Housing Strategy & Enabling Sub Group

MINUTES – Thursday 17th March 2016

Assembly Room, Swale Borough Council, Swale House, Sittingbourne, Kent

**Attending**: Jennifer Shaw, Co Chair and Ashford BC; Liz Crockford, Co Chair and Sevenoaks DC; David Jeffrey, Ashford BC; Aaron Nichols, Medway Council; Sandra Sainsbury, Shepway DC; Chris Knowles, Tonbridge and Malling BC; Rebecca Walker and Zoe Callaway, Swale BC; Hannah Gates, HCA; Rebecca Smith, KHG

**Apologies**: Brian Horton, KHG; Andrew Connors and Tony Stewart, Maidstone Borough Council; Lauren Hemsley & Ashley Stacey, Thanet DC, Jane Griffiths, BPHA; Sarah Lewis, Tunbridge Wells BC; Sharon Donald, Gravesham BC

**Visitors**: Marilyn DiCara, Moat

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| **ITEM** | **Notes** | **Action** |
| **Introductions and Apologies** | Introductions and apologies noted, thanks noted to Swale BC for hosting the meeting. |  |
| **Minutes and Matters Arising** | The minutes were agreed as accurate. Matters arising included:Page 2 – JS advised that local press in Ashford commented about an East Kent Super Council, the ABC CEX has advised staff that there is no news and they will be updated when there is information to share.Page 3 – CK asked colleagues whether referrals for Help to Buy have declined in number, it was agreed that numbers have dropped across the board. LC advised that the HOT at Sevenoaks DC use the Help to Buy criteria to see if applicants to the Sevenoaks DC rented waiting list are eligible and not suited for the shared ownership route, this only happens in Sevenoaks currently.Page 4 – the KHG Seminar is taking place on 20th April at the Kent Event Centre, in Detling.Page 5 – advised that the merger between Circle Housing and Affinity Sutton is going ahead. |  |
| **Shared Ownership – The RP Perspective** | Marilyn DiCara provided the group with a presentation about the Shared Ownership Model from the Moat perspective. Summary Points noted to support the presentation include:* Unknown what the impact of the EU Referendum will have on the housing market going forward
* Continued focus on homeownership from Central Government and there is some appetite from lenders
* RP’s are now looking to future proof their businesses, cross subsidy remains important, there is likely to be a small percentage of the Affordable Rent model, may be none depending on the RP business plan
* Viability on sites remains and issue
* Moat have ambition to push forward with committed targets on delivery
* Shared ownership was mentioned in the budget on 16th March, with more information available for providers and the potential to attract investment into the sector
* £4.1 billion and 135,000 shared ownership homes the funding and target
* New eligibility criteria for shared ownership commences from 1st April 2016
* The income threshold has now increased from £60,000 to £80,000, this new push from Government is to help up to 175,000 households who may currently be residing in rented accommodation.
* The only remaining priority group for shared ownership is the Armed Forces
* A bigger issue for those who want to access shared ownership is not necessarily income but the deposit required, the average income levels for shared ownership experienced by Moat is £34,000
* Service charges will feature going forward with smaller units of accommodation being developed
* Moat are seeing mortgage terms from 30 – 40 years, the latter is rare but has been seen
* There are mixed messages from developers about shared ownership and S106 sites, especially with unknowns around Starter Homes
* Moat generate RCGF and have some difficulty spending it all, they wish to or it will go back to the HCA
* There is a requirement for more mortgage lenders to become on board for the shared ownership model
* Feedback from the RTB pilots is slow so the full impact is not known yet

Questions/Comments:* It is unknown yet but likely that the new ISA mentioned in the Budget on 16th March may assist those looking to access shared ownership
* Planning has an important role to play in the development of sites and implications locally if housing is not allocated or sold to those with a local connection.
* There will be competition in the market, especially on mixed sites with shared ownership and starter homes, what will people want to buy into?
* Existing levels of personal debt will impact on the ability for those living in more deprived areas to have capacity to buy into a model of shared ownership, viability is another issue for sites in some areas of Kent and Medway
* In high cost areas the £250,000 cap on starter homes means that is more likely for shared ownership to be the favoured model of housing development
* There is hesitation for providers to have shared ownership models with perpetuity on rural schemes, this can lead to issues with lending against the property and the obvious restrictions on stair casing
* MD advised that Moat have a dedicated Resales Team regarding shared ownership, in the majority they occur within the 12 week timeframe but some are outside of this, but they are also flexible depending on the vendor, the property type and area. The retention for resales is monitored monthly by Moat
* This year there is an expected increase in resales, up to 220.
* Marilyn is now a member of the National Housing Group (NHG) this group is collecting and looking at data regarding shared ownership and will do this quarterly once the format and collection process is agreed, this could include information about who buys into shared ownership. Tim Wilcox is the Chair of NHG
 | **RS to share the presentation and the Shared Ownership Sheet circulated at the meeting** |
| **KMHS Refresh Update** | There is currently no further work on this, KHG EXB are meeting on 23rd March where outcomes from the Future of Housing briefing will be considered and discussion about the next steps for the strategy, what is the document to look like, a refresh or a different kind of document.  |  |
| **HCA Update** | HG advised that not much news, headlines from budget were starter homes, the money allocated and the new prospectus, this gives local authorities the opportunity to submit and expression of interest to the programme and also the chance for third parties to put in an expression of interest, including green belt land if the local community is on board and engaged.PRS Guarantee Scheme extended to 2017. Stations Regeneration – HCA working with all appropriate partners to bring forward land around stations for housing development and infrastructure. Devolution – there are three new areas announced with the budget and more areas to come forward in the future. The CASSH bid now announced, Ashford BC allocated their bid, the only one in Kent.  |  |
| **KHG Update** | A good majority of work is now focused on the KHG Seminar taking place on 20th April at the Kent Event Centre, with speakers to include Dr Jessica Allen, Public Health specialist, Gavin Smart, CIH and Natalie Elphicke of HiFi is running a workshop session. Places are still available and if you wish to book to contact RS or Jill Pells asap.KHG recently attended a Joint Chief Executives Meeting to discuss outcomes from the Welfare Reform Group meeting that took place in December. Outcomes from the welfare reform meeting and the future of housing briefing were shared with CEX’s along with input from the DWP. Joint Chiefs were animated and very concerned about all the points raised and have asked KHG to update further on certain elements at their away day in June. Work continues with the refresh of the KHG website, this is a new project and is likely to be a joint site with JPPB, more details to follow but the new look website will be an information portal and colleagues will be encouraged to use the website to find meeting information, documents and news updates.  |  |
| **HiFi Update** | Ashford and Maidstone Councils are both part of the HiFi Pilots, to see if councils are Housing Business Ready, this has come through the SELEP, to ensure maximising delivery of homes, taking a commercial approach. Colleagues at Ashford have had to provide plenty of detail and working with Planning, Finance and Housing. There have been site visits and presentations around existing and future sites. HiFi have provided a report and there is a set of criteria to meet with regards to becoming Housing Business Ready. The report provided by HiFi is not yet ready to share.Colleagues involved in the work met on Monday this week but JS unsure what was discussed. The general feedback was that this was a useful exercise for Ashford. When further feedback is available to be shared. Ashford is now Housing Business Ready. LC questioned what the tangible benefit to being HiFi ready was, JS advised that this is about raising awareness and being made aware of opportunities that previously organisations may not have considered, being less risk adverse. The Leader at Ashford BC was involved in this process. JS doesn’t know about how the programme will roll out once all the pilots are completed. |  |
| **Table of Housing Products/Initiatives** | The group agreed that it would be useful to have the area or district/borough council who have worked on or delivered on a particular product on the table. JS advised that will continue to update the table, including the new product mentioned by Marilyn at the presentation today. JS urged colleagues to share information that may need to update the table. | **ALL to note** |
| **Discussion Session** | Feedback from the Future of Housing Briefing, February 2016 – RS circulated the summary notes from the briefing session held in February. LC provided the group with a recap of the session. Satnam Kaur, Deborah White and Steve Nunn each gave a presentation to those attending, these are available upon request. LC advised the group about discussions about closing waiting lists, how the living wage will impact on staff retention for those working in Extra Care Schemes.RS advised that yesterday the KHG EXB colleagues were sent an overview email with the six key points from the Future of Housing Briefing, asking them to consider how to take forward, should KHG sub groups take on some of these challenges and work strands or should there be a mentor who can take the particular piece of work on and seek support. This will be discussed in more detail at the KHG EXB meeting on 23rd March.Marion Money attended the event and shared with colleagues that the PRS is not the solution for those who cannot afford the affordable rent or social rented products? RS to advise KHG EXB colleagues that HSEG are willing to assist and take on any elements that they feel are appropriate for the sub group. | **RS to note** |
| **HSEG Action Plan** | Objective 2 – minutes from the last meeting have changed this slightly, CK to pick up with SL.Objective 3 – RS to share the current DRAFT version of the Sustainable Communities Protocol, recently reviewed by the NMSG, with the caveat that this is stalled whilst further details from Government emerge about the Housing and Planning Bill. LC urged caution about the inclusion of design guide information within the new protocol.Objective 4 – Rural Housing Protocol - this is completed but awaiting further outcomes from the RTB legislation and pilots.Objective 5 – Older Persons Housing Protocol – this hasn’t moved forward since the round table, RS advised that this will be impacted by the future of funding for supported housing and the capping of the LHA rates. There is a workshop around this at the KHG seminar, RS to take back to Eileen Martin for feedback.Objective 6 – this was to be undertaken by the NMSG, RS to note and discuss with Eileen Martin.Objective 7 – AN is currently undertaking the benchmarking for the group. | **CK and SL to note****RS to share with minutes****RS to note****RS to note** |
| **AOB** | CK mentioned the Brighton CIH Conference, conference and trade attendance was low, the content of the presentations was very good and about the commercialisation of the sector, devolution and mergers and the Kent element of the SELEP. CK also mentioned Devolution, that the EK LA’s came together to submit a unitary bid without inclusion of the County Leader and part of the submission was to put West Kent into sub regional pockets. This was rejected as you have to converse with the County Leader. RS to share the link from CK about the Devolution article in recent local press.The last item raised by CK was the KCC RS&I Bulletins, the most recent about affordable housing starts and completions. CK advised that they are getting their data from certificate of completions via local authority Building Control departments, which not everyone uses and is perhaps misleading. RS to feedback to Graham Herbert about the content and suggesting a covenant on the summary about the figures. LC advised it would be useful to have access to other data sources like the ELASH and HCA data. RS to share link to the bulletin page on the KCC website and will have a look at the data and feedback to RS to share feedback with GH. RS to provide a deadline on this.JS advised that Lesley Clay has circulated an email regarding housing input in to the JSNA and that it is important to have this link and engage with Health. JS to share a link/information from another source about housing and health joint working. LC advised that from 1st April there will be a Health and Housing Manager and housing options will sit with health colleagues. LC will be part of the Planning Team.RS advised colleagues that Lauren was unable to attend today and will be returning to Planning in April 2016, she asked RS to pass on thanks to colleagues who she has enjoyed working with and that she will raise the Housing Flag within planning when she returns.AN to provide the benchmarking report in April to include end of year data.AN has been approached by some RP’s about changing the Mortgage in Possession wording, Ashford BC have agreed the changes, Swale have left it with legal as have Sevenoaks.  | **CK to provide link to RS to share****RS to feedback when comments received** |

***Thank you to Swale Borough Council for hosting***