

00:00:03:27 - 00:00:34:17

HOST

Welcome to the People Property Place podcast with me. Your host, Matthew Watts, founder and managing director of Rockbourne. This is a podcast where I share the stories, views, opinions and career journeys of the movers, shakers, innovators and leaders in the real estate industry.

00:00:34:20 - 00:00:45:09

HOST

Welcome to the People Property Place podcast. Today we're joined by Andrew Ferguson, executive development director at LKL property. Andrew, welcome to the podcast.

00:00:45:10 - 00:00:46:13

GUEST

Thanks for having me. Thank you.

00:00:46:19 - 00:01:00:02

HOST

Not at all, but a place I always like to start. This podcast is how you got into property. But as a man who's had a prior career before you got into property as a helicopter pilot with the RAF. Can we just touch on that first? And can you just explain to me how you got into that?

00:01:00:05 - 00:01:19:05

GUEST

Sure. Yes. That, as many people do and some people join as a as an air cadet, some people recognize that something you always want to do. I wasn't really that person. I, through school, coming into university when the pressure was on parents and friends. And, you know, you have to choose what to do with your life at that stage.

00:01:19:05 - 00:01:35:12

GUEST

I think it was quite sort of, not a next door neighbor at the time who said he was really keen to be a pilot for the likes of BA. I remember I was, speaking to my sort of parents were my parents friends at the time, and I said, I'm keen to explore being a pilot like my friend.

00:01:35:14 - 00:01:54:28

GUEST

And then that person said, you mean for the Air Force or for or for career? And I never thought or the barely even knew the Air Force existed, but, you know, young whippersnapper from Belfast at the time, even though we were flying over heads day and night. So as that flying sort of try to explore, that might be a cool thing to try to try and, tell people it's good I want to do.

00:01:55:00 - 00:02:09:16

GUEST

And from that, then that started the kind of process of rolling into how do I do it, what grades do I need, what I need to study, where can you do it and what that what that you know what that route is. So that's how it started. And then into university not really knowing a bit of a lot.

00:02:09:16 - 00:02:32:16

GUEST

So what sort of because a bit of was thinking run an engineering side and it was becoming a thing. Lots of people talk about property, but that was kind of still, you know, pre noughties. So it wasn't it was on a downward spiral. So really it was university days that I decided to pursue it. Albeit it was my first wasn't my first love wasn't that if I wanted to be the whole time.

00:02:32:17 - 00:02:41:10

HOST

See what a kid growing up with the the aero fix or ice or whatever they're called, models hanging from your bedroom ceiling and staring out of the window. None of.

00:02:41:10 - 00:02:59:10

GUEST

That. None of that didn't. No. So it's not that I had that, that real innate interest, but it grew. And then I think, you know, people joke and it's quite timely with Top Gun to come on that that was, you know, really coming into the mix sending that was like 86 the first one. So yeah, no it was never really something I would like to have from a kid.

00:02:59:11 - 00:03:08:19

GUEST

I missed all the cadet days and things I didn't know much about. The military have no family history in military at all. So all very new for the Ferguson household.

00:03:08:19 - 00:03:16:06

HOST

And so how how did they or after they sponsor you through university, or did you kind of graduate and then decide to progress there?

00:03:16:06 - 00:03:39:24

GUEST

So it was a university piece where doing, didn't do it while doing a degree. I applied and they said, look, and essentially a bursary. So I had a bursary for three of my years at university, which was was a great thing to have. So not only was it some free money to kind of get to year round and and surviving university, but it was also knowing that actually this is what you were going to do.

00:03:39:24 - 00:03:58:26

GUEST

So part of that was joining university er Scotland, where at the same time as doing your degree, you also had to fly and you do various summer camps and various pieces before you for you actually join. So you go through that, that piece difficult to get in. But you know, it was just at a time that a lot better judgment but a charm not really helped.

00:03:58:26 - 00:04:15:07

GUEST

So I'd give me a real focus throughout university because I had to get a degree in order to make sure of it. And so you, you apply as an officer? Yes, first. And then after that you get branched off. Just so happened I applied to be a pilot. Except after aptitude tests. Your brain works in a certain way, will take you on to do that.

00:04:15:08 - 00:04:35:10

HOST

And you fit the seat as well, right. Because. So I guess the context here is before people think that I'm a real geek. My, my father was actually a helicopter pilot in the Army Air Corps for his career, and my grandfather was in the tanks before moving into the Air Corps. And my dad's older brother, my uncle, was in the tanks before moving to the Army Air Corps.

00:04:35:10 - 00:04:54:10

HOST

So I've got a long history of of family in the Army Air Corps and helicopters is something that I've kind of grown up with. So I've got an interest, certainly an interest in it, although I never wanted to be a pilot myself. But yeah, you've got to be you've got to fit the C as well. Right? So it's not just about how how strong technically and intellectually gifted you are.

00:04:54:13 - 00:05:08:24

GUEST

There's, there's everything. I mean, if, and I was saying, if I had a pint for the time, everyone said, oh, I was going to be an olive pilot. But right at the very end of the very end, my I said, let me die in my hearing, let me down. But actually, it's the first thing that they do.

00:05:08:27 - 00:05:22:24

GUEST

First thing they do is they put you through a pretty intense, strict medical with a do check your vision, do check your hearing. And yes, they do check the distances between your hips to your knees and output to your shoulder. And actually there's quite a small band you've got to fit because it's all to do with the ejection seat.

00:05:22:26 - 00:05:29:24

GUEST

Because you don't you don't get told you're going to go fly helicopters. Up comes through this training process. Postdocs are training and perks like training, etc., etc..

00:05:29:27 - 00:05:35:15

HOST

And so they screen you and then they'll adjust you, you know, depending on the aircraft or capacity or have you lighted on an.

00:05:35:15 - 00:05:54:27

GUEST

Auxiliary need what they need at the time when I went through, it's kind of the early 90s and that was just pre the, the, the Iraq war was kind of bubbling up a little bit. And the Eurofighter 2000, as it was called, the Times of the typhoon, which was what the intake was for, you know, new jet coming off once maybe I we need more fast jet products.

00:05:54:29 - 00:06:13:14

GUEST

But just in that time period, I mean, everybody joined a big fast jet pilot that was late. So the instructors were having to go to the Middle East and various other countries to, to fill that backlog. So it was a gap there. So and actually at our time, quite a few, quite a lot majority certainly still, people go through the training system with helicopters.

00:06:13:20 - 00:06:22:08

HOST

And so how did you feel getting assigned to, to a helicopter squadron or a training group? Were you excited about that at the time, or was it a bit a bit of unknown?

00:06:22:12 - 00:06:38:05

GUEST

Yeah, I think it was, you have this thing at the end of initial officer training and at some say they take around 80 or 90 officers from different branches in the Air Force, and that's a 6 to 9 month process. And so at the end of that is kind of like what they call it's known as Fast Jet Friday.

00:06:38:10 - 00:06:57:20

GUEST

It's quite a really important day for all budding pilots to to get to fast. Yep. Friday it's a Friday before you graduate. And it's kind of well timed to the end of every initial of the training squad. And I think the right sort of 16 of us. And that's when the pilots get brought in to a special room and you get told where you're going to be, where you're going to fly.

00:06:57:25 - 00:07:16:15

GUEST

And at that time, I think, as everyone would say, I was absolutely gutted because my, my dream sheet was to go fast Jets first, multi-engine second, which is large to 60 airliners. But the Air Force then start was helicopters. But thinking being that helicopters would be more fun to fly, but it's not, what a job for them.

00:07:16:15 - 00:07:40:20

GUEST

I put them third, then they'll definitely put me fast jets first, because I actually had, was quite successful at flying training. I was I was recommended to fast jets. So you can imagine the disappointment. But when I looked around, I could see all my colleagues and chat beforehand and people's go off looks not the worst thing. And actually going through helicopter training was a real, a real enlightening time because it's it needs that hand-eye coordination.

00:07:40:20 - 00:08:04:16

GUEST

Your brain needs to work a certain way. So even though they are slower, your lower down, it's a real kind of it's a real leveler. And a lot of people who were initially thought that were excellent, that their early stage struggled and managed to scrape through, as everybody does training. So it's quite an intense sort of couple of years for young men and women to come out of university, be thrown into the, you know, become officers pretty quickly.

00:08:04:19 - 00:08:08:22

GUEST

Then after go through quite intense grad school, pilot training and.

00:08:08:22 - 00:08:22:09

HOST

Also correct me if I'm wrong, you can't commit to a short service career in the short service is three years, and if you're going to go down that route, you got to commit for a minimum of eight years because they're going to spend £1 million per person in terms of what cost. And they also want to reap a return.

00:08:22:09 - 00:08:25:03

HOST

So you're signing up for quite a long time here as well. That's right.

00:08:25:06 - 00:08:47:26

GUEST

You sign up I think initially the it's the Air Force, maybe slightly different in the Army when you sign up initially for 16 years. And then there's various option points throughout that time where you can come out from. But it's all kind of driven by if you leave at that point, you don't get this pension later on, and you do get stuck in a bit of a pension trap because and that was kind of a, you know, a lot of people have asked me over the years and I'm sure you're going to ask me as well, you know, why did you leave at that particular point?

00:08:47:28 - 00:09:05:14

GUEST

Nowadays to make sure actually that, you know, you don't want to get stuck in that pension trap, because if you are thinking of doing something different, if you do think feeling of scratch that itch and, and you do want to take your career in a different way from going up the military ranks to, you know, outside into what's called industry, where we set nine.

00:09:05:15 - 00:09:05:27

HOST  
CV.

00:09:05:27 - 00:09:24:04

GUEST

Straight, CV street bike paths, city road, all that good stuff. And the grass doesn't mean greener and all that sort of stuff you hear, then it's better to do it early. So I would start the, you know, down to Ferguson, you know, early 30s is better than leave, get that time industry as opposed to out before I was in my own 40s.

00:09:24:04 - 00:09:45:01

GUEST

So my colleagues would be leaving in the last 3 or 4 years who stayed in for their 16, which became 18 years. And then there are typically mostly following a ex-military path. They are leaving because of that. But to further underline the need, that bit more money, they need that bit more security. Whereas actually, you know, 13 years ago I was able to take that risk.

00:09:45:06 - 00:09:53:12

HOST

Yeah. So Prince Harry also, he moved into the Army Air Corps. And there's a bit of rivalry between the Army Air Corps and the RAF. Do you train together or is it very separate? No.

00:09:53:12 - 00:10:15:18

GUEST

You do you train together? Yeah. That's probably the only train service is helicopter training, which is amazing. So you start off in a in a group with the RAF Army and Navy. And then you again, once you go through that initial training, you go off to various place. So the Air Force guys do start political of Shelby, which has the next type of, helicopter army guys and go off to Middle Walton and Navy guys go down river.

00:10:15:18 - 00:10:32:02

GUEST

There's like the old and culture old paradigm of like so the rivalry there is real. It's but it's in good sync. Good for it's in good humor. You've got different skill sets. I mean, I think, you know, army people, typically they have a shorter service, so they join to the joint first. They don't know they're going to get into the Army Air Corps.

00:10:32:02 - 00:10:49:23

GUEST

They have to want to join the Army to lead man and then apply thereafter. Yeah. Navy and Air Force, slightly different where we joined to. You know, I wanted to be Air Force. I want to be a pilot. Yeah. So the Army have to go about it a more long winded, different way. And of course, they use their aircraft in their kit for different things.

00:10:49:23 - 00:11:15:15

GUEST

Yeah, they tend to fly lower for more battlefield airspace, air force, more transportation, air jets, different helicopters, Navy more seafaring machines that kind of need to be, you know, land on ships. Except except. So that's afterwards when you get into your conversion units of what type you're going to go to when you really get that differential. But you do see them around various courses and exercises to other bands and your French fellows.

00:11:15:17 - 00:11:31:14

HOST

And it's obviously a popular career choice. So it's an enviable role to go into. And then since Prince Harry

joined the Air Corps and William doing what he was doing with helicopters as well, I'm right and say it became much more intensely competitive. Many more people wanted to get involved with that.

00:11:31:14 - 00:11:51:29

GUEST

Yeah, you could say and feel it. I mean, I was, I was in becoming or trained to be or either an instructor at a time. And actually you do that at the same place. And I do remember, you know, there was desk members even on, like social media was kind of coming into its own a bit and you could kind of see, you know, lots of new cameras and large black vehicles around the place.

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GUEST

And then I think the, the, yeah, the applications for that tripled, from right things and usually about 25,000 applicants a year for 76. I think that was nearly, you know, approaching a hundred thousand or point. Well, just for people to try and get in and follow that path. It was up pretty much at a time, though, that the helicopter forces were pretty heavily deployed.

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GUEST

So in that time, you would have expected to be around six, maybe seven, sometimes eight months a year if you were on the front. So rarely did you have any time to really get back and think about for the group, because you were in that deployment phase of your life with a lot of nights out of bed. So I'm sure you remember from sort of family oriented.

00:12:33:00 - 00:12:49:27

HOST

Yeah, quite. I do regularly. And and you touched on Middle Wallop. We lived there for a while, and I was actually born in Germany when my, when my father was posted there and spent a bit of time, I watch him up in Ipswich. So yeah, I've kind of trodden that path from, from a skill set perspective. What would you say reflecting back on your time with the Air Force?

00:12:49:27 - 00:12:57:14

HOST

What are the kind of core skills that you picked up that you've been able to transfer to your kind of second career in property? And then we can kind of come on to that, that part.

00:12:57:14 - 00:13:19:21

GUEST

Yeah, sure. I mean, it it's, it's a daunting move. And I remember China put CVS together back at the time and you know, so you want to talk about that. What's the main transferable skills. And I can say I've been a pilot here in the, in the, an industry. You know, be it or finance or construction or how do you transfer and there's ways and means doing.

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GUEST

But actually the main thing that actually has stood me in good stead is really discipline of and not marching around, stomping around things. It's actually getting stuff, you know, doing the basics well, making sure you're on time, making sure you've got everything all set up, make sure you're ready for things was always in because when you first come on or start a new job and everyone can align this to, you know, if they've changed industries or we can continue job and it's a bit a bit of a step up.

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GUEST

You spend that first period of time, but it might be, you know, you're consciously incompetent at that role, but you have to have enough about you. You have to have enough to be able to get you to a certain point

to kind of just stick in there to make sure that you're taking it forward and actually you're making an impact.

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GUEST

So alongside the stuff that you expect me to say with good leadership and management skills, that I've had the opportunity to really see and feel and touch in real life, and only then can you really recognize what bad is, you know, so proper management of people, proper leadership of people being the one who's happy to put their head above the parapet and team building and around it, building off teams, etc., all that mixed in together because, you know, even though, yes, I was a pilot, I was also an officer first.

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GUEST

And then as you became more experienced as an officer, I started to go through the ranks. Then actually, you recognize the Air Force in itself. You're on a squadron that has a mini business in itself. It needs staffed, it needs recruited, it needs six build, it needs program needs. It needs everything that we do in a normal business operations here today, it's just there's not that much emphasis put on the financial side of it because that's meant somewhere else.

00:14:50:21 - 00:15:15:23

GUEST

Yeah. So but the mission and the mission in this course is to deliver for the, for the UK. So there's lots of transferable. But the ones that I was able to kind of hang on to grab on to because, you know, bring in a bring in a program from a, from a another part of, you know, DB and building is transferable but actually not what people want to see in here in this industry per se.

00:15:15:25 - 00:15:19:12

GUEST

So I would say discipline in order to have impact.

00:15:19:15 - 00:15:33:29

HOST

And so you left the RAF in 2011. Did you have a transition into you, the civilian world, and what was going through your mind in terms of selecting a career, and how did you how did you land on property?

00:15:34:05 - 00:15:50:12

GUEST

Probably a couple of years before that, I was kind of getting that feeling. You know, that top and top of that gut feeling, you know, that you always get. And it's true. You know, when you're ready, you don't want to admit it to yourself, because quite often you stick with a few colleagues internally. You're kind of thinking about leaving the this or that's risky.

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GUEST

You've got the best job in the world you can grab at it. Why would you want to leave this? And like, I don't know, I need to work that, but I first of finding out your why and then of course you come to what are you going to do. And that's we'll get into your question of well to go down.

00:16:02:18 - 00:16:17:07

GUEST

You know that's not going to fly for a living. Yeah. To go it did or finance. He's done that before. So good. 18 months beforehand I was doing quite a bit of networking asking its colleagues you make know. But actually that was even though it's a well-trodden path, many of me out there.

00:16:17:12 - 00:16:23:29

HOST

Because ex-colleagues go and they go and fly commercial jets for BA or they go, they're private helicopter pilots, or they go drinks.

00:16:23:29 - 00:16:24:12

GUEST

Or something.

00:16:24:12 - 00:16:28:22

HOST

Like, yeah, they do loads of stuff. But you didn't want to keep doing that. No new challenge.

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GUEST

No. So those exactly need a new challenge. And that was at that point in time where I thought, I can take that risk and, and go out. And you do you have these conversations with my, my wife and sort of say, you know, if I leave now, I think we could go for maybe a year without any go.

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GUEST

And she's a, you know, doctor of psychology. So, but for some reason, that's how you think, you know, I can maybe if I go out there, I might be doing a year with like that and then we could do this now. But actually the uptake and the responsiveness from the market was really strong. So the reason why I fell into into this, I mean, it was kind of my original degree was environmental geoscience was all growing works and that sort of stuff.

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GUEST

And I was interested in that side. Side of things. But of course I didn't use it for a long period of time. So coming back and said, yes, I got a degree, got ability to learn. But actually one of the things that I was involved in was a squadron move somewhere. We were moving back from our squadron, particularly from Northern Ireland.

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GUEST

Sorry, I've been so not quite sure. Part of that was, new hangar being built. An extension to that new squadron building are on the move on there. I was able to kind of understand that. Could see the carillon at the time read and they were and put stuff over there and we were the end user. So I got an insight into what being the client would be understanding with this.

00:17:40:24 - 00:18:12:25

GUEST

Dials work proximity and there's some built in connection and parts are being procured. And actually the design's not quite right. How do we do this? How the helicopters come on there. You want to be able to you know. So feeding into that was quite interesting. API instructions I think worked. So when I started to ask some questions with those guys and sort of poke and prod and, and pull a few, you know, on a, some contacts in that area, scans at the time, large multinational big global contractor have a development side of the business were kind of sent they were on a bit of a look for talent.

00:18:12:28 - 00:18:35:28

GUEST

So they were out looking for, you know, commercial, commercial people from different industry. They wanted to bring some leadership into their business. And they were looking at, you know, common outside the ownership, like mass for commercial people, harness up for them, military for leadership. How do we bring that into the business so that one person contracts. And that was an opportunity for me to join



Skanska at that time and there as a project manager.

00:18:36:00 - 00:18:37:02

GUEST

And then from there.

00:18:37:04 - 00:18:50:02

HOST

And so did you join with, with a view of having to do a real estate degree or an accreditation on the side, or did they just take your kind of raw capability and skill set? And it was kind of like on the job training that they talk to you.

00:18:50:02 - 00:19:10:12

GUEST

And so they a bit of a plan. We talked about this before leaving and joining. It was, you know, do I need to go and do a year in this to get my MCI Obi or extend like, no, come in and the plan will be for us to move you around this various part of the business. And as you work out what part of the business you're most aligned to, we'll do that our three, 4 or 5 year period.

00:19:10:14 - 00:19:24:15

GUEST

We will then work on what you need with regards to charter ship and pay for that course. We can do that. And and through that piece. To be fair, they did stand up to that and the opportunity, which is why I was able to stay there for quite a period of time. My CV based in there was able to get some time.

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GUEST

I'd on site, go on, deliver on that, then come back and look at the bidding, then look at how the regional structure is, and then look at the financing of it. So actually there was lots of opportunity in that whole period to kind of go in and, and almost all of their kind. But of course big companies like that, the initial agreement with, with various people, they move on, they change.

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GUEST

So very quickly you learn that actually it's about having your own brand. And very quickly, let's say within a year, year and a half, I decided to not be or not try and be that ex Air Force guy, because it was cool to have the X Air Force pilot in the business, but actually it was more important for me to go, well, look, I'm now starting to build my network, my trade, my brand, and of understanding this, how things are developed are that development cycle works for the construction cycle works and almost not being that overgrown, overpaid air cadet.

00:20:16:23 - 00:20:30:22

HOST

Yeah. It's quite nice. Yeah. Because you've got, you know, early 20s graduates coming through completing a rotational program and you'll pay more than they often, you know, come in with much more life experience. Yeah. And you're trying to define and create your own identity in the business with your own skill set and branch on and move away from that.

00:20:30:22 - 00:20:48:05

GUEST

That's it. And you go to work hard data, because quite often, again, there's a number of different businesses and large companies like that, or you need them to make sure that they take a risk on, especially when you're moving up and getting more, you know, more senior roles in there, and it's important to them. But they, of course, get the right person in.

00:20:48:07 - 00:20:54:05

GUEST

So you got to work hard at that. Then I'd say harder. The learning curve really part of it because you're you're learning a whole new skill set.

00:20:54:08 - 00:21:12:04

HOST

I was going to say it must be really steep because there's a lot of expectation and you're pretty. Is that is there an element of being frustrated because you come from an environment where you're really competent and you know it really well, you've thrown into another environment where you've got a lot of the skills, but that learning curve is so steep and a lot of it is very foreign.

00:21:12:06 - 00:21:31:07

GUEST

Yeah, there's a number of times, probably for a couple of years, sitting there wondering, why did I do this? What was the thing? You know, when you get a bad day and you get a bad week, you get a bad monsoon. In our industry, that happens a lot, you know, especially when projects aren't going well. I was at quite a few projects ongoing was a program management from an early stage.

00:21:31:07 - 00:21:48:23

GUEST

And of course, I think what it is so is so long as you're dealing with it, if you get to that point and if you're not dealing with something, then it just becomes a bigger, bigger, bigger problem further down the line. So I was always had no other choice but to deal with it there and then or try and they will learn then and then you have to use every single skill.

00:21:48:23 - 00:22:04:26

GUEST

And I would in your body to try and pull the right people together to come up with an answer. So long as it was sensible, it was fine. At the same time, do the extra, you know, the learning for you. Maybe if you to do your X and various different courses on finance and contract and procurement and everything that fits in.

00:22:04:29 - 00:22:15:07

GUEST

So it was a a good three years as almost like another degree. While out delivering, while trying to put it all together so that that period was super, super busy and have a stopped.

00:22:15:10 - 00:22:18:03

HOST

And you're on the main contract size where you.

00:22:18:06 - 00:22:18:24

GUEST

Yeah.

00:22:18:27 - 00:22:27:00

HOST

And your client or external parties and I'm and saying at that time there's a bit of a race to the bottom from a fee perspective as well. And quite a lot. We're going bust.

00:22:27:00 - 00:22:49:00

GUEST

Yeah. That's it. Maybe some sense into that piece of the client selection or on the right one on large companies like that or contracts like that. Of course they're going to, they're going to weigh up risk. And,

and the UK market specifically because accounts can be on a large, you know, business way. But you know, global think the UK marketplace was definitely the the highest bit budget globally.

00:22:49:02 - 00:23:07:04

GUEST

Not and about 7% of the global market. So, so particularly in the UK, we're almost an anomaly of how much money we take the bids specifically, if you go for large public sector contracts so you can spend a million, 2 million more sometimes on a bid and then, you know, come second or third, of course, second best doesn't get it.

00:23:07:11 - 00:23:23:05

GUEST

So making sure they get the right client selection to do that, they need you to bid because there's only a certain, you know, a few of large contractors who are left in this company who can actually take big, large projects and and they're starting to show around a bit as well for large HST infrastructure projects and then building slightly different.

00:23:23:12 - 00:23:47:05

GUEST

But the margins are low and the risk is high, which is why companies, large contractors like like all of them really have a different model. So you've got your 1 to 3% margin on construction depends upon good or bad. Not is. And they'll always have a development side of the business with, you know, UK office or commercial option to say or residential or a another use to try and get by with larger margins.

00:23:47:05 - 00:23:55:01

GUEST

So it's blended into something shareholders, but it's palatable for the shareholders globally. So that's kind of that was a more interesting space actually.

00:23:55:03 - 00:24:05:00

HOST

So you started as a as a project manager, promoted to senior project manager. Then you became a development director. How did your role change and how active were you in terms of curating that?

00:24:05:05 - 00:24:25:08

GUEST

Very. So the project manager, the senior project manager was more people in a bigger portfolio on a bigger budget to kind of pull in. And it was that many PNL, which is really interesting because the first time it was, I was really happy to see how rigorously people manage money. And actually seeing at that part high, I'll say, what's the terminology?

00:24:25:08 - 00:24:45:29

GUEST

You know, by tight you have to be with, with your fee. I my heart the market has to be pushed in order to get keep the client happy and and get what the they said it was going to get so the first bit from first movement was more more people, large portfolio bit more responsibility. And then the second part was moving more from kind of into the more regional space.

00:24:45:29 - 00:25:06:04

GUEST

So was part for our movement there. Our building business and at the time were bidding for quite a few defense contracts, deciding to move out of health care like a lot of schools were being built around certain parts of the country and looking to expand. So that piece was been able to move into the kind of superstructure piece, a wave.

00:25:06:07 - 00:25:28:23

GUEST

The what, you know, movement, a larger, larger sort of developments, looking how you would set up a region, making sure that it fits with the geography, fits with people, fits with client. Then I done that work in building that up. So in order for me to get from from that more park hot muddy boots on the ground internal was was a couple of years of understanding that not that then bringing it into kind of more central business.

00:25:28:23 - 00:25:48:26

GUEST

So understanding how the bid works and what I wanted to do, because that's probably the most commercial part of any structure, any tiny bit, you know, needing a bit understanding a bit is, is a teamwork. It's, you know, understanding the client, understanding what's being asked, get the design right, pricing and pricing it everything. So you get as opposed to just here's what you got.

00:25:48:26 - 00:25:54:19

GUEST

Go deliver that. I wanted to come more forward in the process to okay what what is better get in wanting work for the bike.

00:25:54:25 - 00:26:09:15

HOST

So because you're getting fed up with bidding managers. Yeah. But you know, bidding and getting schemes, you're going, how the hell am I going to deliver this? You know, this is I've been I've been through the pie. You kind of want to get ahead of the ahead of the curve and make sure that the business is one and structured, and it's effectively done upfront.

00:26:09:20 - 00:26:28:20

GUEST

Sometimes it's damage limitation, you know, second the purchase something I want something. It's it's a loss maker. Right. And then sticking out in the kind of development thinking, you know, some people think you buy the land the wrong price of build or you buy the building at the wrong price or wrong valuation cycle, and then you enter, you know, an absolute peak before you even start the thing off.

00:26:28:25 - 00:26:50:21

GUEST

And when the margins are so low for those contractors, you know, we think, think, you know, the five jobs, one percentage, you know, one bad job can wipe out five good jobs very, very quickly. So that risk management was really strong for my first 3 or 4 years. Yeah. And and so be well and then been able to bring that kind of mindset, move that forward in the process.

00:26:50:23 - 00:27:14:13

GUEST

So forward into the bid. Yeah. And as my career has moved on I move forward the forward. And the more of the, you know, development side for the down side. And so the inside and and speaking to the investors at the start and I'm so glad to be in such good stead because and the strategy of me being able to move under that softness has worked because the rigor and the thinking that I bring to a couple of stages earlier is probably not something that people I work with have seen before.

00:27:14:16 - 00:27:22:15

GUEST

Right? Yet so important, because if you're buying something and doing that, you need to. They need the best chance to get built. Yeah. Otherwise lots of failures. Okay.

00:27:22:17 - 00:27:42:08

HOST

So what was the the moment or how did you get to that point in your career when you decided to leave Skanska because you left August 2021? You know, the Covid pandemic and what have you as well. And truly knowing that it's not going to be A22 week play. What was the what was the thought process and what rationale did you get to.

00:27:42:08 - 00:28:13:24

GUEST

Before wanting to move? Yeah, I had a great run on that. I loved my final job in there was clinical booklet, which means smart or simple living in Swedish and not as a housing pricing company. That was a joint venture with Skanska and Ikea and that was, modular homes. The leverage that brought it into kind of the under start understanding the carbon neutrality of building it would up the opportunity there to be one to set up that business in the UK, which was, which was kind of a mean piece and really understand the development side of things.

00:28:13:24 - 00:28:38:22

GUEST

But some of elements of commercial development, Skanska at the time, pulled out of commercial development, were kind of looking to reemerge itself, reinvigorate itself with, bring in public, which operates in, Sweden, Finland like Norway, bring that business into the UK. So doing that was able to kind of get me out of the land buying set up company structure on that leadership team, you know, pretty much a blank canvas setting something up scratch.

00:28:38:25 - 00:28:59:01

GUEST

And at that time after, like this thing, you know, cutting my teeth, being on site, understanding contract, you know, looking at the pieces offices in London, Bristol, Birmingham, various other bits and balls with a good experience, I was becoming more consciously more competent. Never finished article. We never will be but starting understand how things work a bit more.

00:28:59:03 - 00:29:22:09

GUEST

And then that was a great experience. Been able to help set that business up and play a big part in that. Obviously we're not pigs at that point in time, after seeing some land being built, that kind of felt a bit sort of siloed with respect to is it just houses and apartments, because every time you go out as a base builder developer and you see a and you look at a site, you kind of say, I want to know what the whole thing.

00:29:22:09 - 00:29:39:18

GUEST

I just want to build that little bit in there. Yeah. I'm quite often that's the whole site for sale. There might be a building next door that needs to be purchased, but we don't want to be buying that with an income. We want that someone else to buy that. So actually, you're almost a headache for the agent of the person selling that, the properties or the area that you'd like to build.

00:29:39:23 - 00:30:06:26

GUEST

So Skanska was like any contract. The developer was very specific on those geographies, very specific. You couldn't step outside those lines for big reason. So felt like it was getting a bit sort of siloed in not expanding my kind of views, very sort of specific to apartment sizes and everything else around. It just happened to happen. So I thought there must be more to offer that was able to get into something where I could look at the whole holistic approach of development.

00:30:06:28 - 00:30:23:25

GUEST

Then we started talking about how that would be regenerated. So regeneration became quite interesting to me. So at that time, the conversations other than the LCR thing came to remember how I looked at it and spoke to senior people, kind of a senior role, right? My sort of sell was here's what I think I bring, here's what I'm interested in.

00:30:23:29 - 00:30:42:20

GUEST

I'm interested in moving more forward or to the left to the more the investment. Yep. The investment were very early stage at that time. When you do have, you know, a blank canvas at the start, how do we get in, how do we get out and everything that comes around that would provide a lot more learning again. So it's really difficult actually, because it's not a really good place.

00:30:42:20 - 00:30:47:02

GUEST

And, and lots of good colleagues there. Been there from the start and.

00:30:47:05 - 00:30:48:18

HOST

Modulus flying as well.

00:30:48:21 - 00:31:09:24

GUEST

There's the bigger stars still is. And it's it's it's more than that. It's definitely got its place. And and the business was, you know, at everything going for it. So can I ask myself that question why I don't why do I feel but again, that gut feeling is strong, just felt right that my due diligence on it and actually it was on a place where, yeah, I think it was on a wall as you.

00:31:09:24 - 00:31:27:24

GUEST

Right. Sure. During Covid as well. But LCR wasn't a really, a place where they, they were essentially growing with a ten year business plan. So that sounded really exciting. Sounded like there was quite a bit of work to do, quite a bit of, raging in to do internally. And I thought, just come from that, feel confident about doing that.

00:31:28:01 - 00:31:37:17

GUEST

And there's some bits in there that I like that they need to give to me some learnings which, which, which, which I'm getting. So I just thought it was too good an opportunity not to take on board.

00:31:37:19 - 00:31:51:00

HOST

So LCR is London and Continental Railways. Yeah, it's government business. Can you just give me a bit of an overview, or can you give people who don't know the business a bit of a top line overview of LCR 30.

00:31:51:00 - 00:32:12:21

GUEST

Yeah. So LCR or I'm 35 years old or not. So they essentially owned one shareholder is DFT was part of transport, the government body, but they were a public corporation, a public corporation. Is there not many of them in the UK? There's quite a lot of them in the US, but since they've set up as an arm's length body and they do get, so we can act, we can act like a private company.

00:32:12:23 - 00:32:23:19

GUEST

We, we pay taxes and cover of pay and our own balance sheet and, yeah, like a private company, but we

would operate. But we're a public sector shareholder. So.

00:32:23:22 - 00:32:26:08

HOST

Because the ultimate beneficial owns government.

00:32:26:12 - 00:33:01:28

GUEST

Exactly, exactly. So I mean, we can go on, take that. So we have to but we can go and do that and have very uncertain commercial leniency to promote leniency. So as a, as a public corporation that would say another one of our public sector colleagues and it works quite well. And actually what I've really noticed is been able to wear that public sector cap with the right people, that comes with a level of trust, especially when you're going to speak to the local authority planning authorities up and down the country, it seems to be able to get you into rooms a lot, a lot quicker than you would do any other kind of tractor.

00:33:01:28 - 00:33:22:17

GUEST

So that's really useful. But having that fleet of foot that other larger organizations, public sector organizations would have. So I, I was, I did a lot of consideration around what it be like to go work for that. And I think moving from directly from a private sector organization in the public sector, it was really hard for public sector.

00:33:22:17 - 00:33:33:06

GUEST

I've struggled a bit, just my own mindset. But actually this is this has been kind of true reform. We are able to be more fleet of foot and use old lady and links to our advantage in many ways.

00:33:33:07 - 00:33:45:22

HOST

So you joined as a Regional Director, Partnerships and Property in August 2021. Can you just give me a rundown of what that looked like? And, you know, some of the projects you oversaw and team that you were developing as well?

00:33:45:22 - 00:34:03:28

GUEST

Sure. So before I joined, there's a collaboration. So Alice LCR for ourselves, we we did a lot of stock transfer from each one day. So we got a lot of buildings property that we asset manage. Thanks. On the hundred and 40 million pounds worth of stock. And at the time there was the signings that we were still is the signings of Waterloo.

00:34:04:03 - 00:34:06:08

GUEST

So we've got some buildings we we developed.

00:34:06:08 - 00:34:20:09

HOST

A is that is that off the back of the, the CPO. Yeah. Buying buying stock or buying real estate with certain different parts to it to build the tracks. And then they're kind of left with parcels and bits and pieces that that's it.

00:34:20:09 - 00:34:38:10

GUEST

So, so there's lots of stuff that LCR has owned for the last time in Kings Cross was the kind of catalyst piece that was land track target, LCR. I think the largest on the board, funder on board. And and that's been a real kind of kick start of the regeneration around transport experience, transport hub experience,

that LCR kind of party.

00:34:38:12 - 00:34:59:02

GUEST

Other one, you know, other large sites in Mayfield and Manchester to get involved in as well. So that's, you know, sites actively large brownfield sites underused underutilized for the last 2030 years in Manchester, I've not seen the largest park in Europe, JB Land Securities previously you and I, in order to deliver what's going to be an amazing scheme where Stratford is another one.

00:34:59:02 - 00:35:17:25

GUEST

So quite a bit of land stock transfer has come up business so and a lot of that's been other disposed of already or is being used but still a little bit left. So the thinking around working with our, our colleagues, our sister company if you'd like and is Network Rail to have a a very extensive landholding and we talked about for being that public corporation.

00:35:17:25 - 00:35:38:11

GUEST

So there's a with the collaborative with Network Rail, they can sell their land or develop on it. But what that what LCR bring to that collaboration is the ability to land assemble by acquisition. We got resource that we can kind of get set up. We've got the skill set. So been able to go and bring the stakeholders together with local authority.

00:35:38:13 - 00:35:58:02

GUEST

Other bits of land up and down the country was kind of what they've been trying to do. So back to your question. My job coming at first off as a regional director was to cable that we got we think these regions here, we think that kind of works. This will need to grow. You've shown before that you can do ahead and grow region if things moving forward build a team.

00:35:58:05 - 00:36:20:27

GUEST

We got this cool work out pace. I and as I say, you know post Covid west great resignation people moving around and and I was one of them right. The opportunity was there and the opportunity came true to kind of give it a restructuring in that region with that together. But we said, like I said, we don't have a sudden you be an internally, but we try to make it all bubbles of excellence.

00:36:20:27 - 00:36:38:15

GUEST

And then on the next little bubble of excellence and kind of keep delivering that way, because that's why you can have an impact. So I thought if I don't have an impact, what is that going to be? What's going to get but a structure that a regular around that. So sort to have a look at some, you know, the basics of, you know, programs and risk registers and, and then budgets etc., etc..

00:36:38:18 - 00:36:59:07

GUEST

And then an opportunity came and once we got that, but sort of I, I was invited onto the exact board to look after the business nationally. So I've reached structured not to make that set. We've got around 50 plus life projects about the country. Well, we signed over nearly 40, 45 MoU with local authorities and other stakeholders as it.

00:36:59:08 - 00:36:59:29

HOST

Was in libraries.



00:37:00:04 - 00:37:19:23

GUEST

So that's a memorandum of understanding so that it's got a non legally binding documentation to say we're going to come in and work like this, work together. And that's just building pipeline right of others. So quite often when you look at the regeneration piece it's quite fragmented. There'll be some third party land and some optical could be, you know, some that require land.

00:37:19:23 - 00:37:50:16

GUEST

So we might say something that's been an opportunity to start doing some work on this before we start spending time, energy, money. We need to make sure that actually the other parties are in. Yeah. Otherwise that's just spending money at risk. And we don't get that back. So every time anywhere from, you know, from, from UK to Manchester to Sheffield to Kent, we've got various sites up and down country with, with other stakeholders, parties that we're, we're talking to, as I say, 50 something of those are live and not all of them will come to fruition, certainly not the way we think they're going to come.

00:37:50:19 - 00:38:07:18

GUEST

So what we're not doing is just going through this process. And when you come and look at something holistically, you really get to the depths of of it sitting on the exact board with that. It's 3030 in the it's about 30 people in that in the partnerships and property team, with offices in Manchester, Sheffield and London. So let's become busy on the management front.

00:38:07:21 - 00:38:25:28

GUEST

But my job is essentially to, you know, leave manage by the people, but make sure that's as good as, that's the money we take and turn it around. Make sure it keeps it there. So like I mentioned before with a bit of rigor around programs, but a rigor around budgets and how we finance it and managing risk that keeps it engaged.

00:38:26:00 - 00:38:35:08

HOST

Is this part of the government's leveling up agenda, you know, identifying areas to put money into and rejuvenate, regenerate and and bring.

00:38:35:10 - 00:39:06:07

GUEST

So we will follow that closely. And the second round has been announced. So quite often we would be there alongside a group with some signatories in place and in order to get some schemes, quite a substantial gap, you know, gap funding will be required. So in order to show what gap financial why we might be put in some kind of energy effort into the viability, maybe put the scheme together, working on what the constraints might be for a site working at senior level when it was partners and helping them with their sort of their bid that they got to go and made it big on the management because the money is going to go

00:39:06:07 - 00:39:24:04

GUEST

into that to kind of release it thereafter. So it's separate to that. But obviously we'll follow up closely and we work closely with, you know, what was being done that rail colleagues and other public sector colleagues here on there sometimes doing a similar thing just to make sure we're not marking. Yeah. Each other.

00:39:24:06 - 00:39:32:16

HOST

And from a an asset class perspective, does it incorporate everything across the spectrum. And how long

are these projects typically run for.

00:39:32:19 - 00:39:56:19

GUEST

So yes. Does I mean it's an all rolls one place. No. It just so happens if we're going to be developing in and around brownfield sites, around transport hubs, it's mostly a mixed use. So very few, if any sort of logistical, industrial, more kind of mixed use regulated. Yeah, it's kind of the sort of the political hot potato where we're targeted on opposing delivery promotion.

00:39:56:22 - 00:40:19:12

GUEST

And that's kind of the model that LCA adopted into kind of getting the volume of promotion through. So it's not we're not necessarily they're going to be building it ourselves, finance. We're building it ourselves. It's really as per Government Green Book recognizing or identifying the opportunity land assembling as required, possibly taking it in for a pre-application, doing the consultation.

00:40:19:12 - 00:40:35:09

GUEST

You can take it the planning. Quite often we go to planning. We take it too far so that if the developer or a or a end user on board there, they would have to go back and bite off and take it back or start again. So lessons learned over the last few years. You can't take it too far before the market lose interest.

00:40:35:13 - 00:40:54:03

GUEST

So not quite the not quite. So it's working. That's what we talk about. Like the crp. It's not what's the opportunity there on the end. It's I thought we need to take a lot to meet the spend but not what's our action going to be. In order to do that, let's think like the developers going to think or some schemes are 40 units and some are two and a half, 3000.

00:40:54:08 - 00:41:16:11

GUEST

So there's a real mix of and then those larger schemes because everything's about Big Brother, a mix of, you know, the infrastructure. How do we get that and how do we get in and out. Those are so those ones are probably take, you know, three, four, three, four years plus something. Whereas actually if you've got a business plan and need some money coming in and some money coming out, the smaller schemes that you can turn in 18 months to sort of 24 months to the ones.

00:41:16:11 - 00:41:33:00

GUEST

So there's quite a few of those. There are so important because they have an impact. They have a public value as well, which is another large thing we're driven by. So it's not just hard earned cash, it really is around that public value, how we can quickly deliver more of that as a really big push for, you know, from a government perspective, UK plc.

00:41:33:00 - 00:41:53:04

HOST

So LCR is normally it would require quite a land might work quite closely with Network Rail just in terms of expanding an area at work, the planning up to a particular point. But then I'll work with third party equity and maybe operating parties to what, deliver or develop it out. And it's a bit more of an oversight and reporting function.

00:41:53:08 - 00:42:16:21

GUEST

Yeah. That's it. So it's essentially it's, de-risking the opportunity for, for the private sector to come in to various bits. And sometimes, I mean, if you're going to be, you know, from an early stage, we have to look

at the opportunity, think around what's best for place. What does the local authority need all their what is ideally, their developers are likely to come here to the housing association.

00:42:16:21 - 00:42:36:14

GUEST

How do they think? Do yourself market test it. Where do they get the money from leveling up in the investment market. See what's going to do it ourselves. You know, when we talk about de-risking would be, we wouldn't be doing our job well if we could kind of put ourselves in the mindset. So all our appraisals, our role in the mindset of the who's going to possibly purchase a promoter.

00:42:36:14 - 00:42:53:08

GUEST

So that is we've got to be thinking more housing association more. We'll be able to look at five grants, absorbed into this. And for us as it's developer size. So there would be sectorial need to be what are they going to get cash from. So all those things come into our sort of through our various governance governance steps.

00:42:53:11 - 00:43:10:03

GUEST

We take the and that's what I kind of ask guys, just the basics of, of how they thought about the right thing. Are they kept on the line or are we based on Virgin money or is this one so unknown to me? Bring back spanner the risk of the local authority side of thing and say we're going to we're going to pick something here, bring it to the market.

00:43:10:03 - 00:43:35:23

GUEST

So let the market speak, because quite often it's the best asset test. And I think that's my sort of that was one of my recommendations before we need to go back to the market earlier. But market speak put that as a test and pretty quickly because we'll do it. I got a lot my previous role, I was really interested in kind of getting in and, if I had an opportunity to sort market test, I still was asked to do a lot more work that point get developers like, I don't want a bit, I want out of market, want to do this out.

00:43:35:23 - 00:43:42:16

GUEST

But over what actually, especially in the last year or two, getting things off market was almost nigh on impossible. Why would you.

00:43:42:23 - 00:43:58:06

HOST

How do you how do you go about selecting a partner to work with? Is there a standardized process or is it is it very much on a case by case basis, or is there, you know, preferential treatment for people who do repeat business and, you know, work across, you know, the 5050 schemes are kind of working across the spectrum.

00:43:58:10 - 00:44:17:26

GUEST

Yeah. So we try and we should be partial. We're looking at parceling somewhat together. So we can then say there's a portfolio of schemes here and here. We can maybe a housing associations like Italy can do any area like they would be keen to do that. Those 50 odd schemes are national. So many developers are kind of don't have the same sort of national footprint.

00:44:17:26 - 00:44:36:27

GUEST

So the ones like Cornwall for example, will be quite specific SMEs. So make sure that you know, 2 or 3 get them. So market test what works here. What are your risks. Like what I've seen before. You know it

might be supply chain. So if your build costs are up in that region or whatever, you can ask why is it so much more down here?

00:44:36:27 - 00:44:59:06

GUEST

The supply chain when I got to the two one would have one would like more risky, etc. etc.. So so we don't mean we've got some JV. It's a partnership. So we kind of we can explore and talk in. So I bring into the conversation about hi, there we go about it. But typically once they're in that element of delivery we usually go to the market say make sure you know see who else is out there.

00:44:59:06 - 00:45:18:26

GUEST

So who's doing BTR really hit the ground running over the last couple of years. And so understanding how that's funded work on drum. Why are we seeing such a difference between owner occupier and BTR? Because it doesn't feel right. Let's go back up and ask the question to be to operators. For occupiers. It's around that kind of capital structure.

00:45:19:00 - 00:45:21:22

HOST

Yeah, I was going to say are you involved with a lot of the structure of these deals?

00:45:21:22 - 00:45:28:20

GUEST

We will understand how it's structured. You know, what the capital structure is because we need to assess it, make sure it's right, make sure it feels like it's not.

00:45:28:20 - 00:45:29:07

HOST

Too risky.

00:45:29:09 - 00:45:30:06

GUEST

Not too risk. It's going.

00:45:30:07 - 00:45:30:21

HOST

To default.

00:45:30:26 - 00:45:49:24

GUEST

Exactly. Where's the money come from? I like any capital structure. It's good for a long time. And of course it's how long is that good for? So what happens after that? Three months is that capital structure is the right thing. But and all the large kind of rates and operators and founders. Right. They're looking for that raise on that to the most perfect capital structure that fits.

00:45:49:24 - 00:46:05:27

GUEST

And they will ask us, you know, what sort of capital structure you look for, but actually it evolves capital structure of also the business the business. Well it all depends on on stack equity ratio to enhance what's got in there, depend on what's delivering in the time five of projects are going. So it's really one size fits no one.

00:46:05:29 - 00:46:27:25

GUEST

And that's why I'm still of the impression that we get it to the market at the right time. Of course, lots of

people might say no, there's particular time with everything going on. It's not the right time to take anything to the market. But, you know, people say, this too shall pass. We're not going to stop. And that's when the public sector can really come in and help keep that re going by bringing the schemes forward when lots of others aren't able to, when the market's up wider.

00:46:28:00 - 00:46:42:06

HOST

How do you manage like inflationary pressures and costs from a development perspective, whether that is people, materials, time frames getting pushed out, how do you manage and and de-risk that part of the development lifecycle.

00:46:42:06 - 00:47:01:27

GUEST

So so yeah, I mean we we were to we were to react to the, the kind of viability of all our you know, that's one thing I brought into the mix. So we've got each region. We have viability champions. There's quite often if I, you know, an appraisal we have or a number we have in our books or on our plan can be maybe 6 to 12 months old on the market in the last 24 months.

00:47:01:27 - 00:47:28:18

GUEST

Just move like it can move daily. So it's actually understanding where we are or something, because that's a figure that you think was worth, well, 18 months ago. You're right in that procurement piece might not, but most, most definitely will not be that same number. Quite often some of these things are quite tight. By the time you bring in the constraints and difficulties working around transport hubs, and the extra risk tendency that developers need to add on to understand alongside market risk and contingencies.

00:47:28:18 - 00:47:45:01

GUEST

Got up a wall there sometimes, you know, is there enough in it for them? What can we do to kind of bring that back in? But can we defer things? Why don't we make it easier? So with no crystal ball or no silver bullet or we can really do react, make sure that we are absolutely on point where we think each and every scheme is.

00:47:45:04 - 00:48:07:12

GUEST

So as we know that we are having conversations that we are in kind of quite borderline conversations. We say we recognize that this can't currently here, not a reserve chip price. We recognize what you're going through. How can we help do this? Can we predict firms, and do you want to push it further down the line. So maybe some things we could be a bit less contractual on to help the market, because we need we need built.

00:48:07:14 - 00:48:22:00

GUEST

But often when there for an overage we need a built, we need a disposed of. We need to make we need them to make a bit of money, as they all do, quite so that makes no no sense for us to be going to be super duper hard nosed commercial at a time like this.

00:48:22:02 - 00:48:25:08

HOST

And how much pressure are you under from the DFT.

00:48:25:10 - 00:48:27:23

GUEST

To make money or to deliver.

00:48:27:23 - 00:48:35:16

HOST

Or. Yeah, to make money and also to deliver these projects on time. Is it the same way that you would have the same amount of pressure in a private organization?

00:48:35:17 - 00:48:56:21

GUEST

I think, I think I think the difference is here there's there's more of them, there's a bigger city, there's lots more going on. Whereas on a private organization, yes. Will be would be a number of projects, sometimes nationally, but everybody and everything is on them. Whereas actually there's 50 projects and probably another 40 in the pipeline. So it's kind of volume going through.

00:48:56:22 - 00:49:12:25

GUEST

So we look at like we deliver public value. So some things might be there's a conversation around we'll look actually to leveling up. Remember that stakeholder here. We've got some money in. We might not make a great margin on this. We might break even on this. But look it's going to deliver X amount of million of public value.

00:49:13:00 - 00:49:35:28

GUEST

We should definitely do this project. That's that's almost a no brainer for UK plc for lots of other benefits can you get for our job. So you know everything it does environmental, social, commercial etc. etc.. So if it's a trade off between not making any of that profit, but actually delivering public value lowers not making a loss, then I think we can have that argument offset that with.

00:49:36:03 - 00:49:54:25

GUEST

We've got a good balance and a good balance sheet that gives us an opportunity to put some money in at risk. Now it's up by much. We put it at risk. The bit that I've come in is really understood because I think we can do more. Want to say we do more quite often. And government bodies particularly, there can be culture of just managing the process.

00:49:54:25 - 00:50:15:10

GUEST

And I think Covid hasn't helped people sitting behind their screens for a couple of years of managing the process, going through the governance where actually proper development, real development is getting a lot of speaking. The people understand on the ground having to think what needs to go. They're not just picking on a map, really get your feet on the ground and doing a lot more internally.

00:50:15:10 - 00:50:33:15

GUEST

So when you are going on and so on. So you're saying, here's what I want you to do specifically. Here's the gap that we don't have. Can you fill that with data resource, skill set, whatever you're asking for. So what I'm saying I just think we're trying to change that culture, but internally they're a lot more selves.

00:50:33:17 - 00:50:39:29

GUEST

What's going to be good for us? Right. We're more control of what I call our forecasting, reporting, keeping the best, to be sure.

00:50:40:05 - 00:50:46:25

HOST

For 2023 and 2024, as you look out across the market, what are you most excited about?

00:50:46:27 - 00:51:03:10

GUEST

Yeah, I think you said earlier on, I think this too shall pass. I think we've got I think wherever I think it's probably as bad as it's going to get. Think there's still a really good sentiment out there are people want to do things. Companies want to do things. I think, I think, I believe the kind of the worst is behind us.

00:51:03:10 - 00:51:26:10

GUEST

And it's not just with interest rates in economic. I think people are going to be keen to get out and get involved and, really start doing some things again. So I think it'll be really interesting to see what happens around sort of the BTR space. I think that's a massively growing. I think I read an article 17% that this country is, private rent, whereas other countries around Europe's, you know, 50 plus, sometimes 60 plus.

00:51:26:15 - 00:51:48:19

GUEST

So I think that's a real a real area can grow. But I thought getting over absorb too quickly. I'm really interested in how we bring in making a place mixed use. We'd say delivering that public public value, making some really nice research as opposed to converting some, you know, ex commercial offers into Rosie. I'm really excited and scared and interested to see what's going to happen in that commercial space.

00:51:48:21 - 00:52:04:13

GUEST

You know, let's talk about conversions and what that's going to be. So in the next sort of 2023, 22 and beyond, that will be kind of almost like the I would say the tipping point will be really quite telling about how the next 5 to 10 years are going to be, you know, outside beds and sheds, which is but a throwaway comment.

00:52:04:13 - 00:52:20:24

GUEST

All the other uses around there. What are we going to do with them next year about it? Either work together, what is on it? Is it all regeneration? Is it all ready? How is that going to change? And I think it's going to make some, some really interesting, tech, some really interesting brands are going to have to come in and help.

00:52:20:24 - 00:52:23:05

GUEST

So that and some additional mentorship.

00:52:23:07 - 00:52:33:02

HOST

Are there any skills that, that the RAF hasn't given you that you've had to develop in order to be successful in your second career property?

00:52:33:04 - 00:53:07:10

GUEST

So really good question. Great question. Probably loads obviously. Obviously the technical ones, you know. So I had to come in and are technically my things were constructed destructed financial modeling to work really hard on that good under the skin of that take a genuine interest on that, you know, the commerciality of things. But I think apart from that, as I said, all of my colleagues and ex colleagues who are kind of leading that think you're really well set up, you're really well set up with regards to just basics of interaction, you know, learning how to stand up and, give a brief, not present, you know, discipline that comes with it.

00:53:07:12 - 00:53:27:05

GUEST

I think you'll probably be better placed to answer that question about ten years time. But to be honest with you, but it's like I feel we've been really well set up. I think I'm glad I took that risk and left what I was sort of, you know, early 30s, 30 goes to 34, export mid 40s because it has been an absolute, you know, a learning curve.

00:53:27:08 - 00:53:39:15

GUEST

I've probably learned as much in this career than the last one, probably seen as much of it in the last one as well. It's been an amazing journey. But yeah, I think we're really well set up. So I'd say the technical stuff, we're well prepped.

00:53:39:17 - 00:53:59:20

HOST

What advice I normally ask. Question what advice would you give? People who are entering the real estate world now, but I'm going to flip the question terms and say what advice would you give someone who is unsure whether they should hire an ex-military individual? And they're kind of weighing up the choice between maybe someone who's got a little bit more of a traditional property CV.

00:53:59:22 - 00:54:03:08

HOST

What advice would you give someone who yes, looking to make that cool?

00:54:03:08 - 00:54:23:08

GUEST

Yeah. What you shouldn't expect is one size fits all. So just because someone is an ex military person doesn't mean you're going to get the exact same. You're looking through an arm of training, looking through an element of of life experience and skill sets doesn't mean they're comfortable with it, doesn't mean they're good at it, doesn't mean about it.

00:54:23:08 - 00:54:41:05

GUEST

But so what I'm saying is there's there's people being through their heads that they've got life experience. Who have you understand, the importance of being part of a team. You understand the importance of marketing. So what I say is one size fits. No breaks. So take your time and speak to them about the skill sets that they have will be very much transferable.

00:54:41:05 - 00:54:53:06

GUEST

So you might need to work not harder but in a different way. You just have to think a little bit differently about what that person to do. And I will, bet that he or she makes a really, really, really, really good goal.

00:54:53:08 - 00:55:04:22

HOST

As we draw to an end of this conversation. Andrew question I ask everyone who comes on the podcast is, if I was to give you 500 million pounds, who are the people? What property? In which place would you look to deploy that capital? Five?

00:55:04:22 - 00:55:37:12

GUEST

I mean, it's a lot of money. Well, many maps. I think I would probably I would probably go for the larger and larger and medium to one tattoos and that BTR suburban space. I think it's, I think it's a part of our market. We need to we need to move on from recognize that we're in a place now where we're an interesting we're no longer in that, in that owner occupier must own your own home space, really start providing homes, making a place, good homes that we can kind of get in for to kind of, push through and,



and keep working on that.

00:55:37:16 - 00:55:56:24

GUEST

So, you know, naming no names because there's loads of them. But I would kind of stick to that kind of BTR suburban market. And that will get sucked up very quickly across the UK. Yeah. You know, I think yeah, London is obviously the one where there's a big need for others, you know, Nottingham, Leeds, Sheffield, derby.

00:55:56:27 - 00:56:13:20

GUEST

I'm looking at quite a few things in Derby at the moment. The market, there is places where pre-COVID might not have been looked up before for this particular year. Now what we're seeing is there's, you know, lots of demand for lots of developments, developers popping up places where you might not seen before. So yeah, across the UK.

00:56:13:20 - 00:56:21:19

GUEST

But if you ask me to put the money on a tank and, Sheffield, Leeds to good areas where I think it's really a need, a lot of people want to be awesome.

00:56:21:19 - 00:56:34:13

HOST

Well, look, thank you so much for joining me on the podcast today and sharing a little bit about your background, root views on the market and what you and the team are looking at. Some very encouraging to hear, and I'm excited to see what you guys going to achieve it.

00:56:34:17 - 00:56:35:01

GUEST

Thank you very much.

00:56:35:01 - 00:56:41:19

HOST

My thanks.

00:56:41:21 - 00:57:01:24

HOST

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00:57:02:00 - 00:57:27:15

HOST

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00:57:27:18 - 00:57:37:12

HOST

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