This will enable it to continue to deliver against its mission to transform deprived, urban areas and create exceptional new places across England, tripling its development potential to date.

This commitment will allow for an additional 6,600 homes to be built and enable it to reinvest its capital into new, long-term urban regeneration schemes that will support the Levelling Up of towns and cities, creating places where businesses want to invest, and people want to live and socialise.

As an example, ECF secured a major £2.5bn, 240-acre scheme at Salford Crescent in partnership with Salford City Council and the University of Salford, which will bring over 3,000 homes, alongside up to 1m sq ft of space to innovate and collaborate, 1m sq ft of offices, retail, leisure and a new multi-modal transport hub with active travel at its heart to the city, all set within swathes of green space. A catalytic infrastructure and public-realm project, Salford Rise, which received £13.17m from the first lot of Levelling Up Funding, will deliver a green boulevard in the sky that stretches over Fredrick Road to connect communities across the city to the opportunities the regeneration will create.

Another scheme is the once-in-a-generation, borough-wide transformation of St Helens, starting in the town centres of Earlestown and St Helens itself. ECF has partnered with St Helens Borough Council to bring forward opportunities to sustainably repurpose and regenerate areas across the borough, such as delivering a new market hall, grade-A office space, high-quality, town-centre homes, active transport infrastructure, along with extensive public realm improvements. This vision was bought one step closer to reality in February 2022, when the council's cabinet signed off on the Masterplan Development Frameworks, prior to a planning application later this year.

Together, the regeneration of these two key Levelling Up areas will deliver more than 4,000 of the 6,600 new homes.

Housing Minister, Rt Hon. Stuart Andrew said:

"Regenerating urban areas and transforming brownfield sites into thriving communities is integral to levelling up the country.

"Through the English Cities Fund, the public and private sector are working hand in hand to create high-quality new homes and jobs in areas that need them most.

"I welcome the extension of the Fund as we continue our work across government to spread prosperity and opportunity."

Sir Michael Lyons, chair of ECF, said:

“Our towns and cities are the engine rooms of our economy. By bringing together the investment and regeneration skills of Homes England, Legal & General and Muse Developments, we are uniquely equipped to help in reshaping and strengthening local economies. Our ability to work at pace but with focus on long-term impact makes us an outstanding partner for ambitious communities.”

“We are enthusiastic about the prospects ahead, as we harness the combined potential of public and private sectors to unlock value where it is needed to benefit local people”

Peter Denton, Chief Executive Officer at Homes England, commented:

“The English Cities Fund has a track record of successfully taking on challenging schemes that the private sector alone has not been able to deliver. Bringing together the best of the public and private sector, it has set the benchmark for what good regeneration looks like.

“Reconfirming our commitment to ECF marks a significant step forward as we mobilise our resources to deliver against the government’s Levelling Up agenda, creating vibrant new places, jobs, homes and opportunities across the country.”

Kate Bowyer, Managing Director at Muse Developments, said:

“Since 2001, ECF has been critical in delivering levelling up projects in towns and cities in need, driving tangible, generational benefits to all areas of a community.

“ECF is a unique partnership between the public and private sector that consistently delivers. Extending its life highlights our collective commitment to improving homes, lives and communities, through the delivery of inclusive, connected places.”

Bill Hughes, Head of LGIM Real Assets, said:

“For 20 years the English Cities Fund partnership has been delivering disruptive regeneration – it’s a major example of the impact and opportunity that come as a result of public and private sector collaboration. But, more work is needed to continue to level up our UK towns and cities. The extension of the English Cities Fund will play a key role in ensuring we truly level up and transform those areas most in need. As we extend the Fund we are confident that we will have more opportunities to deliver urban developments which show real imagination, and unlock value for our partners and their communities.”

Notes to editors

The English Cities Fund

The English Cities Fund is a development company set up by three of the UK’s leading regeneration and investment organisations. We work in partnership with the public sector to transform urban areas and create exceptional new places.

The fund brings together the combined expertise and ambition of Homes England, the Government’s homes agency; investors Legal & General; and urban regeneration specialists Muse Developments. Our partnership brings together the best of the public and private sector.

In 2018, we announced the doubling of the fund to £200 million, paving the way for new partnerships and fresh investment into urban areas across England.

Since 2001, we have delivered some of the country's most complex and most successful urban regeneration projects. We're proud to have taken on large, challenging sites in Liverpool, London, Plymouth, Salford and Wakefield and created inspiring new places in the heart of these cities.

Following the expansion of the fund, we are exploring new partnerships with strong public sector organisations to deliver large-scale, mixed-use opportunities.

www.englishcitiesfund.co.uk

About Legal & General Capital

Legal & General Capital (LGC) is Legal & General Group's alternative asset platform, creating assets for Legal & General Retirement and third-party clients in order to achieve improved risk-adjusted returns for our shareholders.

LGC has built its market leading capabilities in a range of alternative assets, delivering depth of resource, track record and intellectual property. Investing in the real economy and creating alternative assets that deliver a tangible societal impact, its purpose is to invest society's capital for society's benefit. LGC's investments have been vertically integrated and include: residential property; specialist commercial real estate; clean energy; alternative credit; and venture capital.

As LGC's capability to create alternative assets continues to grow, it will not only continue to grow its balance sheet alternative assets but also create alternative assets for third party investors. Many of these investors have the same aims, namely to create assets to back pensions with an improved yield or to create assets with strong growth prospects but with low correlation to equities.

L&G has invested around £30bn in levelling-up regional economies, including through major regeneration schemes in Cardiff, Newcastle and Salford. Legal & General recently made a commitment to enable all new homes across its portfolio to operate at net zero carbon emissions by 2030, including Legal & General Modular Homes, CALA Group, Legal & General Affordable Homes, Build to Rent and Later Living.

LGIM Real Assets

LGIM Real Assets is a division of Legal & General Investment Management (LGIM), one of Europe's largest institutional asset managers and a major global investor. LGIM manages £1.4tn in assets (as at 31 December 2021), working with a range of global clients, including pension schemes, sovereign wealth funds, fund distributors and retail investors. LGIM Real Assets has AUM of £.39bn (as 31 December 2021) and is one of the largest private markets investment managers in the UK.

Investing in both debt and equity and across the risk/return spectrum, LGIM Real Assets actively invests in and manages assets across commercial, operational and residential property sectors, as well as infrastructure, real estate, corporate and alternative debt. Taking a long term view in order to future proof its investments, the business continues to lead the industry in ESG performance, considering all environmental, social and governance issues at asset level as well as portfolio level.

Legal & General Group

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.4 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.

Homes England

Homes England is the Government's housing and regeneration agency. We have the appetite, influence, expertise and resources to drive positive market change.

Homes England welcomes partners who share our ambition to challenge the traditional norms and build better homes faster. For more information visit our home page or follow us on Twitter @HomesEngland.

<https://www.gov.uk/government/organisations/homes-england>

Muse Developments

Muse Developments is the UK's leading name in mixed-use development and urban regeneration, with a range of major schemes across the country. Delivering innovative places through collaboration, Muse brings together the best of the public and private sector to deliver transformational change and maximise community benefit. A national developer - with regional operations in Manchester, London, Leeds and Glasgow - Muse is part of Morgan Sindall Group plc, a leading UK construction and regeneration group which operates through five divisions of Construction and Infrastructure, Fit Out, Property Services, Partnership Housing and Urban Regeneration.

www.musedevelopments.com

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