

## PRESS RELEASE



### **G15 to raise more than £2 billion to deliver 13,100 new affordable homes in the capital**

**The G15, the group of London's largest housing associations, has secured more than £350M of funding to deliver over 13,000 new affordable homes across London.**

Over the next four years around 6 in 10 of the new affordable homes in the capital will be delivered by the G15 housing associations – who are stretching the Government's £350M of grant funding with more than £2 billion of private finance and other resources.

Ministers have revealed that nationally, housing associations will build around 90% of the 170,000 affordable homes set to be constructed by March 2015 under the Government's new funding model. This shows the importance of associations in meeting the government's affordable housing ambitions.

The G15 will build 13,100 additional homes in the next four years but has previously voiced concerns over the new affordable rent programme which will see new homes funded largely by private debt supported by rents set at up to 80% of market levels. With government grant covering on average just 13% of costs, the G15 has cautioned that the model is "inherently risky".

It has also warned that the new market pegged social rents could cause acute affordability issues for low-income working families in the capital.

Keith Exford, chair of the G15 and chief executive of national affordable housing provider Affinity Sutton, said: "G15 associations are now in negotiation over contract terms and subject to reaching agreement on a number of important detailed points, we have shown we are willing to put our balance sheets on the line to help provide the housing so desperately needed by Londoners.

"But as independent businesses with a strong sense of social responsibility we remain concerned about the inherent risks of the Government's new affordable rent programme and the impact it could have on low income working families.

"In particular the Government's proposed welfare reforms, which include a cap on the proposed Universal Credit and the prospective end of direct rent payments to housing associations, will create real hardship for many London families who could struggle to pay their rent leading potentially to a steep rise in arrears, re-possession and homelessness."

Mr Exford added that ministers are aware of these concerns and that the G15 is committed to working with Government to find solutions.

**-Ends-**

**Note to editors:**

G15 is a group of London housing associations and includes:

A2 Dominion Group	Metropolitan Housing Trust
Affinity Sutton	Notting Hill Housing
Amicus Horizon Group	Network Housing Group
Catalyst Housing Group	Peabody
Circle Anglia	Southern Housing Group
East Thames Group	The Hyde Group
Family Mosaic	The L&Q Group
Genesis Group	

G15 makes a significant contribution to London life. Collectively, G15 associations house around one in ten Londoners and manage around 410,000 homes. We invest over £25m annually in economic and community development to create thriving, sustainable neighbourhoods across the capital – in areas such as employment, skills, education, health and well-being, volunteering, financial inclusion, family intervention, welfare benefits support, supporting older and vulnerable people and engaging younger people.

- Keith Exford, Chief Executive of Affinity Sutton and Chair of the G15, and Brendan Sarsfield, Chief Executive for Family Mosaic and Vice Chair of the G15, are both available for comment – please contact Laura Kenny, Media Relations Manager for Affinity Sutton, on 020 7378 5555 or email [laura.kenny@affinitysutton.com](mailto:laura.kenny@affinitysutton.com)

**G15**  
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