

## **NFA Chair's speech to 2012 annual conference**

A very warm welcome to all of you attending our annual conference as we celebrate the tenth anniversary of the sector.

For the sector these are turbulent times. When the first ALMOs went live we were still in the midst of an economic boom and only the most far-sighted could have predicted the recession. After decades of under-investment the advent of the decent homes programme brought about real improvements to people's lives and warmer, safer homes. ALMOs created a new era whereby tenants were given a real say in how their homes were managed while a greater focus on the housing management service led to significant improvements in the delivery of services. With most ALMOs going beyond the housing service and showing real innovation in the community through training and employment, community safety, youth intervention projects, financial inclusion and many other initiatives we can be justifiably proud of our track record over the last decade.

But this is a time of looking forward, not back. We have had our ups and downs. Finally self-financing has been implemented – it is only seven years since the NFA, jointly with CIH and HouseMark, first put forward the proposals for changes to the HRA subsidy regime. But we got there in the end and can look forward to a more stable funding system that will finally allow real long-term planning in the future, even though the first few years may still be difficult for some. However, to offset this success we are confronted with major problems due to the welfare reform agenda and housing benefit changes, as well as the potential loss of stock through Right to Buy which in many cases will be hard to replace. However, ALMOs have shown time and time again that they can rise to the challenge, and we will continue to press government for greater flexibility to allow us to build new homes and regenerate our communities.

Decent homes funding is no longer tied to an ALMO and many early round ALMOs have now achieved decent homes. This has led to some councils deciding to bring their ALMOs back in-house while others have gone through the stock transfer route. The NFA has been concerned at the way in which some councils have failed to carry out fair management reviews or involve their tenants and we lobbied hard for strengthened government guidance, which was finally published at the end of last year. Last week we had a meeting with the Housing Minister, Grant Shapps, who invited us to write to him with details of those cases where the council has ignored the guidance. We will continue to pursue this avenue and to support those ALMOs that contact us with concerns about their management reviews. However, we need to remember that the majority of councils have recognised their ALMO's achievements and have not only extended their contracts but also given them additional functions.

In these difficult economic times many of our residents will find making ends meet even harder than usual while our councils will be placed under greater pressure to deliver services to more people threatened with homelessness and repossession.

ALMOs are finding themselves at the front line of the credit crunch, but are already demonstrating their willingness to help deliver practical solutions to the problems that confront us.

We are also seeing increasing diversity within the sector with the newest ALMOs being created outside the decent homes funding regime. We welcome our newest ALMO, Cornwall Housing, and look forward to our latest aspirant ALMO in Shropshire soon joining the ALMO family. In the meantime we see many existing ALMOs developing in exciting new ways – and some of those ALMOs will be speaking at the conference or are mentioned in the NFA annual review which is available here today. ALMOs continue to do what they do best: manage and improve the council housing stock as well as taking on other functions. The great strength of the ALMO sector is its ability to adapt to local needs, and it is clear that as councils struggle with huge cuts in their funding we have a real potential role to play in helping our local authorities and our tenants.

In order to be able to respond to this the NFA has been engaged, over the last year, in a discussion with its members about the future direction of the NFA. The NFA Board wishes to ensure that, when the managing agent service is put out to tender later this year, we are able to deliver a service that meets both the current and future needs of the sector, and can enable us to effectively represent all the different potential ALMO models to central government. I would like to thank all the ALMO officers and Board members who have given up their time to contribute to this debate.

I would also like to thank our sponsors for the awards ceremony Kier and British Gas. We look forward to hearing the results of the NFA awards later today, and Kier has also agreed to fund the production of a publication highlighting the achievements of the winners and finalists, which we will publish next month. We would also like to thank Mears, who have agreed to sponsor a parliamentary reception on 23 October, and I hope that some of you will be able to attend.