



Sevenoaks District Council Scrutiny Committee

July 2016



Moat – delivering homes, developing communities, making a difference

- Moat is an innovative social business, providing high quality homes and services to over 20,000 homes across South East England
- We house people across various tenures – including social and affordable homes for rent and a very strong focus on low cost home ownership
- Since 2010, we have delivered 2,650 homes with no new grant from government, utilising recycled capital grant from shared ownership sales and staircasing
- Today, we are more heavily reliant on private sector borrowing



2015/16 programme

- In 2015/16 we invested £85m in building new homes across a range of tenures
- 664 homes completed:
 - 122 for social rent
 - 268 for affordable rent
 - 274 for low-cost home ownership
- New homes in the region 2015/16:
 - Kent – 172
 - Sevenoaks - 18



Our ambition is to end housing need

- We will do this by:
 - being focussed on growth
 - being easy to do business with – looking for new partnership opportunities
 - offering the right experience for our customers and being brilliant at doing the basics
 - building on our reputation as an innovative and creative business



Homes in Sevenoaks

- Current homes in the Sevenoaks area 969
 - Discounted or affordable 28
 - Social rented 383
 - Sheltered and supported 80
 - Shared ownership 78
 - Average purchaser age is 36
 - Average value of property is £227,268
 - Average gross household income is £28,649
- Open market shared ownership (2015/16) 7



Development pipeline

- London Road, Sevenoaks £3m
 - Ten 1 bed apartments for shared ownership in partnership with Berkeley Homes
 - Estimated completion December 2018
- St Andrew's Court, Swanley £4m
 - Twenty eight older people's apartments, 1 and 2 bed
 - On site and completion due January 2017



Voluntary Right to Buy

- Due to be introduced by the end of the year
- 5 pilot schemes nationwide
- Findings of a high level of fraudulent activity
- Demonstrably working better in low value areas
- Pilot explicitly excludes homes built under Section 106
- Going forward presumption that housing associations will sell, but be able to exclude certain properties
- Element of portability of the discount, although not clear how this will work
- 3 year timeframe for 1:1 replacements – replacements can be property already in the pipeline. Replacement must be an affordable home, which includes starter homes and shared ownership
- Not HA specific – it's about working together regionally

Shared ownership

- Shared Owners purchase a stake of between 25% and 75% of the property, using a deposit and a mortgage. They then pay a rent of up to 3% of the remaining share, which is owned by the local housing association
- Due to the lower deposits required, shared ownership helps families onto the property ladder – *14 properties in the Sevenoaks area purchased through the re-sales process with a deposit less than £10k*
- Shared owner can then save to buy a further share of the property, in increments of no less than 10%, gradually 'staircasing' up to 100%



Challenges

- Present Government policy for low cost home ownership – between 2016 and 2021, £4.7 billion allocated to deliver:
 - 135,000 homes for Help to Buy: Shared Ownership (88.3%)
 - 10,000 homes for Rent to Buy (6.5%)
 - 8,000 homes for specialised housing (5.2%)
- No grant funding available for affordable or social rent
- Competing products, such as Starter Homes and equity loans
- Affordable homes requirement 40%, 20% of which will be Starter Homes
- Land/property values amongst the most expensive in the UK
- Affordability issues, with those on low to middle incomes being out-priced, having to rent privately or move to cheaper areas



The Vales, The Moor Road, Sevenoaks

