

ACCENT GROUP CONSORTIUM NEWSLETTER

SUMMER 2020



Welcome

It is really good to hear from all of the consortium partners that despite the significant disruption caused by the outbreak of the coronavirus epidemic, our development programmes have largely now resumed. Although Government did not insist that production ceased on construction sites during the lockdown most did, whilst new methods of safe working were established and in the case of the new homes being delivered for us by house builders, production was stalled whilst their sales outlets had to remain closed.

I have heard from a number of consortium partners that demand for our new build shared ownership homes has returned to the level that it was pre-lockdown and whilst most 95% 'loan to value' mortgage products were withdrawn from the mortgage market during lockdown there is now a good range of mortgage products available from over 20 lenders at very competitive rates.

Looking ahead, the house building industry has been lobbying Government for a range of support measures including an extension to the Help to Buy Equity Loan scheme (which has been granted in Scotland already) to the recently announced stamp duty holiday which we hope will stimulate demand for new homes.

The Accent Group Consortium had a really good year in delivering against targets agreed with Homes England across funding programmes to the end of March. I know that a

number of members were concerned about the risk of losing grant funding if coronavirus-related construction delays caused contractual programme dates to be missed.

Therefore it was good to hear this week that the Government is extending the backstop date for the 2016 – 21 Shared Ownership and Affordable Homes Programme to March 2023. This comes with the proviso that this is not a blanket extension for all schemes and the movement of our forecasts will be scrutinised in detail over the remainder of the summer. The consortium still has a large amount of homes to deliver under its SOAHP contract - according to Inside Housing magazine (February 2020) it has the 5th largest grant allocation in the country and the 7th largest affordable homes programme with currently over £50 million total funding forecast.

For most consortium partners, the key issue in relation to maintaining momentum on our new build activity is the announcement relating to bidding criteria and timescales for new grant programmes which we all eagerly await to hear about. Hopefully, this will be forthcoming in September enabling us to plan future delivery for the new, quality affordable homes that are so desperately needed by so many in the UK.

Sarah Ireland

Executive Director Development and Growth, Accent

homemade

Homemade Homes forms a major part of Accent's plans to build hundreds of new homes, following the issue of our record breaking £350 million bond last year.

Homemade brings together all our home sales activities: marketing our new and pre-owned shared ownership homes, helping our existing homeowners buy further shares in their homes, and promoting and marketing our outright home sales.

With our more ambitious development strategy to develop in new and some existing areas, Homemade will enable us to help more people fulfil their home ownership ambitions by helping those who want to own their own home but struggle to get on the property ladder, particularly in areas where property prices are and potential home buyers need big deposits.

homemadehomes.com



CONSORTIUM'S MOVE ON PROGRAMME GETS UNDERWAY

The Government launched its new 'Move On' fund in Summer 2018, inviting proposals for schemes which would increase the supply of accommodation for those able to leave hostel and refuge spaces, including those fleeing domestic abuse. The programme includes revenue funding to support those coming into properties in the early stages of their tenancies, for example providing help with managing finances or to access support and treatment for drug or alcohol dependencies.

Accent Consortium put forward proposals from Mosscafe St Vincents (MSV) and Chartford Housing which were approved in early 2019 and Stockport Homes subsequently also successfully applied to the fund. The programme took time to get started as Accent needed to set up a separate consortium contract just for Move On which was signed by partners in December 2019.

MSV's scheme in Ashton-Under-Lyne responded to a need identified by Tameside Children's Services. Many young people in their care are currently being housed outside of Borough, being placed with extremely expensive private providers. Being able to provide them with quality social housing reduces the cost of care and importantly will provide them with a network of support services critical to their longer-term opportunities.

Initial conversion to two units of accommodation was offered to MSV by a local developer who has since come forward with further properties for the same client group.

Chartford Housing originally bid to create four apartments in Skipton for people in supported living accommodation, who had been rough sleeping or were at risk of becoming homeless. Clients included those leaving prison and tenants requiring support for mental health needs.

Since starting the original scheme in the summer, Chartford has since successfully bid for funding to deliver a further 35 homes under the Move On programme – 10 in Bradford and 25 in Kirklees & Calderdale. As homes are refurbished, tenants are able to move from Chartford's supported accommodation, providing space for others behind them.

Stockport Homes came into the Move On programme in Autumn 2019, initially bidding to acquire and refurbish 12 apartments in Stockport borough. The works have been carried out by Stockport's in-house contractor ThreeSixty and include energy efficient features such as triple glazing and air source heat pumps.

Stockport's Move On tenants were homeless or rough sleeping, so the new accommodation supports the borough council's Homelessness Strategy and the Greater Manchester Homelessness Action Network. Stockport Homes have also been awarded revenue funding to be able to provide clients with tenancy support.

The Move On fund is still open for new applications. Capital and revenue funding is currently available until end March 2021.



Staff and residents in one of MSV's new Move On schemes



DON'T QUIT.
SUFFER NOW
AND
LIVE THE REST
OF YOUR LIFE
AS A CHAMPION.
”
Muhammad Ali

SOME PEOPLE
WANT
IT TO HAPPEN. SOME
WISH
IT WOULD HAPPEN. OTHERS
MAKE IT HAPPEN
”
Michael Jordan

MSV apprentice Andy Briggs enjoyed working on the Move On programme and is pictured in one of the completed apartments.

PARTNER AND SCHEME UPDATES

Viaduct Housing Partnership - Hemphshaw Lane (former Battersby Hatworks) Offerton Stockport

Start October 2019 Completion June 2021

Viaduct Housing Partnership is the development partnership between Stockport Homes Group and Stockport Council. Hemphshaw Lane is Viaduct's largest development scheme so far, delivering 144 new homes including 45 units in the former factory.

William Battersby started Battersby Hats in 1863 which went on to become one of the most successful hats products in the world and helped establish Stockport as a wealthy manufacturing town. The firm was a major local employer and once had a capacity of 12,000 hats per week but it declined in the second half of the twentieth century and merged with other local hat manufacturers in 1966 before hat production ceased altogether in 1997.

Afterwards, the former Battersby Hat Works became the hat museum "Hat Works", hosting exhibitions for three years until the museum's permanent move to Wellington Mill in the centre of Stockport. Since then, the buildings were let to small local businesses but had no major investment for a number of years and began to decline.



The development will provide a range of property types ranging from 1-bedroom apartments within an old water tower to large 4 bedroom houses within the old works. There will be 89 new affordable homes and 55 for outright sale.

Mosscafe St Vincent's – St Thomas' Green Crumpsall, Manchester

Start September 2018 Completion February 2020

The scheme is the re-development of a redundant former school site that wraps around St Thomas' church to provide 12 much-needed two and three bedroom family homes – 8 for Shared Ownership and 4 Rent to Buy. MSV bought the site from Manchester City Council who were looking for providers to deliver new affordable homes on infill sites.

The layout of the scheme respects the existing church and mature trees and completes the street scene whilst contributing to a distinctive sense of place. It is great example of urban development on a difficult brownfield site.





Unity Homes – Northgate Cleckheaton Leeds

Start January 2019 Complete November 2019

A former Albion Works and Northgate Mills site in Cleckheaton had become derelict and was bought by Tesco with the intention of extending its existing store. Plans to create a new store were later abandoned and the site was bought and subsequently redeveloped by McCarthy & Stone and Darrington (a care provider).

Working with our Accent Consortium development partner Leeds Federated, Unity purchased the remainder of the land

to build seven two-bedroom homes for Affordable Rent at a total scheme cost of £1.1m. Torpoint Construction commenced work in January 2019 and due to a combination of excellent site management and the development being of timberframe construction it completed in November 2019, two months ahead of schedule.

Staff and residents of Unity celebrated the opening of Northgate on 13th March attended by Baroness Kath Pinnock.



Accent Housing – Armistice Close Fulbourn South Cambridgeshire

Start March 2019 Completion February 2020

Armistice Close in South Cambridgeshire featured in April as Inside Housing's 'Development of the Week'. The development was a collaboration between Accent Housing and Hill.

14 quality homes - 5 for Shared Ownership and 9 for Affordable Rent - were provided to residents with a local connection in conjunction with South Cambridgeshire District Council.

The development supported the council's green values, using high performing insulations along with PV panels and electric vehicle charging points.

Each house featured 2 x 300w solar panels capable of producing power for the home owner to use or provide surplus back to the national grid.



A development by:
Leeds Federated
Home Ownership

GREENVIEW MOUNT

SHARED OWNERSHIP HOMES FOR SALE
2,3 & 4 BEDROOM HOUSES
Prices from £42k for a 35% share*

*Rent payable on remaining 65%

Leeds Federated – Greenview Mount Gipton Leeds

Start September 2018 Complete January 2020

Greenview Mount is part of the continuing regeneration of Leeds. The site originally contained affordable homes for rent provided by Leeds Federated but was demolished in the early 2000s due to anti-social behaviour and vandalism.

This new scheme for affordable sale is testament to ongoing

neighbourhood and community improvements in Gipton and wider Leeds.

The new homes for shared ownership/affordable sale have been popular and offer very good value and great quality homes for sale in Leeds in the current market.

Mosscares St Vincent's / Caritas Family Refugee Scheme 2018/19

In late 2018, MSV worked with Caritas at St Marys Roman Catholic Church in Oswaldtwistle to provide a suitable property for a Syrian family before the Home Office would sanction their relocation to the UK. MSV identified a suitable 3 bed/5 person house in Oswaldtwistle which was near to the church so they could support the refugee family. The property was purchased

on the open market and MSV then carried out works to bring it up to standard.

The new family arrived in early 2019 and with the help and support from both MSV and St Marys RC Church have settled well into the local community.

ACCENT CONSORTIUM PERFORMANCE 2019/20

AGC is currently delivering homes funded by three Homes England programmes – AHP2 11-15, Shared Ownership and Affordable Homes Programme (SOAHP) 2016-21 and the Move On Fund. According to Inside Housing magazine (February 2020), the Consortium has the 5th largest grant allocation in the country and the 7th largest affordable homes programme with currently over £50 million total funding forecast.

Since 2012, AGC partners have delivered over 3,500 homes with affordable housing grant and are forecasting delivery of a further 1,200 through the consortium by March 2023.

For the financial year 2019/20, Accent Group Consortium improved on previous years particularly against completion targets. The start of year target of 676 was always going to be challenging as it was reflective of a high number of indicative / provisional schemes. In the end, 497 starts on site were achieved - regarded as strong

performance by Homes England. Completions were exceeded with 403 units being delivered against a start of year target of 325. Homes England grant of £15,717,525 was utilised by the partnership in 2019/20 – this includes a small amount of funding remaining from the AHP 11-15 programme and new Move On funds.

The process of setting 2020/21 targets has been complicated by the Coronavirus pandemic. At this point in the programme, starts start to decrease and completions should rise significantly. However delays to schemes due to lockdown and ongoing restrictions mean up to a third of schemes are unlikely to complete by 31st March 2021 and will need to move into next financial year. Accent is in dialogue with Homes England regarding forecasts for 2021/22 and 2022/23 and is gearing up to respond robustly to new calls for funding as all its partners have healthy pipelines requiring investment.

ABOUT THE ACCENT GROUP CONSORTIUM (AGC)

The Accent Group Consortium was established in 2006 to respond to requests from the HCA (now Homes England) that Registered Providers form partnerships to access affordable housing grant in order to reduce bureaucracy for the government-funded agency.

Accent and fellow founding partners felt that the partnership would provide opportunities to share best practice and give other practical business benefits, for example joint procurement or development opportunities.

Membership of the consortium has changed over the years. Founding partners who are still members include Muir, Mosscaire St Vincent's, Johnnie Johnson, Leeds Federated and Unity.

For smaller charities or RPs who cannot become Investment Partners with Homes England in their own right, the consortium approach enables them to apply for grant and become part of a strong, established network of partners. Leadership of the consortium, the relationship with Homes England and programme administration is managed by Accent's Development and Growth Team and is paid for through annual management fees.

Development Directors from across the partnership meet around three times a year, with Chief Executives meeting annually. The next meeting of AGC chiefs will look at challenges currently facing the sector including emerging housing policy, the 'no gas home' agenda, sector skills issues and articulating the sector's social impact.



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