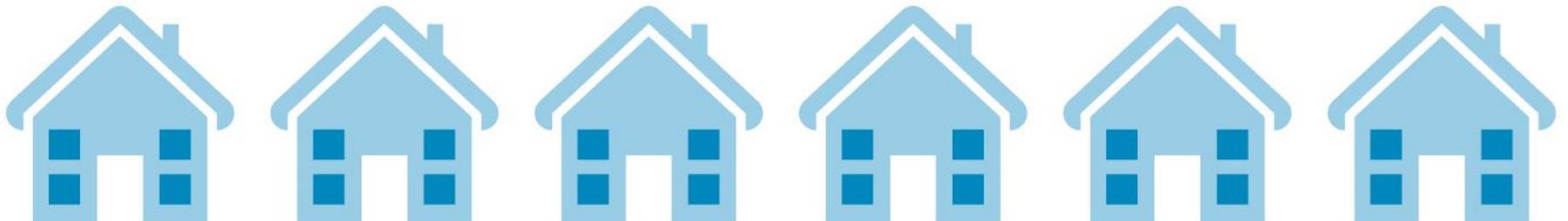


No future in the past

Nick Horne, Chief Executive Knightstone

Board Member – Bristol Homes Board and West of England Local Enterprise Partnership

12 July 2017



'How long do old memories last

Why can't I forget it

Why can't I admit it

There ain't no future in the past'

A housing association view on the challenges and opportunities from working in the new environment

20 minutes, lots to talk about

Something 'bout you baby I like

Scary monsters

This is the modern world

Reach out I'll be there

What the world needs now

Final comments – Grenfell changes everything

Something 'bout you baby I like

- Knightstone = 11,600 homes, 23,000 residents, 40+ year heritage
- West of England and Somerset heartland = 9 LAs
- Product mix = 70% general needs + 13% supported & sheltered + 13% shared ownership + 4% intermediate, market & key worker rented +
- Do More: In advanced merger discussions with DCH to create the financially strongest and most resilient SW regional HA = 35,000 homes + 1,500 new homes p.a.

Scary monsters

- The housing affordability crisis
- Uncertainty over the rent formula
- Uncertainty over LHA caps - impact on young people, homelessness and supported housing
- Universal Credit roll out
- Inflation and falling real wages
- Uncertainty over Brexit – economy, labour & skills
- Political ineptitude
- The post Grenfell implications

This is the modern world – A side

- Rebalancing the resident customer relationship from paternalistic to empowered
- Service delivery transformation – self service for the many, personalised support for the few
- Revised service standards and expectations – staff and residents
- Transformation underpinned by data, customer insight, customer journey, IT / IS, new NED & Exec skills, culture, leadership behaviours

This is the modern world – B side

- Business model shift into open market sales – social purpose meets strong commercial drive – 18% of all HA developed homes in next five years = subsidy
- Some large HAs dependent on millennials buying £1m+ flats in London
- Major change = opportunity + financial risk for some and reputational risk for all + risk on affordable delivery
- Labour love Council Housing. Conservatives love home ownership and private sector. Who loves housing associations?

Reach out I'll be there

- Deliver to purpose – clarity about our ‘why’ (e.g. ‘creating better futures together’) whilst transforming our ‘how’
- If not us, who? If not now, when? Focus on delivering new safe homes using income and balance sheet strength
- Retain strong strategic approach to sustaining tenancies and helping communities help themselves (‘hand up not hand out’)
- Patient investor in people, partnerships, places supported by depth and breadth of engagement and a clear investment offer both social and financial

What the world needs now...

- All party agreement that we have a housing crisis followed by real action and a step change in supply
- Recognition of HAs' key role as social and physical infrastructure and investment partners
- Change in the Terms of Trade with HAs
- Leadership, willingness to change, get uncomfortable, change your 'how', take personal risk
- Post Grenfell debate about people, places, poverty, inequality and national priorities

And finally – ‘Grenfell changes everything’

- A watershed moment in housing, politics and public service delivery – start of a ‘national conversation’
- Rebalancing of priorities
 - Safety
 - Quality
 - Price
 - Volume
- Regulation?
- Who Pays?
- Accountability?
- Tenant Voice?

This is the end

