The latest views from Alistair McIntosh, Chief Executive, Housing Quality Network

Ahead of chairing HQN’s Line of Best Fit event in London this week, chief executive Alistair McIntosh looks at the implications of what this year’s VfM statements could mean for housing associations.

What did the rent cut tell us? The government does not think that registered providers (RP) are doing enough to cut costs. Not by a long chalk.

What do the Global Accounts say? Registered providers’ costs are going up by much more than inflation. We will pay a price for this.

What will happen next? The government wants to drive costs down and at the same time push capacity up by slashing the number of RPs. So we will see more mergers. Some of you will be all for this, others will have misgivings. But you will want to be in control of your own destiny. That’s for sure.

What does this mean for YOU? It’s time to pull out all the stops on VfM. If you get a downgrade you will be staring into the jaws of a forced merger. That’s the way it is. How can you avoid this?

Here are the questions you need to ask:

- Are we controlling our costs? How do we compare to others? What are our trends like?
- Do we have a clear plan to save money?
- Are we making the most of our assets?
- Are we building as many homes as we can? Or will the HCA say we are just sitting on cash?
Are we doing enough to boost home ownership? (That’s the acid test for government)

Can we prove we are in the best position to deliver as a stand-alone RP? If not, what are we doing about it?

Are we strong enough to get through the rent cut?

Can we withstand the risks we could face like interest rate fluctuations and a downturn in sales?

Does the VfM statement paint a clear picture of what we are doing?

In the face of all this – are we true to our values?

Can the HCA rely on us – did we make the savings we said we would in our earlier VfM statements? If not, why not?