

# CANVAS

HOUSING EDITION 2018  
BY Saxton Bampfylde



**MISSION CRITICAL**

BRINGING STRENGTH AND PURPOSE TO THE  
UK'S SOCIAL HOUSING SECTOR

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# WELCOME

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Welcome to the 2018 Housing edition of CANVAS, the insights update from Saxton Bampfylde and its global partners.

Our aim is to share interesting thoughts and perspectives on topics and issues that are relevant and current in your sector.

We welcome any thoughts, comments, or inputs you would like to share.

We hope you enjoy this edition!

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## EDITION OVERVIEW



**STEPHEN BAMPFYLDE**  
Chairman, Saxton Bampfylde

✉ [stephen.bampfylde@saxbam.com](mailto:stephen.bampfylde@saxbam.com)

**T**he potential for housing associations to further enhance their role in fixing the UK's housing market is starting to crystallise.

Whilst there is opportunity ahead to deliver more housing for more people, the governance and values of social housing providers – particularly in the aftermath of the Grenfell tragedy – will continue to be scrutinised. Recent work done by the Future Shape of the Sector Commission and the Chartered Institute of Housing make it clear that housing associations will need to embrace further change.

In looking to the future it will be essential – mission critical even – that housing associations are communicating and connecting better than ever: connecting with their customers, with government,

with each other, with the wider stakeholder network, and especially with their social purpose. This in turn calls for reflection on the models of leadership needed and the ways in which housing associations can recruit and develop the talent to take the sector forward.

With a hugely interesting oversight of the whole sector, we are pleased to have had the chance to talk to David Orr, current Chief Executive of the National Housing Federation, as he looks ahead to his retirement in September. Involved in the housing sector for almost 40 years, David's drive and passion are evident, and his insights, advice and wisdom are extremely sound for those coming through the ranks in the future.

We were also lucky to have spoken with Dipesh Shah OBE, Chairman of Notting Hill Genesis. A relative newcomer to housing, but a hugely experienced senior leader in the energy sector in the UK and internationally, Dipesh shares his perspective on leadership, the importance of good governance and how to successfully navigate a merger.

In this edition our Practice Group Head, Hannah Scarisbrick, and Business Psychologist, Cassandra Woolgar, share their thoughts on how leadership models will evolve in response to the current challenges and opportunities facing the sector. We also welcome our new Consultant, Pamela Leonce, to the team. **L**

# HOUSING ASSOCIATIONS: A FORCE FOR GOOD ACROSS THE UK

Interview with **David Orr**, Chief Executive  
of the National Housing Federation



Looking back on a 35-year career working with and for housing organisations, **David Orr** is a passionate advocate for the industry. We spoke to him as his 13 years as Chief Executive of the National Housing Federation draw to a close ahead of his planned retirement in September 2018. He talks openly about the ways in which housing associations need to embrace open communication and more collaborative working to remain relevant and successful in the modern world. He also highlights why he is positive that the sector faces a bright future despite the constant ebb and flow of the UK's political and economic climate.

**A**s your time as Chief Executive of the National Housing Federation draws to a close, what would you describe as your biggest achievements during your period at the helm? Is there any unfinished business you regret having to leave behind?

As I look ahead to my departure, I can honestly say that I believe housing associations continue to be a force for good right across the UK. They do things that no other organisations do in the same combination. There is a degree of depth behind what they now do. They have contributed levels of investment to ensure that fragile neighbourhoods become stronger and more resilient, something that few other people or organisations have the ability, capacity or wish to do. I think that now, broadly speaking, we are facing in the same direction with government on housing policy and that we have real opportunities for the future.

More specifically, there have been two central themes that have run throughout the work I have done here. The first is that I have helped to construct a narrative about housing and housing associations, which has kept everyone together. It is a narrative that everyone has bought into and believes and understands. All our members feel that they are part of our story, from the largest to the smallest.

I think this is one of the great success stories for our sector. There is a lot of diversity in terms of provision and approach, ways of working, objectives and challenges. But there is absolutely no doubt that they are all still organisations that care about housing for people on low incomes and that exist, not to enrich shareholders, but for the benefit of the community.

The second theme is about autonomy. Housing associations are at their best when they are able to make their own decisions and drive their own futures.

This is something in which I have always believed. To me, that means that real operational and decision-making independence is critical. Throughout my time here I have always argued that the more independence housing associations have the better they will be and I think that all of the evidence now supports that contention. I think we have moved from a position where housing associations were to all intents and purposes captured clients of the state to where we are trusted partners. That is much healthier for us, for government and for the nation.

As to unfinished business, well I am not finished yet, but there are still areas that will not be completed by the time I do leave at the end of September. We still have a housing crisis and we are still building too few homes. I do think that the way we are engaging with the future alongside government and others is much more constructive now and there is a far greater probability of us being able to make a significant increase in the volume of new house building than for decades. We also have a greater opportunity to engage in conversations about regeneration and economic renewal that are equally important in different parts of the country.

There is one other area I would highlight – the bedroom tax. I believed at the time it was introduced that it was the single worst piece of social policy since the Second World War. I still believe that, and I remain deeply upset that we have not been able to get rid of it. The reason that I think it is so pernicious is that it asked people to do things that were not reasonable and it was specifically targeted on a particular population of people on very low incomes living in perfectly ordinary homes.

I completely understand that governments are always faced with challenges about getting the balance right, both in terms of the amount of money they spend and the legitimate concerns about getting people trapped in the benefit cycle. The bedroom tax, however, was bad policy and should never have been introduced and I am frustrated that it is still there. I am an incurable optimist, and I frankly don't see any immediate sign around the removal of the bedroom tax. I think it will go because it is bad policy, and eventually that always falls by the wayside.

**As you look ahead to the future what advice would you give to those current and future leaders coming into or rising up through the housing sector?**

My request of current leaders is that they stay focused on leadership and avoid



**“Housing associations are at their best when they are able to make their own decisions and drive their own futures.”**

getting side tracked, for whatever reason, in managing the day-to-day operations. I think it is important that people who are in these leadership positions invest in and focus on that very challenge of leadership; of articulating a future that is better than the present; of having a clear picture of what good looks like in ten years. Our current and future leaders need to be bold, ambitious, and prepared to take some risks. Their job is fundamentally about owning the future and not just inheriting something from someone else.

Establishing a management culture that trusts people to do the jobs they have been given will ensure a creative learning organisation where talent will flourish.

For potential new leaders who are coming either through this sector or entering it from outside, what I would offer is this: if you want to work somewhere that is incredibly exciting and provides all kinds of challenges; somewhere that will turn your hair grey quicker than anywhere else, but will potentially be the most exciting job you ever do, come to us. The potential really is enormous.

**Is enough being done to build diversity amongst leadership within the housing sector?**

I think the housing sector is very good on some areas of diversity compared to other sectors of the economy, but we could, and want to be doing more. For example, we have definitely improved on gender diversity and LGBT representation in recent years, but I don't think we are as good as we could be on racial or ethnic diversity.

I do think that the identification of talent available in communities right across the nation is one of the most significant challenges that existing leaders face in our and other sectors. Only with a diverse and talented pool of staff will we crack the future for our organisations.

**If the cost of debt increases significantly, how might this impact housing associations and the cross-subsidy model? Are new models required, and if so, how well equipped are housing associations to innovate and take risks on these?**

Over the last few years, when it comes to funding models, housing associations have shown that they can think creatively and are open to try different things. Ultimately, I think the challenge for any organisation is to understand the relationship between mission and mechanism.

A mission, the thing that drives the whole organisation, must be held at the core of an organisation. It is the board's job, more than anything else, to be the guarantor of this mission and to drive it forward. The mechanisms through which the mission is delivered, however, should be flexible. I do see in some instances both in our sector and others, the tendency to believe that the 'way we do things now', or the mechanism that is currently being used, is the same as the mission. It is not.

I think what our sector has understood in the last few years is that we have not been able to deliver the volume of social housing that we need in an environment where there has been no money from government to support it. What we have delivered has been achieved through thinking creatively about the mechanisms of delivery. I think that is the key challenge that our sector and others will face in the future. We need to hold on to the mission and the mechanism will change as a result. Cost of money will go up and down, and there will be an ebb and flow of government offering upfront investment, availability of land, and grant funding. This is the reality of how it is now and we need to hold fast to our mission as a result of it.

**In what ways and to what extent do you think/hope the sector's relationship with government, both on a local and national level, might evolve in the years to come?**

What I profoundly hope is that there will be a significant growth in structured partnerships between housing associations and government, particularly at local level. The relationship between local authorities and housing associations has been very good in some places and patchy in others.

This has been mainly about colleagues in local government seeing housing associations specifically as delivery agents. We need to get to a position where these two see each other as long term strategic partners. Local government and housing associations are among the very few groups that invest in places and communities for the long term. They are there at the beginning and remain once the communities are built. Both are part of the fabric of place.

In England, devolution and the creation of combined authorities have had a significant and rapid impact on the behaviour of housing associations. Organisations are recognising that they can no longer survive as isolated individuals. Instead, they are developing strategic and combined offerings as housing associations in the regions and take this idea into structured conversations with newly established combined authorities to see how much more can be delivered.

If we can develop proper strategic partnerships, we can combine the strength and range of opportunities that housing associations offer which are complementary to the strength and range of possibilities that local government provides. We need to look beyond just grant funding and view it as a strategic long-term relationship about sharing risk, and as a result delivering more. I do think there is real potential there.

**How important do you believe the role of housing associations to be in ensuring positive place-making and sustainable community development at local and national levels? Is this more challenging as some of these providers grow in size and geography?**

I do believe that investing in neighbourhoods and community resilience is hugely important. Housing associations understand that there is a mission driven imperative as well as a business imperative to do this. If you are going to be managing and owning assets for 60-100 years, it makes sense for that place to be well managed and looked after.

Some of the biggest housing associations are refocusing on what their neighbourhood offering is. I was talking recently to one of the largest organisations and they were saying that they are reintroducing patches where one member of staff is responsible for 185 tenancies. That is a big investment to ensure a real level of local engagement.

**“Our current and future leaders need to be bold, ambitious, and prepared to take some risks.”**

I have always believed that the best organisations, no matter how big they get, will remain successful because they understand properly that high quality service delivery is always small scale and local. If you become separated from that then there are dangers inherent.

I have been around housing associations since 1982, and never in all that time have I seen research evidence that there is a causal relationship between size and quality of service. There are some stunningly good big housing associations and some remarkable small institutions, and in both camps there are those that have some way to go. It is fundamentally not an issue about size.

**To what extent do you consider strong, representative governance as a key way of ensuring housing providers are connected with residents?**

As housing associations have become more independent the quality of governance has become completely critical. Housing associations have tested all sorts of mechanisms of governance, representative: skills based and tenant inclusion. Ultimately the best people to have on boards are those who understand governance. They need to be able to think strategically and look to the future, need to be able to ask the right questions of the executive and hold them to account.

There is evidence that there are very many residents in housing association homes who absolutely have the skills

to do play this role, but asking two residents to represent the views of 30,000 other tenants does not make any sense. We don't have the systems and structures in place to make that work.

In the past as part of the stock transfer process we have had boards that included representatives from local government. Some of them as individuals were excellent governors, but those who had to run everything past their other party colleagues completely missed the point. That is what representation asks you to do, but it is not what good governance should look like.

**Many housing associations exemplify the potential for organisations to balance strong commercial performance with a social purpose: why in your view aren't housing associations more widely understood?**

I realised a few years ago that the answer to this is absolutely crystal clear: the better people get to know housing associations, the more they like them. Housing associations spend the majority of their turnover on community investment and no one knows about it. It is important that we communicate this clearly.

Our members are brilliant at what they do, but they are poor at telling their stories. This is an area we have invested in. We need to tell people about the good that housing associations do before we can expect them to understand. Housing associations need to invest time and energy in telling their own story. This is not an optional extra, it really is business critical. If we are to be the partners of choice for the future, it is much easier to build partnerships with organisations that are already known, admired and trusted than to try and build them with those that aren't known at all.

**“Only with a diverse and talented pool of staff will we crack the future for our organisations.”**



Communications is also important in attracting talent. I really believe that housing associations offer an exciting range and variety of jobs working with organisations that make a real difference. This is something that is appealing to the millennial workforce, but if they don't know anything about housing associations how do they know these great jobs exist. We are missing out on some of the talented people that we don't know are out there as they don't know who we are.

**Your work with the Federation and in previous organisations, such as Centrepoint, has addressed and worked to tackle homelessness. Do you feel optimistic that a comprehensive and effective response to this challenge can be delivered, and if so, how?**

I am completely confident that we can deal with it, and especially street homelessness. I am more optimistic about this than I have been in the last ten years. I think there is a real focus on this and a genuine concern and willingness to do something about it.

Looking back to the early 1990s, there followed a 20-year period where rough sleepers' initiatives almost removed homelessness from the streets.

That came to a complete halt in 2010 when austerity economics and politics came in. We went backwards at speed on this issue.

I am part of the government advisory panel that was set up to look at this, and we do know how to address it. The problem is that it involves spending money, doing it consistently, and doing it over the long term. We need to decide as a nation, one of the wealthiest in the world, that we don't want to see people sleeping on our streets and that we will invest in it.

It is not just street homelessness though. We are in the very sad situation where 120,000 children in England are presently living in temporary accommodation. This presents another fundamental problem, that for 40 years we haven't built enough new homes in this country. The obsession with people being owner occupiers, rather than renting as a good form of tenancy has distracted detrimentally on the key issue: we are not building the volume of homes that we desperately need.

There is now a very real opportunity for housing associations to address this. We have in our economy for the first time ever large-scale providers of new homes whose fundamental business model is the delivery of mixed tenure housing. Using their commerciality and understanding of community development, we are building homes not just for sale, but also market ownership, for intermediaries, shared ownership and rent. One housing association can do all of that and it means that we can build quicker, with more certainty and ability to de-risk sites. Over the next few years, this will make a really, really important difference.

**And finally, can you give us a glimpse into what is next for you?**

I have been involved with housing associations for almost 40 years and am not going to leave it behind entirely. I would not be surprised if I popped up chairing a housing association board somewhere, but at present there are no specific plans.

I would like to have more flexibility in my life. With two young granddaughters and another one on the way I would like to spend more time with them.

I am in the market for interesting projects and will take an opportunity to explore other areas. I am most certainly not retiring from life. 

## DAVID ORR BIOGRAPHY

David Orr is the current Chief Executive of the National Housing Federation and a former President of Housing Europe, the European network for Social Housing. He is the Chair of the board of Reall, previously known as Homeless International.

Previously, David has been Chief Executive of the Scottish Federation of Housing Associations and of Newlon Housing Trust, having also worked with Centrepoint.

In 2010 David was given an honorary membership of the CIH, and in 2018 David was awarded a CBE in the Queen's birthday honours.

# THE CHANGING LANDSCAPE OF LEADERSHIP

**Hannah Scarisbrick**, Partner in the Housing practice group at Saxton Bampfylde, and **Cassandra Woolgar**, a Business Psychologist in our Leadership Services team, explore how housing associations can recruit and develop the leadership talent needed to take the sector forward.

**A**t Saxton Bampfylde we have the privilege of seeing ‘under the bonnet’ of a huge range of organisations. From FTSE businesses to government departments, NHS Trusts, regulators, schools and universities, we work with organisations of all shapes and sizes dedicated to meeting an extraordinary and ever-changing range of social needs. Housing associations, with their blend of commercial models with social purpose and their essential relationships with central and local government, straddle many sector boundaries.

Today, housing associations must be as connected to their customers as any consumer facing business, as accountable for delivering against their social purpose as any charity; and as transparent and compliant as other highly regulated markets. On top of this, they must be sensitive and responsive to social change and need.

Finding the ‘answer’ to what makes organisations successful and resilient is a challenge, but there are three key features that are evident in flourishing organisations from any sector - they are purposeful, innovative and inclusive. Collectively, Housing Associations have many of these qualities, but there is significant untapped potential and a new imperative for the sector to recruit and develop leaders who can inspire and embed cultural change as effectively as they can deliver against other key priorities. Here we draw on the combined expertise of our search and occupational psychology teams to consider some of the ways in which this can be achieved.

## PURPOSEFUL

Research\* shows that companies with a declared purpose that is firmly adhered to by their leadership teams and well-understood by their stakeholders perform better than their less purposeful peers. So what sort of leaders do we need to build purposeful organisations?

Identifying a meaningful goal may be the first challenge for leaders of purposeful organisations. In this sense, housing associations are advantaged because by nature they are responding to a clear social purpose. However, ensuring that organisational purpose feels relevant, authentic and compelling is a critical challenge for the sector’s leaders.

**“Ensuring that organisational purpose feels relevant, authentic and compelling is a critical challenge for the sector’s leaders.”**

Here the tools of occupational psychology can be critical. Our experience over 30 years of combining search with psychometric assessment has helped purposeful organisations ensure that they understand not only the competencies of their senior leaders but also their key drivers. One of the things we have learned along the way is that packing the board rooms of commercial businesses with people motivated by making money is no more successful than populating social impact organisations with people who bring strongly altruistic traits. A balance is essential and inevitable, but psychometric tools can help boards and leaders understand themselves better and ensure that amongst their leaders, they have authentic champions of purpose. If in your board room you have

those people truly motivated by and connected with your purpose, it must be equally crucial for leaders to be able to communicate that purpose and ‘bring it to life’. The right assessment tools can also measure listening skills, sensitivity, and the ability to use personal presence to engage, communicate and ‘bring people along’. These qualities and skills will matter enormously when it comes to embedding cultural change and an organisation-wide sense of purpose.

Our understanding of different approaches to leadership has led to healthy examination of how we identify potential leaders, diversify from traditional leadership models, and consider how various elements of leadership impact the employees and the business as a whole. We expect to see more and more purposeful organisations recruiting and developing leaders with qualities such as amiability and openness as well as traditional traits like ambition and extraversion.

## DIVERSE AND INCLUSIVE

Although the housing sector is ahead of many others in its understanding and acceptance of the need for diversity, it still has a long way to go to change the make-up of its board rooms and it arguably has a further journey ahead in terms of delivering on inclusion. After all, surface level diversity isn’t the goal here: it is only those organisations which are genuinely inclusive that will reap the benefits of diversity.

It is equally important to recognise that successful and resilient organisations don’t just look at diversity and inclusion when it comes to the recruitment and development of staff and board members: they build it into their DNA. This must be the challenge for housing associations too, especially in the wake of the Grenfell tragedy, when much has been written about the need for housing providers to be more connected with their residents, and more inclusive of the resident voice.

Thanks to initiatives like Leadership 2025, Raising Roofs and others, housing associations of the future will better reflect the communities in which they exist. Those that are also genuinely inclusive will be more connected to those communities. They will be more likely to nurture creative thinking, better able to respond to changing operating environments and be more resilient.

Leaders need to move beyond building diverse teams to creating inclusive cultures that harness the benefits of diversity.

**“If leaders can create a culture in which challenge and change is accepted, they are more likely to succeed in nurturing creativity.”**

**INNOVATIVE AND CREATIVE**

In the context of societal change and political and economic uncertainty, the landscape of housing provision is evolving all the time. Housing associations know that standing still is not an option. There is an accepted need for more innovation and risk taking in the space. The generation and application of new ideas could help housing associations understand more deeply the needs of their customers and how to meet those needs in new and better ways. There are many links between diversity and inclusion on one hand and creativity and innovation on the other. If leaders can create a culture in which challenge and change is accepted, they are more likely to succeed in nurturing creativity. Indeed, research has shown that a culture that encourages creativity is one with inclusive leadership and psychological safety\*\*.

What is clear is that innovation and creativity cannot be ‘owned’ by an individual. Rather, a culture of creativity must be instilled across an organisation, in which new ideas are welcomed, developed and turned into new initiatives that add real value. So, while we can look for evidence of creativity and ‘divergent thinking’ in individuals, the potential to bring that creative potential to life will be lost if the culture isn’t one in which ideas flourish.

**Housing Associations may need to:**

- Ensure they are equipped to identify, develop and recruit authentic champions of social purpose at executive and non-executive board level;
- Match efforts to improve diversity with a robust interrogation of how inclusive the culture is;
- Look for creativity in emerging leaders and review whether the organisational culture enables innovation and creativity to flourish.

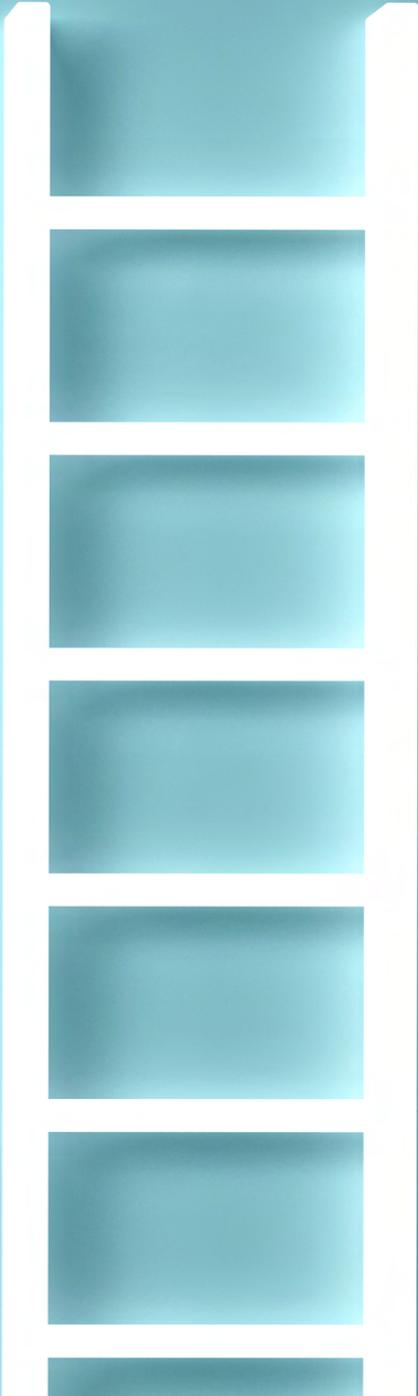
More than ever, housing associations are asking a lot of their leaders. We ask them to be as innovative and bold as they are accountable and consultative. To lead confidently, listen and learn well and to generate healthy surpluses whilst maximising social value. This presents a significant challenge for housing leaders now and in the future, but housing associations are used to evolving and breaking new ground; after all, they were engaged in things like place shaping and social enterprise long before the terms were ever coined.

In realising the purposeful, inclusive and creative housing associations of the future we see particular opportunity for those which diversify from traditional leadership models. Those organisations will consider soft skills, psychological traits, and core values, goals, and interests with as much rigour as strategic, operational, financial and commercial competency. 

**CONTACT**

 **Hannah Scarisbrick**  
hannah.scarisbrick@saxbam.com

 **Cassandra Woolgar**  
cassandra.woolgar@saxbam.com



\* The Purposeful Company – Policy Report, Feb 2017 \*\* Carmeli, Reiter-Palmon and Ziv, 2010

# BALANCING COMMERCIAL PERFORMANCE WITH SOCIAL PURPOSE

Interview with **Dipesh Shah OBE**  
Chair of the Notting Hill Genesis and  
Notting Hill Home Ownership Boards



Photo Credit: The Crown Estate

Having guided the merger of Genesis and Notting Hill Housing Associations, we join Dipesh Shah, now Chair of the Notting Hill Genesis and Notting Hill Home Ownership Boards, to reflect on the process and his hopes for the industry's future.

A hugely experienced Chair across a number of sectors, we talk to Dipesh about the challenge of taking on his first role in a housing association and having to guide a complex network of stakeholders through the merger process. Dipesh shares his thoughts on the need for good governance to reflect the ways in which the sector has changed over recent years and discusses the need to elevate social housing within the housing debate.

**In April you and your colleagues concluded the merger of Genesis and Notting Hill Housing Associations. What key advice might you give to other boards considering or going through a merger?**

Mergers are time consuming. They inevitably create a great deal of uncertainty and insecurity, so it is important to address the most contentious issues at the outset to see whether they can be resolved before one goes too far down the road. For us, that meant establishing clarity around why we are looking to merge and agreeing on some particularly important principles on which the merger would be based.

The question of why we should merge was considered carefully between the two CEOs and Chairs within a week of my joining. There were a number of drivers, including the advantage of scale when it came to being around the top table and helping shape policy, but – critically – we saw that a merger would be facilitated by the common heritage of the two organisations in support of our residents. Soon after that initial meeting, I set out the key founding principles of the merger to ensure we had common ground.

One of the most important of these was that this would be a merger of equals. It was agreed that we would go through due process to reflect this principle in terms of the board composition; there would be equal numbers from both organisations on the board, and the senior cadre would be represented equally in terms of the executive directors, as well as the tier below that.

Another important principle we established was to recognise that not everyone would be able to, or indeed want to, be part of the journey. It was agreed that those staff would be treated fairly and with respect as after all they hadn't asked to be involved in a merger.

We enshrined these principles at the outset of the negotiations, and I'm pleased that that we ultimately implemented each of them.

The final element for me was a recognition that the process had to start with a campaign to win the trust, hearts and minds of all our stakeholders. I reminded my colleagues continuously along the way that, if the organisation was to truly succeed post-merger, it needed to carry that trust and conviction into the process beyond. And that was precisely what we did.

**“In leaders we must first and foremost look for a deep-seated empathy with the social purpose.”**

**With pressure growing on the UK's housing providers - and especially housing associations - what do you feel is the greatest challenge faced collectively by the sector's leaders?**

In recent times, society has become increasingly polarised and there is widespread recognition of the challenge around inequality. Post-Grenfell, local activism has intensified, enabled by the ease of communication through social media. As leaders in social housing we need to grasp these trends. We can do so through an active engagement with our residents and by putting structures in place that allow this engagement to happen continuously.

As a nation, we are in the midst of uncertain times, economically, socially and politically. The provision of social housing is in the eye of the storm and the model employed over recent years, whereby the development of market sales and rentals is used to fund social housing, is likely to be strained. This model can continue for existing schemes but eventually something will have to give. We will need to work with all interested parties to establish a new agreement on how additional social housing is to be provided, and how it is to be made affordable. To do this, we need to elevate the role of social housing within the housing

debate. We must also be innovative, and we will need to embrace new technologies and the digital revolution to establish new ways of doing things.

## “We cannot satisfy a social purpose without being astute and successful commercially.”

### What leadership qualities at board level do you think are most needed to meet the challenges and opportunities facing the housing sector?

Let me start with something that is blindingly obvious but well worth repeating. In leaders we must first and foremost look for a deep-seated empathy with the social purpose. I wager that this will be called on more and more.

Next on my list is peripheral vision. With the changing societal, economic and political landscape, boards of social housing organisations will need increasingly to be strategically adept, agile and forward-looking, not least in embracing digital and technological innovation. The ability to communicate and take people along will also be critical.

Boards will need to make some difficult choices while adhering to their social purpose. Being able to articulate these choices clearly, and to take stakeholders along on the journey, will be pivotal to success.

### How do you see the governance requirements of the housing providers evolving in light of how the sector is changing?

This is critical. Most social housing organisations have well tried and tested governance models. There are, however, two areas where increased scrutiny and emphasis is likely to be required as we advance into the future.

Firstly, there is the question of how we further embed resident engagement, so that it becomes a part of the fabric of the organisation. Notting Hill Genesis provides homes for around 170,000 residents; equivalent to about half the population living in the heart of the city of

Nottingham. This is a tremendous power for good if we engage that body populous effectively. We have resident members on the board and a sub-committee but we have also promised to involve residents in establishing local frameworks, which will go beyond these measures.

Secondly, boards will have to consider how we remain alert to the strategic choices facing housing organisations. For Notting Hill Genesis, this involves championing peripheral vision, and the Chair has a critical role in that. Maintaining our peripheral vision involves taking thematic ‘deep dives’ on individual areas of strategy and operations and ensuring that they are evaluated on a regular basis. Boards are most effective when they are fully immersed in the context in which the organisation operates both today and the context in which it is likely to operate in the future.

### You are a very experienced Chair in other sectors, but this is your first experience of housing associations. What would you highlight as your key observation coming into this sector with a fresh perspective?

The sector has very committed and gifted people who want to, and indeed do, make a difference. I am in awe of how social housing has conquered many challenges historically thanks to the commitment to the cause shared by those that work in this sector. But I would also say that the model of social housing is not very well known or understood within the wider community. At a time when housing, especially affordable housing, is a national imperative, social housing should be centre stage. We will have to up our game.

### For some leading businesses, social responsibility has moved beyond traditional ‘CSR’ and has become part of their overall strategic positioning. How seriously do you believe the commercial sector is taking social responsibility? Are there lessons that for-profit providers can learn from Housing Associations on the challenge of balancing social purpose with strong commercial performance?

For the commercial world, I’d like to believe that the train, on moving beyond narrow shareholder interest, has left the station and is now in full throttle.

Many for-profit organisations have moved beyond ‘triple bottom line’ and CSR to a more active integration. Indeed, as

recent cases testify, where commercial organisations are out of kilter with social expectations they are justifiably being called to account. Similarly, the increased recognition of issues surrounding diversity, gender equality and executive pay indicate that the commercial sector is taking its social responsibility more seriously - and not before time.

Organisations thrive when they have a clear purpose and when they do a handful of things exceptionally well rather than a lot poorly. If you look at organisations that have failed in the commercial sector you will find a common theme of a loss of cohesion, and a divergence from core purpose. Often these organisations have made the mistake of believing they can walk on water. Inevitably they can’t.

In the modern world, commercial performance and social purpose should reinforce one another, and we cannot satisfy a social purpose without being astute and successful commercially. 

## DIPESH SHAH BIOGRAPHY

Dipesh Shah was appointed Chairman of Genesis Housing Association in January 2017. He became Chair of the Notting Hill Genesis and Notting Hill Home Ownership Boards in April 2018. Dipesh is a highly experienced and influential senior leader.

He has had a diverse senior executive career in the energy sector holding varied roles as Chief Executive of businesses within BP Plc and, thereafter, the UK Atomic Energy Authority. He has a wide portfolio of past and present non-executive roles.

Currently he Chairs the Investment Committees for both of the 2020 European Funds for Energy, Climate Change and Infrastructure (Marguerite Funds I and II). He is a Main Board Commissioner for the Crown Estate and is on the Board of Toronto-listed Canaccord Genuity Group Inc. He previously Chaired Viridian Group Plc, a FTSE power utility and the European Solar Industry Association and has served on the Boards of Thames Water, Lloyds of London and Babcock International Group Plc. He received an OBE in the 2007 New Year’s Honours List.

# FURTHER READING

We provide a brief insight into key news items that are causing a stir locally and globally.

## New measures to promote and drive diversity of bidders for Government contracts

In the wake of the collapse of Carillion in early 2018, the government has launched new measures designed to promote a healthy and diverse marketplace of companies bidding for government contracts.

There is significant recognition for the need to build a diverse, vibrant

marketplace of different suppliers – taking into account wider social values, as well as cost.

The new measures will encourage and aim to make it easier for small businesses, mutuals, charities, co-operatives and social enterprises to take on government contracts.



## Affordable housing approvals jump by 14% in Scotland

New figures published in the latest Quarterly Housing Statistics for Scotland show that 11,677 affordable homes were approved in 2017/18, an increase of 14 percent on the previous year and the third consecutive annual increase since 2014/15.

This includes increases in affordable rent approvals (which have more than doubled, up by 1,433 homes), and affordable home ownership approvals (up by 5 per cent or 92 homes), with a slight decrease in social rent approvals (down by 2 per cent or 124 homes). The numbers of new-build affordable homes being completed have also

seen a significant increase, with the latest statistics for the year to end March 2018 indicating a 16 per cent rise, equivalent to 1,198 homes.

According to The Scotsman, the news has been welcomed by Shelter Scotland director Graeme Brown, who commented: "Homes for social rent are key to tackling Scotland's housing crisis. We urge the Scottish Government, housing associations and councils to do all they can to ensure enough social homes of the right type, in the right places, are built to meet the high demand."



## The digital change agenda within in the NHS – King's Fund report



A recent King's Fund's [report](#) looks at the wider issues in society of health and social care and how digital technology can improve quality, efficiency and patient experience as well as supporting more integrated care and improving the health of a population. The report looks at the key elements

of implementing a large-scale change programme across the NHS, providing insights into how to ensure that change is organisation wide despite challenges including workforce, tight budgets, organisations' attitudes towards risk and the relationships that exist between care providers and key stakeholders.

## Corporate governance code introduced to promote diversity at board level

According to a piece in Personnel Today (16 July 2018), a new corporate governance code, which aims to improve public trust in business, has urged employers to establish a culture that promotes integrity and values diversity at board-level.

The 2018 [UK Corporate Governance Code](#), recently published by the Financial Reporting Council (FRC), encourages boards to engage with their workforce to understand employees' views and prepare to justify how they have considered these interests when making business decisions.

## 340,000 new homes a year needed until 2031

The National Housing Federation has published new figures that claim that [340,000 new homes](#) are needed in England each year until 2031 to keep up with demand. This is significantly higher than the current government target of 300,000 per year.

The research, conducted by Heriot-Watt University and in partnership with the national charity Crisis, is expected to be published in full this summer. It shows that England's total housing

need backlog has reached four million homes.

David Orr, Chief Executive of the National Housing Federation, has called on the government to step up to meet this need, commenting: "The shortfall of homes can't be met overnight – instead, we need an urgent effort from the government to meet this need, before it publishes its social housing green paper in the summer."



**VIEW FROM THE RIVER:**  
TEAM INSIGHT

**PAMELA  
LEONCE**

Take a closer glimpse into the people at Saxton Bampfylde and our global partners with our regular team insight feature.



**Pamela Leonce** is the newest face in the company, having joined Saxton Bampfylde in March 2018.

#### **PAST, PRESENT AND FUTURE**

I am a partner and consultant in the Social Impact and Housing Teams and my role is to find excellent senior executive talent for our clients. Prior to joining Saxton Bampfylde, I had been in housing / criminal justice sector for 30 years and worked for a number of housing associations. In my spare time, I support an international charity that provides leadership and management development support to organisations.

#### **RAINY DAY DREAMS**

Apart from staying in bed with a nice glass of wine and a good book, my day dream place is the Boucan restaurant in St Lucia. Home to Hotel Chocolat, and 1,000 feet above the Caribbean Sea, the view is absolutely amazing and even when it rains there is something magical about watching the rain fall on the lush green land.

#### **SUM UP THE HOUSING SECTOR IN THREE WORDS**

Changing, conscientious, exciting

#### **WHO DO YOU VIEW AS A PARTICULARLY INSPIRING LEADER, AND WHY?**

Simon Sinek - a very inspiring motivational speaker. He has met with leaders and organisations in nearly every country and identified some remarkable patterns and insight into how the greatest leaders, think, act and communicate. I find his observations very practical and memorable.

#### **WHAT ATTRACTED YOU TO YOUR ROLE AT SAXTON BAMPFYLDE?**

Having worked in the housing / criminal justice sector for the majority of my career, I wanted my next move to be something that fuelled my passion for people and leadership, as well as enabling me to work with a broader range of organisations. Saxton Bampfylde presented the perfect opportunity to join an organisation that is

committed to identifying and sourcing good leaders across a range of sectors, as well as becoming a partner in an employee owned firm. Another part of the attraction for me was that I could still use my housing and social care expertise.

#### **WHAT WOULD YOU IDENTIFY AS THE BIGGEST CHANGE IN THE HOUSING SECTOR IN THE PAST FIVE TO TEN YEARS?**

The ongoing merger of housing associations. This has created organisations which are very large and have as many as 120,000 units. From one perspective, this is good as it means associations can build more homes and sweat their assets harder, however the ongoing challenge will be ensuring that they do not lose sight of their original social purpose and become overly fixated on profit. Associations need to continually ask themselves how they can keep in touch with their local communities and continue to make a difference to the lives of those who they house.

#### **WHAT DOES THE COMPETITIVE LANDSCAPE LOOK LIKE FOR TALENT IN THE HOUSING SECTOR?**

There is a lot of talent in the housing sector. Indeed, many people have started from the front line in roles like housing officer, team manager etc. and grown to become senior managers. I find that very encouraging. But the war for talent is intensifying and we are seeing more and more people from outside the sector becoming attracted to housing. This will bring fresh knowledge and expertise to the sector, it also potentially motivates and enables housing specialists to add breadth to their experience.

#### **DO YOU THINK THERE ARE BENEFITS TO APPOINTING TALENT FROM OUTSIDE THE SECTOR AND REGION?**

Yes, because like any other sector

housing can learn from those outside of the industry, and because talent exists in many sectors. However, I equally think other industries can also learn from housing, so we shouldn't be shy to move into new or different spaces. Moving into executive search, I knew I had an eye for talent and leadership, especially within the housing and social care sector. I wasn't shy to promote this a transferable skill.

#### **HOW MUCH EMPHASIS IS THERE ON DIVERSITY AT BOARD AND SENIOR EXECUTIVE LEVEL ACROSS THE HOUSING SECTOR?**

The housing association sector has always prided itself on its inclusivity and focus on meeting the needs of diverse communities, therefore there continues to be an ongoing emphasis on diversity. However this hasn't yet had the impact that we would like to see. The number of boards that have a diverse representation on them or the number of senior executives from a diverse background is still quite low, even though the case for diversity across leadership teams is compelling.

There is talent out there, but organisations are still making quite traditional appointments. I am Chair designate of the board of a housing association and in partnership with a number of other organisations, we are participating in a programme called Leadership 2025 that focuses on developing junior and middle-management BME individuals in housing organisations. If the sector truly wants to make a difference, then we must expand the range of voices and people we bring to the decision-making table. This is important to me personally and I am excited about the potential I have as part of Saxton Bampfylde to make an impact on this agenda. 

#### **GET IN TOUCH WITH PAMELA**

 [pamela.leonce@saxbam.com](mailto:pamela.leonce@saxbam.com)  
 +44 (0)20 7227 0879

# Saxton Bampfylde

9 SAVOY STREET  
LONDON WC2E 7EG  
+44 (0)20 7227 0800

46 MELVILLE STREET  
EDINBURGH EH3 7HF  
+44 (0)131 603 5700

[www.saxbam.com](http://www.saxbam.com)

## SAXTON BAMPFYLDE MISSION STATEMENT

We exist to change the world by changing leaders in interesting and important organisations. At the same time we aim to create an environment wherein all members of our community can grow to their fullest extent emotionally, intellectually and spiritually.

*Saxton Bampfylde is an employee-owned business*

## GLOBAL HOUSING PRACTICE KEY CONTACTS

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With over 200 consultants worldwide, our global partnership brings together leadership experts across the commercial, public and non-profit sectors. Our key consultants with a particularly strong focus in the housing sector include:

### UK

Hannah Scarisbrick  
Partner, Head of Housing Practice  
[hannah.scarisbrick@saxbam.com](mailto:hannah.scarisbrick@saxbam.com)

Stephen Bampfylde  
Partner, Chairman  
[stephen.bampfylde@saxbam.com](mailto:stephen.bampfylde@saxbam.com)

Rachel Hubbard  
Partner, Head of Social Impact Practice  
[rachel.hubbard@saxbam.com](mailto:rachel.hubbard@saxbam.com)

Pamela Leonce  
Partner, Consultant Housing Practice  
[pamela.leonce@saxbam.com](mailto:pamela.leonce@saxbam.com)

Kate Ludlow  
Partner, Consultant, HR Practice  
[kate.ludlow@saxbam.com](mailto:kate.ludlow@saxbam.com)

### CANADA

Shaun Carpenter, Partner  
[shaun@pfmsearch.com](mailto:shaun@pfmsearch.com)

Ranju Shergill, Partner  
[ranju@Pekarskyco.com](mailto:ranju@Pekarskyco.com)

### USA

Sam Pettway, Partner  
[sam@boardwalkconsulting.com](mailto:sam@boardwalkconsulting.com)

### LATIN AMERICA

Andre Freire, Partner  
[andrefreire@exec.com.br](mailto:andrefreire@exec.com.br)

### NEW ZEALAND

Stephen Leavy, Partner  
[leavy@hobsonleavy.com](mailto:leavy@hobsonleavy.com)

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a global partnership of 18 leading independent  
executive search firms around the world.  
[www.panoramasearch.com](http://www.panoramasearch.com)

  
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