



# Sevenoaks District Council

September 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



# What's changed for HAs?

- 1% year on year rent cut has massively reduced capacity to build
- Increased proportion of Shared Ownership as rent reduces build capacity
- Social purpose still important
- Increased market sale for cross subsidy but increases risk profile
- Partnering SME contractors and developers
- Government housing policy – home ownership centric, welfare reform, reduced grant
- Autumn statement – clarity on Starter Homes product

# What's changed for Developers/House builders?

- 'Majors' pulled back from land market earlier in year – concerns on Starter Homes policy
- SME developers upping output especially outside London and S East on stronger demand
- High sales values drive very heavy reliance on Help to Buy across the board - c40% private sales
- Policy direction on HTB and SHI is very important part of Autumn Statement





# 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
- Meeting LA/partner requirements
- 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



# How can we work together?

- Innovation – we need to think creatively
- Joint Ventures?
- Risk and reward sharing – what's Sevenoaks appetite?
- Funding
- Temporary Housing?/rent guarantees



# The Vales, The Moor Road, Sevenoaks

