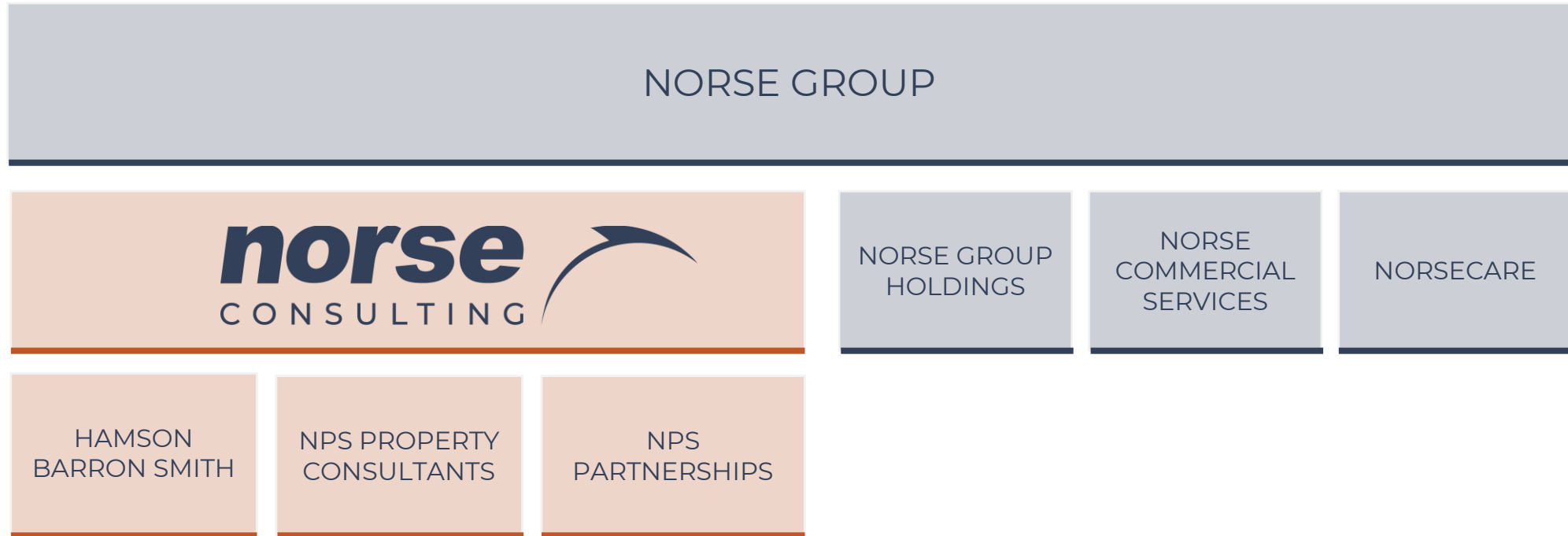


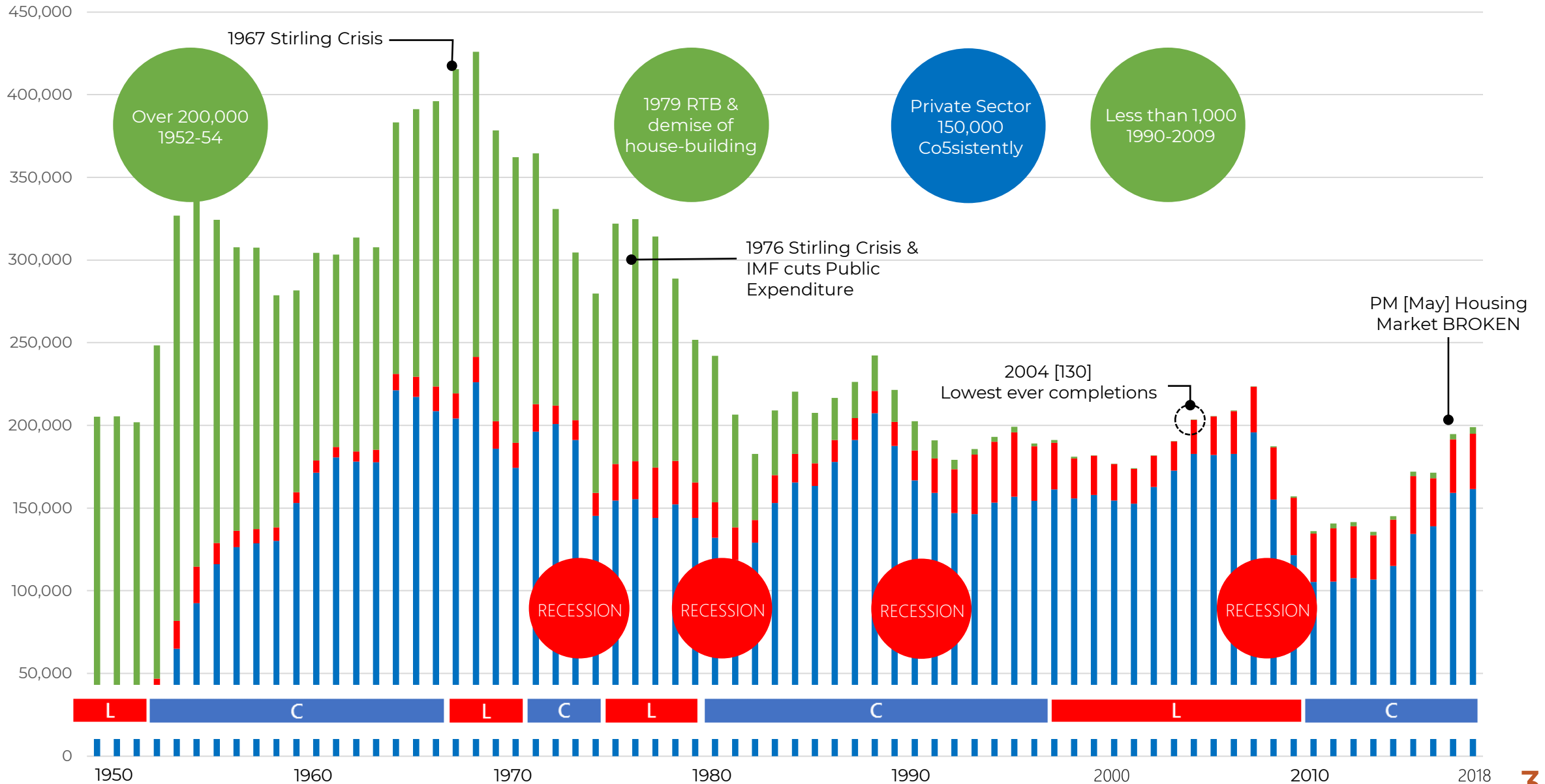


HOUSING DELIVERY CHALLENGE AND REWARD

MELVYN STONE BSC. HONS MRICS **ESTATES DIRECTOR**
RICHARD GAWTHORPE BSC. MRICS **GROUP DIRECTOR**





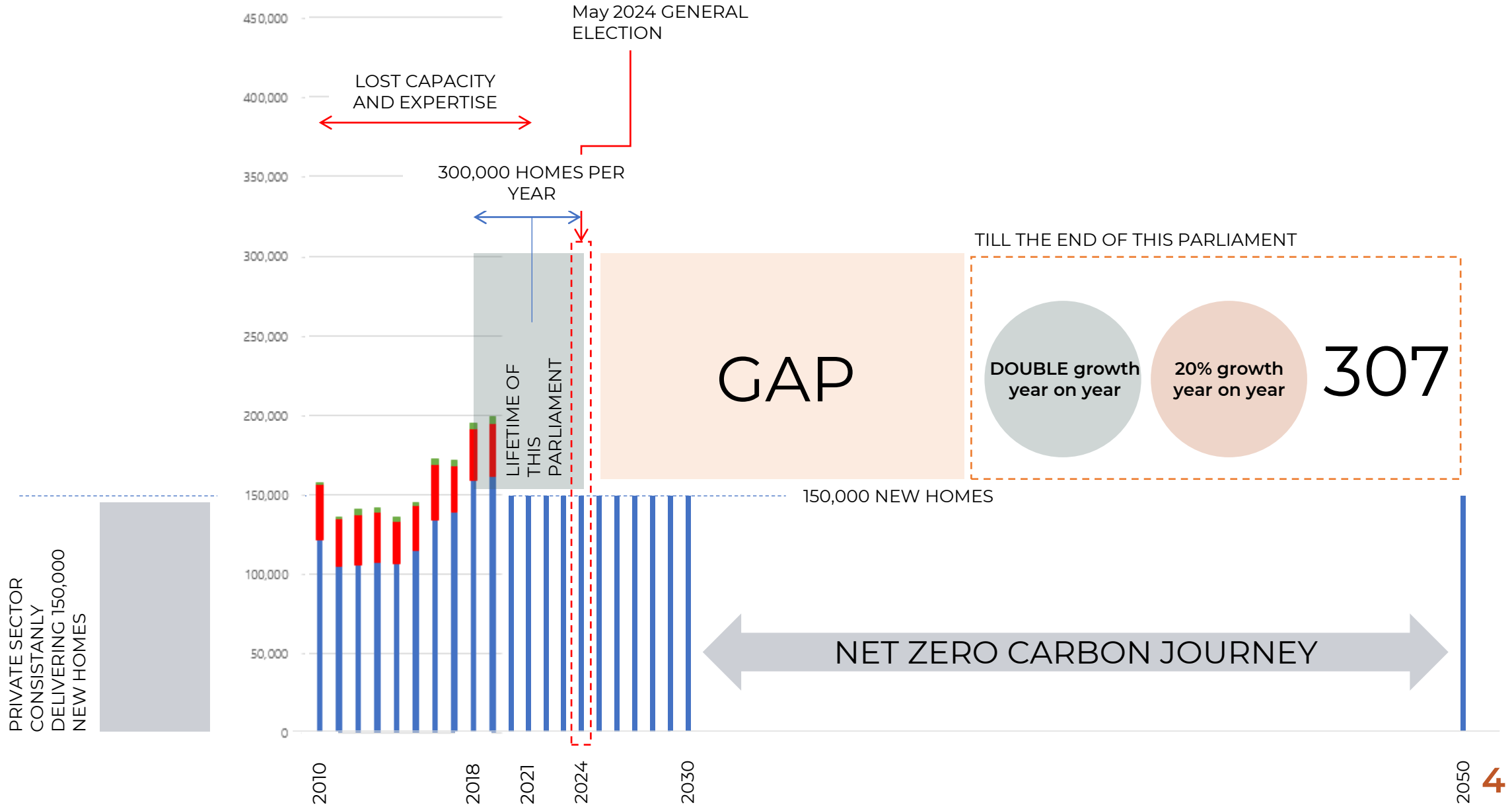


Source: Ministry of Housing, Communities & Local Government

Private Enterprise av. 152903

Local Authority av. 24813

Housing Association av. 19161



CAPACITY



DEMAND



CLIMATE



LOSS OF EXPERIENCE AND EXPERTISE

RECRUITMENT AND RETENTION

RISK APPETITE

DELIVERY AT PACE

COST BASE [AH] v MARGIN OVER COST [OMS]

CAPACITY

1

CONSERVATIVE MANIFESTO

RIGHT HOMES RIGHT PLACE

LOCAL HOUSING NEED

NATIONAL / LOCAL POLICY

TENURE BLIND

HEALTH AND WELLBEING [DESIGN]

DEMAND
2

TIME IS OF THE ESSENCE

COSTS INCREASING [LABOUR, MATERIALS]

THINK WHOLE LIFE COSTS

FINANCE WILL NEVER BE CHEAPER!

DECLARING A CLIMATE EMERGENCY

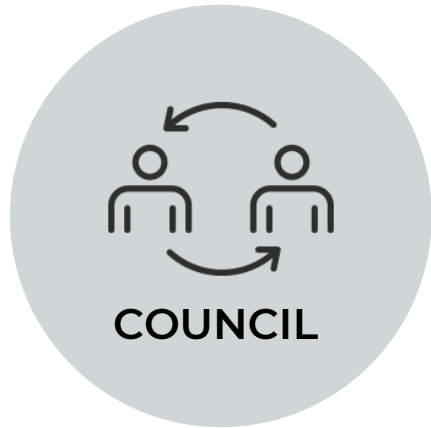
CLIMATE
3

← IN THE HANDS OF OTHERS →

← YOUR DESTINY →

- MODEL THAT WORKS
- WHY FIX IF NOT BROKEN
- IT'S BUSINESS... nothing personal

- AMBITION, VISION and STRATEGY
- PLACE SHAPING and MAKING
- BUILDING BACK BETTER
- MASTER OF YOUR COMMUNITY'S DESTINY



£2M INVESTED : £2.9M RETURN TO COUNCIL



25% RETURN TO THE PUBLIC PURSE*

*excludes SROI benefits and share of profit to partner

STRAW POLL

YES

Capital outlay is more expensive

THINK DIFFERENTLY

Headlines are powerful

SO, WHAT IF?

The whole life costs of NZC
where neutral...

AND...

Declared climate emergency



VOID DAYS £500M sector
RENT ARREARS £1M av. sector
OPERATING COSTS £0.3M
landlord
INCREASED INCOME £0.1M landlord

SCENARIO

10,000 UNIT LANDLORD

Savings estimated circa £24m over 10 yrs.

£3Billion Reactive Maintenance
For every 10point improvement in SAP £90 reduction

£1,300 | **£40**

UK Average Fuel Bill

Electricity £705 Gas £582

32% LESS LIKELY TO DEFAULT

30%+ Less VOIDS
30%+ Less ARREARS
35%+ Less ADMIN

Source: UK green Building council and UCL energy institute

BASELINE | B Regs

Development Costs	£8,600,000
Less	
Grant income	£1,380,000
OMS income	£4,500,000
Sub Total	(2,720,000)
NPV on rental streams [30 yrs]	£2,650,000
SURPLUS	(70,000)

Illustrative only

NZC EQUIVALENT

Development Costs	£9,800,000
Less	
Grant income	£1,380,000
OMS income	£4,500,000
Sub Total	(3,920,000)
NPV on rental streams [30 yrs]	£3,900,000
SURPLUS	(20,000)

Illustrative only

*excludes potential rental uplift

ASSUMPTIONS

GENERAL

60 Dwellings
Two storey Houses and
Three / Four Storey Apartments
No Abnormal No Regen No
Demolition

Council Owned Land
Mixture of Rents [SR, ART, Below
Market]
OMS

BASELINE BREGS

Generic HRA BP parameters
Up to £30,000 Retrofit to NZC
70% Affordable

NZC [in-operation]

Tweaked HRA BP parameters
[reactive and planned, voids,
management, arrears]
70% Affordable

Q&A SESSION

CONTACT US

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