

**Anisha:** Hi, everyone, and welcome back. I'm Anisha, and you're tuned into the final episode of our second On the Air series. Is it just me or has this series flown by, Sara?

**Sara:** Absolutely. And we've covered so much: from reflecting on the changes made around coronavirus, the importance of providing specialist services to support those whose needs are not always met by the general mainstream market, and, of course, shared ownership. Which brings us to the focus of our final discussion: My Own Home.

**Anisha:** What do you mean your home?

**Sara:** Not my home, that's the name of this scheme we're going to talk about today.

**Anisha:** I'm just joking. I know what you meant. In fact, I'm just about to complete, on my own, my own home!

**Sara:** *[Laughs]* Tongue-twister! Okay, before we confuse everyone else that's listening, let's introduce our guests and explain what exactly My Own Home is.

**Anisha:** Good idea. So, today we're joined by Marcus Canning, head of home ownership at Stonewater, Holly Edwards, head of lettings at Stonewater, and Linda Rayfield, who not only appeared on the last series of Bake Off, but is also a retirement living team leader for Stonewater in the South. Thanks for being with us today, everyone. Can we get straight to it and explain what My Own Home is and how it works. Marcus, do you want to kick us off?

**Marcus:** Yeah, sure. So, My Own Home, it's a colleague benefit for Stonewater employees in the shape of a shared ownership scheme. And the way it works is that a colleague finds a home on the open market, Stonewater buys it for them, and then we lease it back on shared ownership terms. The colleague can purchase a share which fits their budget, effectively. They have to qualify for the shared ownership scheme using the government's criteria. But if they do, they can buy a share and we'll rent back the remaining share, which remains with Stonewater until, hypothetically, they're in a position, future on, to buy further shares and own the property outright.

**Sara:** So, I think the fact that it is pretty much like a shared ownership scheme, I think the next real important question for everyone listening would be why did Stonewater want to launch its own version of the scheme? Could you give us a bit of an explanation around that?

**Marcus:** Yes. So, the issue with traditional shared ownership is that it works with new build properties. So, organizations like Stonewater, we apply for a grant from the government and we use that grant to build new properties, which is great because we got a housing shortage and it brings additionality to the market. But shared ownership is really oversubscribed, so the minute we market it, we've got buyers. Most of our sales happen what we call off-plan, so they happen before the building has even been built, before the home has even been built. So, a lot of our colleagues would miss out on that. And also, we don't always build where our hubs are, places like Reading and Bristol, Milton Keynes. We occasionally build there, but big cities tend to be very competitive, very expensive for housing associations to purchase land, et cetera. So, we wanted a scheme where we could allow colleagues to find their own home. And I guess that's where the name comes from: My Own Home. So just as if you were going out on the open market and then we would make it happen for you.

**Sara:** So, it gives people, effectively, greater choice basically. For colleagues, they then have the luxury of being able to live exactly where is the best suited location for them. So, obviously before coronavirus, a lot of people would have been commuting far and wide, but this scheme gives them a bit more flexibility.

**Marcus:** Absolutely. And it gives them access to the scheme, which, as I said, is very oversubscribed in a lot of areas. So, even if another housing association or another developer is building shared ownership in an area near where you live, there is an awful lot of competition for those properties. So, yeah, we're giving real opportunities to our employees.

**Sara:** So how did you and Holly get involved with actually creating this scheme? How exactly did that come about?

**Marcus:** Yes, so that was really interesting. We had a company day – probably about three years ago now – where Nick Harris, our CEO, was talking to the audience and,

kind of, asked for a straw poll of hands of how many people would be able to afford an average home in Reading. I can't remember what the price was, but it was, you know, probably over £300,000 or something like that. And he was shocked at how many colleagues wouldn't be able to afford that. And so he came to myself and said, 'we need to do something about this', you know, 'I want you to work on it, on a scheme for colleagues and maybe base it around the DIYSO model', which is Do It Yourself Shared Ownership, which is what I described really: which is where we find a property on the open market. So it went from there. We had to kind of conceptualize how that would work and then go through the process. How do you remember it, Holly?

**Holly:** Yeah. I mean, it was a long process. It did take the full year – from one company day to the next. And Marcus kind of did everything around the various approvals we needed to get. Coming up with something that's innovative and new means that you have to go and approach all of those organizations: Homes England, the board, HR governance, so many different approvals, and kind of explain what exactly it is. So Marcus managed to get that, managed to get £5,000,000 of funding for the first year. And then it was kind of myself to put the finer details on it. So, actually, think: how does this work in practice? Because, like Marcus said, it was really about our colleagues not necessarily wanting to buy a new build. Not everyone wants to buy a new build home. And that is the only option, really, for shared ownership, or the very few that come up for resales are still relatively new. So, it was where will we offer it? How much can we buy up to?

And we put in some really, really broad parameters to try and make it as inclusive as possible. So our colleagues could buy anything up to half a million in some areas, so ranged between £400,000 and £500,000. And we also lowered the initial share. So, with our standard shared ownership project, we tend to ask customers to buy a minimum of 40 percent. But, actually, in some of our regions where our offices are based, even 40 percent is still unaffordable. So, we took that right down to 25 percent as an initial share. So, I'd say it felt like the last two months just before launch were very similar to then actually how we introduced the launch itself. And it was quite frantic trying to get the last bits all out because it's such a big scheme. And if you haven't worked in home ownership, then you don't necessarily know the ins and outs of shared ownership itself, let alone this extra complex version of the scheme.

**Sara:** I was actually really lucky to be at the company day, I think it was 2019, the last physical one – it feels like a lifetime ago – when you guys actually announced the scheme. And I'd only just moved into the housing sector about two months before. I was sat in the audience and I could not get my head around the fact that this was something that had been created and it was available. And the reaction from everyone was just...it was incredible; it was so heart-warming.

Can you guys just shine a light and explain how exactly you guys did launch the scheme? Because it was really fun and I think it would be good to give people an insight.

**Holly:** Yes, I think that was probably one of the best bits. I think you're right: it was a great reaction on the day, and it was very hard to keep it secret for those last couple of months. So, other than Marcus and I, and a handful of homeownership colleagues in our teams, no one knew about the scheme – that it even existed or was coming along the pipeline. We wanted to keep it that way.

The concept of how we launched it was very much so that it was a mission set by Nick, and so we made a video called Mission Impossible. And I think that's what everyone remembers, really, because it was a bit of a wacky video, it wasn't your traditional corporate one. And Marcus was very kind to allow me to write the script with the filmmakers and give him some good stunts and lines, which he kindly did. So, yeah, we did that.

We did a race against time, and it kind of captured the whole year and everything that we'd been through to get there, and showed everyone that it wasn't something that we just dreamt up the night before, and how much work had really gone into it.

**Anisha:** So, anyone that hasn't seen it... because I didn't join Stonewater until just after the 2019 company day so, to understand the scheme, I watched the video after and it was brilliant. And I think it gave me a real insight before I joined the organization as to, sort of, why this was so important for us to do and to set up.

And so, Linda, you've had a really eventful 18 months and you were the first colleague to buy a home through the scheme. Could you tell us a bit about why you felt this was the right thing for you and what your journey was like?

**Linda:** When it was announced on company day, I actually cried. You know, I'd gone through over six years of renting privately and then, you know, the lease would be coming up to renew and then the landlord would tell you they're selling, and then you'd have to be looking for another place. It was very traumatic. And I could only afford one-bed flats, and they were in, you know, sort of complexes that were really, really noisy. I didn't have a good quality of life whatsoever.

You know, my health started to suffer, you know, my work performance suffered, you know. And it was all coupled really with having a new manager coming on board and really started to see who I was as a person. And I thought this scheme had been written for me. Honestly, I couldn't believe it. When I read it, I thought, 'there's got to be a catch somewhere', because it's just too good to be true.

I didn't know if I could do it on my own, you know, because, I mean, I'd come from relationships where, you know, the man tended to sort of be the breadwinner, if you like. And I was just the homemaker, you know, and earning the little bit on the side. But this was something I had to do on my own, and I didn't know if I could. But, you know, sort of looking into getting a mortgage and this sort of thing – Stonewater were amazing. I mean, as soon as it was launched, I was up at 6.30 in the morning ready to make my application because I knew there was only a certain amount in the budget for the first round. And I just really was so desperate. I just made these enquiries, and as soon as I was accepted for the scheme, I'd found a house – because I'd been looking anyway because we had to move. I found the house, I went and had a look and I was so excited. I thought: 'Could this really be it?'

I made the enquiries about the mortgage and everything else, and it was doable, you know, I found the deposit and it's just been amazing. I mean, this last year, as you say, has been the year for me, I think for many, many years. You know, the home is beautiful, you know, being able to settle down and make plans, you know, and at work, there's been so much happening.

I know we've had to rethink our services, and that was pretty tough at the beginning. But everybody has done so well, and we've done so well, I think. It's just such an exciting time. I actually could start to look at who I was and what I wanted and, you know, where I sat in the whole company, really. And I've just gone from strength to strength. You know, I don't know if anybody is aware of Maslow's Triangle.

I actually cried a couple of weeks ago when I spoke to our L&E managers about this triangle. And I looked at where I was – I couldn't believe that I'd come from the bottom right up to the top of Maslow's Triangle. She said: 'You've got to be careful, Linda', because I do, I get so excited and not everybody's on the same page! I forget that! But this has been the most amazing thing that's happened to me, I've got to say. It's an amazing scheme, absolutely. I owe so much to Stonewater.

**Anisha:** I think your story is something that I think puts a smile on all of our faces. The last year has been so challenging and it's so nice to hear, you know, that somebody has had such positive experiences and that this home was a massive part of making that happen. Marcus and Holly, I think Linda mentioned that with the pandemic and obviously all of us staying at home more and working from home, has there been sort of a higher uptake of the scheme over the last year or so?

**Marcus:** The uptake has been pretty consistent. So, we've got 14 colleagues that have completed to date – Linda was the very first. We've got seven who've got budget at the moment so they're looking for homes, and we've got another eight that are in the system. And, I guess, the environment has changed slightly because when we originally launched the scheme, it was because the housing wasn't necessarily available near where some of our hubs are, where people were doing that commute, as we've said. As we moving, we're sort of transitioning to a home-working organization – that's less of an issue, but housing is still an issue for people. People still need homes and they actually need homes now that are adequate for home-working. Particularly, if you've got large families or any kind of family – anyone will know that there's competition for Wi-Fi, there's competition for space, and people need to live in areas where they can access those things and in homes that provide that. So the demand for My Own Home won't go away, I don't think, because we're moving to home-working.

**Holly:** The one thing I'd add is that My Own Home is slightly different to shared ownership – that we've made it that people can still enter even if they own their own home now, but that that home is no longer suitable for them. The standard shared ownership – you can't be a homeowner, but we appreciate that, actually, a lot of people maybe have managed to buy but maybe afford a one- or two-bed, and they've now massively outgrown that: they've had children, like Marcus said, and now working from home as well – that further compounds it.

So, I don't think you'll necessarily see a massive update, but that is one of the real benefits of the scheme. And picking up on what Linda was saying with regards to Maslow's Hierarchy, I think that's the whole reason. I remember Marcus saying we're doing this to give people security at home. Because, if you don't have security at home, you don't have that stabilizing factor, how can you expect to get the best out of employees at work? And it's so true.

I've seen it with two of my own team leaders that work in my team. They've both just completed on purchasing theirs, both in December. One of them, interestingly, I rented her her home that she's been renting for the last eight years when I worked at a previous company, and she was paying more for a private sector rented home than she is now for her own larger home, which is just crazy. So, yeah, it really gives people that stable base on which to build and plan for the future, not have to think in every 12 months or every 18 months or maximum two years that your landlord could suddenly turn around and say, actually, I'm going to sell now or I'm going to put the rent up by £100 pounds, and how on earth do you factor that in?

**Sara:** I'm really curious in terms of how the scheme has worked, like, in reality. So, Linda, when you went for viewings and stuff of any of the homes that you were interested in, when you explained that this was the route you were going down, did anybody look at you like you were crazy, like you'd made this scheme up? Because that is what I imagine people's response generally would be.

**Linda:** Well, actually, we only looked at the one house because we'd looked at so many properties prior to the scheme coming out, because, again, I didn't know what my options could be. I didn't know what I could afford, but I certainly wouldn't have been able to go into shared ownership, I don't think, with any other scheme that was out

there. So we only looked at this one house, and at the time I did explain to him that it was going to be a shared ownership purchase with the company that I worked for. He didn't seem really interested, you know, actually the seller, you know. I think he just he didn't care who bought it, he really just wanted to get rid of it so he could move on to his new home!

There were a few, I think, sort of surprises more from the solicitors, you know, because it was new. Although I used a solicitor who was known to Stonewater, you know; she wasn't recommended at all but, you know, I know that she'd worked with Stonewater before in shared ownership, so she knew some of how we worked as a company. I don't know if it really held anything up, you know, it is possible being one of the first, there's a lot to learn, isn't there, maybe now it's a little bit smoother. I found it okay, you know, it didn't concern me at all – the length of time it took. I was just so excited, just so excited – honestly.

You know, as a company, I just absolutely... I'm overwhelmed how we provide the services we do to our customers, giving them those opportunities, you know, to have a place they can call home and to extend it out to, you know, colleagues as well – but in this special way, very special way, because I looked at shared ownership before with the company. But as you said, there's nothing local. There wasn't anything local that I could I could go for. And I didn't want to move out of the area. So, to actually buy me a house, you know, was just unbelievable! It really has been the making of me in the last 18 months, really, certainly in the last year, as you say, giving me the opportunity to focus on me and my strengths. And it's just been one amazing journey.

**Kelly:** Well, it's quite interesting, obviously, having worked as an estate agent, I still have lots of friends who still work in the industry, and when I speak to them and tell them when we were launching, they just kept saying, 'oh, no, I just don't get it'. 'But if they leave you have they got to give the house back?', 'No'. And they kept trying to find a catch because it was so, kind of, ground-breaking. And I think it still is, really. When you think about it as a concept of a colleague benefit, that we will buy someone a home and sell them back what they can afford. It's so large. It's not really about estate agents to understand, it's just in general. It's not a company car, it's not some extra couple of days holiday – it is truly something that can change your life. So, it is really an amazing colleague benefit.



**Anisha:** I know for myself and my partner, we really wanted to jump onto the housing ladder as soon as we possibly could. And the thing that we really struggled with was, because we've rented for years, just like Linda, saving for a deposit has been really, really hard. And we didn't want to borrow money or do anything like that. We wanted to do it ourselves. And I think that, without this scheme, we will be waiting another five to 10 years to save the right amount, especially with the pandemic and it being so much harder to get the mortgages that would be right for us. So, I feel exactly the same as Linda, and fingers crossed that, by the time this podcast goes out, we'll be in our new home! So let's hope that that happens. And I think, sort of, as the first of its kind, what sort of lessons do you think Stonewater has learnt from launching this scheme? Do you think it's going to continue to evolve or sort of stay the way it is now?

**Marcus:** Well, I think with any new scheme, there is, kind of, teething problems and we're really grateful to the early adopters like Linda who've stayed with us during that, sort of, early process. Because you don't know what you don't know until you try something like this, you know, you're always kind of learning on your feet. And as an organization, we're not scared to fail with something but, generally speaking, I don't think we did with this.

There were teething problems, but they were pretty small and we could get over them quite easily. It was just a learning process. And we've sort of improved the process for colleagues. So, the time it takes from when they put their application in to when they get the keys – we've cut that drastically. We've cut it by almost a half. We had to kind of talk to solicitors and lenders about what the product was and get them on board with that. Lenders actually like it because they've got the security of a big organization like Stonewater at the heart of the product, so that hasn't been a problem for us. And the feedback that we've had from colleagues like Linda, like I say, it's just really helped to shape the service, and it is much improved from when we started. But like I said, we're not scared to fail and I think, generally, it's been a very positive experience for everybody.

**Sara:** I was going to say, I feel like I've heard Linda smile throughout this entire session talking about this scheme *[laughter]*, so we've definitely not scared anyone off or done anything too drastically wrong *[laughter]*. One thing I was going to say is that I think,

Anisha, it was when I spoke to you about this scheme, you talked about how professional it was. So, I remember when I heard about this scheme, I thought: 'how do you, as a colleague, buy a home from your employer and then not feel like... not create a kind of uncomfortable dynamic?' But you had talked about how actually professional it was and how it's very separate – like, you're both a colleague and a customer, and you very much get the same customer service as every other customer.

**Anisha:** Definitely. And it is interesting because obviously my... so I work for Stonewater and it was the Stonewater Homes team that sorted out sort of everything for the My Own Home. And I hadn't had much interaction with the team except for an episode of the podcast that we did last year, where we had a couple of members of the team on that episode. But the people that I dealt with: they were so brilliant. I think also us being first-time buyers, we had absolutely no idea what we were doing. We just needed people to not only help us through it, but to give us loads of information. We were completely new. We barely understood how to, like, apply for a mortgage or any of those things, and we could not have asked for a better service. It was brilliant, and I think we felt really taken care of throughout the whole thing. I'm guessing, Linda, you probably felt the same way.

**Linda:** Amazing.

**Sara:** So, I just want to kind of round this off by just asking... so this is obviously a very innovative, very new, very different scheme. What kind of schemes would you like to see from the sector being introduced? Is there anything else that you think could be done in a similar vein or is a little bit different?

**Marcus:** I think that there's an opportunity to look at...for other organizations to look at something like My Own Home, and that might be something that Stonewater can help with. And it's something we've, at very high level, thought about. Maybe economically it isn't quite the right time for us to progress that right now, but it's something we've got in our back pocket that we might look at in the future. How other employers can provide finance to help their colleagues because they must have the same issues and their colleagues certainly will have the same issues. So that's something I think as a sector we could look at.

I also quite like the Do It Yourself Shared Ownership model, and I think government rightly are very focused on what we call additionality, but adding homes to the market because there's a housing shortage. But part of the funding package did allow some DIYSO, as we call it, Do It Yourself Shared Ownership, we could get people out of the private rented sector into shared ownership, which generally speaking, it is quite a good thing. And maybe those homes that are opened up for renting could be potentially be sold in the future. So, I think that, you know, there are things that have come out of this that we could look at.

But, generally speaking, I think, going forward, the big issue for home ownership is deposits. That's what stops people from being able to purchase homes at the moment. You either need the bank of mum and dad to help you out with that or, you know, you get some kind of assistance. So, some kind of blended mortgages I think, in the future where you don't need the deposit and different organizations, more than one mortgage lender take on the liability for the home and the security for the home, I think is potentially the future.

**Sara:** I actually read an article not long ago and I didn't realize that the bank of mum and dad had actually become an acronym now! [Laughter] The journalist actually refers to it as BOMAD, which is pretty crazy. I really liked what you said there about hoping that other people, well, other organisations across the sector will do a similar scheme. The fact that Stonewater is willing to show and share that advice, I think that's a real testament to the kind of organisation that Stonewater is.

Holly, do you have anything that you would like to put forward?

Holly: Well, I think, if I have an unlimited wish list, there's a few things I'd love the organisations to do. I mean, from a colleague perspective shared ownerships work really well but, like Marcus said, because of the deposit element, it's still out of reach for some of our colleagues. So, we have launched Rent to Buy a couple of years ago, which is a product where someone can rent a discounted amount for five years and then purchase at the end of that. So, whether we could potentially look at that as a colleague initiative, that they do that for five years and then buy it at shared ownership at the end of that, so kind of a stepping stone.

With my hat on now as head of lettings, from a customer perspective, I'd love Stonewater to look into potentially something for our customers where we buy them furniture packs or we buy them carpeting and things like that, and then we gradually allow them to pay us back over a set period of time, because we do know that furniture poverty and things like that for our customers are really hard – the initial set up of a rented home can cost thousands and our customers just simply don't have it. It's heart-breaking to see a year down the line a customer still doesn't have carpeting down because they just have to make decisions between what they need to put food on the table, whether carpet is a real thing. So that kind of thing would be lovely to explore, and we're starting to make the first steps of that as well now.

**Anisha:** I think that everything that both of you have said sound brilliant and hopefully, over the next year or two, we can see some of those things starting to come into fruition.

Thank you so much to all of you for sitting down with us today. I think this is a brilliant scheme – not biased because I'm going through it myself – but in general, I think it's fantastic. It makes me really proud to work at Stonewater. Hopefully everyone else listening to this podcast can get a few ideas about how they themselves could get onto the housing ladder.

**Sara:** And what a way to end the series. So, thanks again for sitting down with us and thank you to everyone who has tuned in. Hopefully we've given you plenty of ideas, as Anisha said, and thoughts across the four episodes about inclusivity across the sector. But bye for now and stay safe.