Business Planning for Housing Associations

February 2021

The YMCA in Walthamstow[1]

Introduction

This briefing paper considers Business Planning for Housing Associations.

Business Plans have been defined as follows:

"A business plan has been defined as a formal statement of business goals, reasons they are attainable, and plans for reaching them. It may also contain background information about the organisation or team attempting to reach those goals. Business Plans are prepared by private sector and public sector organisations.

"Business Planning is focused on two key processes. First, the strategic analysis that is required to identify the objectives of the business plan and what is required to achieve those objectives and Second, a long-term financial plan to realise those objectives."

[1] AWICS prepared the business plans for YMCA East London and YMCA London Southwest prior to their merger.

Business Plans are important in any organisation but are especially important in housing associations. Housing associations have considerable assets and are in business for the long-term, so an effective business plan is needed. Moreover, housing association business plans are closely studied by the Regulator and by the banks who provide much of the capital that is needed to acquire and develop housing.

Business Planning is a dynamic process that is systematic, open, and flexible. It should also involve several linked plans and documents that cascade down from the strategic to the operational level.

At the Strategic level the business plan contains four elements:
- Mission – a summary of the over-riding purpose of the business
- Objectives – specific goals that must be achieved to realise the mission
- Strategy – states how the objectives are to be achieved, including policy directions and resource allocation
- Tactics – states what the business will do on a day-to-day basis and determines immediate actions.

Beneath the business plan that sets the strategic framework should sit plans that set the current operational policies, departmental action plans for each division of service and staff development plans for individual members of staff. Each level of plan should contain relevant key tasks and performance against these should be monitored and reported appropriately. There should also be contingency plans covering how the housing association would react if any of the serious risks analysed in the stress testing (see below) were to materialise.

The Business Plan should be closely integrated with the Asset Management Plan, Risk Management Strategy and Value for Money Strategy.

The Housing Corporation (that preceded the Regulator for Social Housing as regulator) set out four main reasons for a Housing Association to prepare a business plan:
- Assessing the organisation’s current position including its performance, resources, and business environment
- Determining priorities and objectives for long- medium- and short-term
- Developing action plans and use resources to achieve time-specific aims
- Regularly monitoring performance against plan

The Housing Corporation described a housing association business plan as follows:

“A Business Plan is a complete picture of your organisation, reflecting its aspirations and objectives, the environment in which it operates, your services and the market for them, and your position in that market. The plan should also take into consideration the expectations of the various stakeholders and an analysis of resources that are going to be needed over a defined timeframe, including finance, assets, staff, and systems.

“Increasingly, funders regard large scale voluntary transfers, which for a combination of regulatory, funding and other requirements; have produced business plans that contain longer-term financial forecasting, as the benchmark for business planning in the sector.”

Business Planning and the Governance and Financial Viability Standard

The Regulator for Social Housing requires housing associations in England to comply with their Governance and Financial Viability Standard. This refers to business planning as follows:

“Registered providers shall ensure that they have an appropriate, robust and prudent business planning, risk and control framework.

"The framework shall ensure:
(a) there is access to sufficient liquidity at all times
(b) financial forecasts are based on appropriate and reasonable assumptions
(c) effective systems are in place to monitor and accurately report delivery of the registered provider's plans
(d) the financial and other implications of risks to the delivery of plans are considered
(e) registered providers monitor, report on and comply with their funders' covenants.

"The framework shall be approved by the registered provider's board and its effectiveness in achieving the required outcomes shall be reviewed at least once a year.

"In addition to the above registered providers shall assess, manage and where appropriate address risks to ensure the long term viability of the registered provider, including ensuring that social housing assets are protected. Registered providers shall do so by:
(a) maintaining a thorough, accurate and up to date record of their assets and liabilities and particularly those liabilities that may have recourse to social housing assets
(b) carrying out detailed and robust stress testing against identified risks and combinations of risks across a range of scenarios and putting appropriate mitigation strategies in place as a result
(c) before taking on new liabilities, ensuring that they understand and manage the likely impact on current and future business and regulatory compliance."

Similarly, the Scottish Housing Regulator and the Welsh Government require Housing Associations to produce robust business plans.

Business Plans and Governance

The Housing Corporation's good practice guide to Business Planning in Housing Associations said:

"It is important to be clear from the outset about responsibilities in the Business planning process. The Board is ultimately responsible for the governance and direction of the organisation, so the Business Plan must be grounded in the Board's understanding of the environment in which the Association operates and of the Association's way forward.

"Of course, no Association or commercial firm can set its vision without reference to the outside world. The challenge is to establish a vision that is relevant to, and accepted by, stakeholder groups, and is achievable within the context of the environment.

"Managers and other employees cannot be expected to deliver a plan that has not been communicated to them. As every employee's targets should flow from these objectives, this clearly implies communication in some form to everyone in the organisation."

Contents of a Housing Association Business Plan

A Housing Association Business Plan will typically include:

- Overview
    - Review vision and objectives
    - Map stakeholders
    - Analyse environment
    - Conduct initial risk assessment
- Detailed Strategies
    - Marketing Strategy
    - Asset-based strategies

    - Human Resources
    - Information Technology
- Addresses
    - Cashflow, income and expenditure
    - Who will manage what in the future?
    - Where the Housing Association will get its money from
    - How much money is required to deliver promises to residents?

In a Housing Association with a group structure, each entity in the group has its own business plan while the Group has a consolidated business plan. The consolidated business plan is delivered to the regulator annually. Funders are also presented with an annual funding business plan to support the loan requirements of the Housing Association. In practice, Housing Associations commonly produce two versions of the business plan – one to report to the Board and the other to report to funders. The version for funders shows a maximum funding requirement although it is planned to deliver investment and services by drawing down a lower level of funding.

The business plan is a combination of assumptions and mathematics presented over a timeline. The assumptions include rents, service charges, reactive maintenance, decent homes and future major works and funding. The mathematics is the presentation of these assumptions in a presentable format over a timeline that is a period of thirty years. The business plan includes a 'risk register'.

The business plan is a thirty-year rolling programme. The funders may not expect to see loans repaid but do want to see that the Housing Association is able to pay them if required.

In preparing long-term financial forecasts, housing associations will consider:
- Rent (including the effect of rent reductions, inflation, affordable and market rent)
- Service Charges (including whether they are fully recovered)
- Commercial Income
- Management (including the scope for efficiencies)
- Maintenance (including the scope for efficiencies)
- Capital Financing (including the exposure to increased interest rates)

What are the Key Elements of a good quality Housing Association Business Plan?

It is often considered that a business plan has two important elements:
- An analysis of the business and its environment that leads to the identification of a strategy
- The production of a financial plan

It is important to set a business plan in its strategic context as it is part of the suite of strategic documents that a Housing Association should possess. There should be a clear 'golden thread' that runs from the Housing Association's corporate strategy through to the Business Plan. The Business Plan should address how the business is to assist in the delivery of the corporate objectives.

Having identified the objectives there is then a need to consider priorities, for without this, the objectives would form little more than a 'wish list'. There is then a need to consider what options exist for the achievement of these objectives and which of those options should be taken.

There are two important questions to ask in preparing a business plan strategy.

First, what environment are you operating in? This question is often answered by carrying out a 'PEST analysis that looks at the political, economic, social & technological factors that influence the organisation and how these are likely to change in the future. A 'PEST analysis' for a housing association would be likely to include changes to government policy (political), the increasing lack of affordability of housing (economic), demographic change (social) and developments in information technology (technical).

Second, how prepared is your organisation? This question is often answered by carrying out a 'SWOT' analysis that looks at the strengths and weaknesses of the organisation and the opportunities & threats that it faces.

The business plan should demonstrate that the Housing Association can balance income and expenditure in the long run avoiding a cumulative deficit while meeting capital financing costs and other obligations and achieving and maintaining the decent homes standard. Housing associations will therefore need to consider:

- Interest rates, inflation, level of service and investment
- Rents & service charges, stock numbers, voids and arrears including:
    - The effect of rent changes, inflation, and options around social and affordable rents
    - The effect on stock levels of 'right to buy' and other acquisitions and disposals.
    - Whether service charges are fully recovered
    - Control of voids and bad debts in the light of welfare reform
- The scope for generating commercial income
- Debt financing & repayment
- Right to buy sales and capital receipts
- Efficiencies in management and maintenance budgets, service reconfiguration, performance improvement
- The need for balances going forward.
- Long term asset management investment proposals
- Sensitivity Analysis
- Whether zero based budgeting would be appropriate
- Whether 'headroom' is needed in the income & expenditure account to provide resources to support development.

A sustainable business plan will consider the following about capital expenditure:

- Expenditure
    - A Robust stock condition survey is required to identify what capital investment is required in the housing stock.
    - Consultation with tenants on a local standard is required to identify the standard to which homes will be improved and maintained.
    - Development – what level of development is to be carried out and what it will cost.
- Financing
    - The extent to which development can be funded through grants and loans; and the extent to which other resources will be required.
    - How major repairs and improvements to existing stock will be financed.

Effective Business Plan financial models have:

- Consistent internal logic and arithmetical accuracy
- Inter-relation of different elements
- Neither too complex nor too simple – comprehensive but understandable
- Reliability – use integrity checks and perhaps external validation
- Flexibility – to test different assumptions and scenarios
- Owned by the organisation rather than consultants

Business plans need to be under-pinned by a robust stock condition survey. This not only provides reliable information on which to base forecasts for revenue repairs budgets and capital programmes; but also provides the data that is needed to develop an effective asset management strategy.

The current level of performance of financial and non-financial aspects of the business should be identified and compared with targets, aspirations, and performance elsewhere. This will identify where improvements to performance need to be made so that these can be incorporated into the business plan.

Consultation

Business plans should ideally be prepared in consultation with partners and residents. Consultation with partner organisations should help to establish the Strategic Context in which the service operates, and the opportunities that exist for joined-up working including the packaging of contracts.

Consultation with tenants and leaseholders should cover the following issues:

- Strategic Context – what strategic objectives are important to residents?
- Level of satisfaction with current performance.
- Views on relative priorities for action.
- Selection of Options.
- Monitoring progress.
- Accessibility of documentation – documents should be capable of being easily understood by a wide audience. Tenants and Leaseholders need to understand the process and the models.
- Active tenant and leaseholder representatives may wish to be closely involved in the process whereas other residents may wish to have limited involvement – for example through completing a questionnaire.

Value for Money

One objective of the business plan should be to assess the extent to which 'value for money' is currently being achieved and what should be done to secure improved 'value for money'.

Economy, Efficiency and Effectiveness are defined as follows:

- Economy - This relates to minimisation of the costs of inputs (For example, reducing the salary costs of a staff team working in a call centre or the cost of a new Information Technology system).
- Efficiency - This is concerned with maximising the outputs produced from these inputs (For example, increasing the number of repairs completed by each operative every week, or the number of calls answered by a Call Centre worker)
- Effectiveness - This relates to achieving the desired outcomes. In the housing context these should be the outcomes desired by customers (For example, are residents happy that a call centre dealt with their query at the first time of asking or are repairs done to the customers satisfaction).

Inputs, Outputs, Outcomes and Processes are defined as follows:

- Inputs – These are the resources used to produce the actions that produce the outputs. Input measures are not just about quantity as the quality is just as important.
- Outputs – These are the goods or services, their quality, quantity or level, produced by an organisation. Output measures support the daily management of services

- Outcomes – These are the impacts of the organisation's actions. Outcome measures show how well the organisation is achieving its objectives and whether the underlying problems still exist or have changed. Outcomes can also refer to impacts of people's behaviour or attitudes so qualitative measures are also relevant. Outcomes can be hard to measure, or data hard to collect, especially where the impact is in the future or it is hard to quantify the organisation's contribution to changes in the environment.
- Processes – These are the actions that create or deliver outputs. Process measures can help to identify how well actions contribute to outputs; where problems are developing, targets are not being met and how resources could be targeted better.

Financial Risks

In 2019, it was often said that housing associations were operating in an increasingly uncertain environment. However, with the start of the coronavirus pandemic in 2020 and the transitional period for Britain to leave the European Union ending in 2021, the environment has become even more uncertain. The short-term effects of these events is becoming clear, but the long-term effects are more difficult to predict.

The new uncertain environment requires a different approach to business planning. In the past, it was usual to produce a single strategic plan and financial forecast that represented what the Housing Association expected would happen. This is no longer enough. There is a need to treat this business plan as just one of several possible scenarios. There is a need to stress test this base business plan to establish how it would respond to changed assumptions; and then to develop contingency plans to address any issues that arise. This approach has been developed with the Regulator promoting 'stress testing' through 'Regulating the Standards'.

The Chartered Institute of Public Finance & Accountancy has said that:

"The financial planning horizon can now be thirty years… When considering the assumptions used in the financial plan a small variation in the early years will mean a much larger variation by year thirty. This illustrates the need for a thorough assessment of the risk in these variations over the period of the plan and the need for constant re-evaluation. The sensitivity analysis carried out as part of the business plan will evaluate the impacts"

This makes risk management even more important.

There is a need to identify what drives costs and incomes through reviewing all expenditure and income to identify the drivers and therefore the risks. There is then a need to integrate risk management into the financial plan and budget including using sensitivity analysis. The assumptions underlying the budget and financial plan represent only one scenario. There is a need to consider what would happen if those assumptions are varied, and to identify the most important assumptions and keep them under review.

Capital investment, including the development of new housing, can present significant risks. According to the Chartered Institute of Public Finance & Accountancy:

"New build or acquisition… may be possible over the period of the thirty-year business plan. This type of activity can be viewed as riskier than the mainstream housing business. Risks on these schemes can include such items as build cost over-runs, scheme slippage, sales income, void levels, rental income and management costs"

Insurance is a way of sharing risk with different approaches appropriate to different levels of risk:

- 'Catastrophic losses' – certainly take out insurance.

- Intermediate risks – probably take out insurance.
- Low level, repetitive and predictable losses – consider 'self-insurance' or 'pay as you go'.

But even where insurance is relied upon, there is a need to manage the risks to minimise the insurance premium and the costs.

Financial risks can be managed by:
- An active Treasury Management Policy and procedures to manage interest rate risk.
- A suitable level of balances or reserves maintained as a contingency against risks on inflation and income, bad debt increases as well as investment risk factored into the business plan.
- Performance Management Frameworks, effectively enforced, to manage the risks of poor performance in voids, income collection and investment scheme delivery.

Sensitivity Analysis

The financial forecast contained in the business plan represents the planned and most likely outcome, but it is dependent on several assumptions and forecasts that in practice may not turn out to be correct. There is therefore a need to carry out sensitivity analysis where the assumptions in the business plan model are varied to see how significant effect those variations would have on income, expenditure, and profitability. This enables the housing association to identify which variables pose the greatest risk so that they can be monitored and managed closely.

The key sensitivities to test in the business plan that have been identified by the Chartered Institute of Public Finance & Accountancy are:
- Inflation increase or decrease.
- Cost inflation out of synchronisation with the retail price index.
- Right to buy levels and receipts in the light of the revitalisation of the right to buy scheme.
- Rent arrears and the impact of benefit changes.
- Interest rate increases.
- Performance decline, such as void levels and increase in cost and volume of responsive repairs.
- Local issues, such as tendering of Supporting People or other services and reduction in Supporting People Grant.
- Alternative rent policies adopted by the government or the housing association.

The Chartered Institute of Public Finance & Accountancy advises that:

"As well as considering these items individually, the impact of a combination of two or more of these together should be tested. This will give a better model of the real situation that might occur."

Stress Testing

Stress testing has recently been introduced to housing associations. To comply with the Governance and Financial Viability Standard set by the Homes & Communities Agency, all housing associations are required to ensure their long-term viability by:

"Carrying out detailed and robust stress testing against identified risks and combinations of risks across a range of scenarios and putting appropriate mitigation strategies in place."

Stress testing goes beyond simple sensitivity testing and includes multivariate analysis which tests against potential serious economic and business risks. It explores those conditions which could lead to failure of the business. It considers both the long-term, cyclical nature of economic factors that impact on the business as well as internal business risks. This approach is often called 'scenario planning' or 'What-ifs' or 'stress testing'.

The Regulator of Social Housing has set out its requirements for 'stress testing' of housing association business plans in 'Regulating the Standards'. The standards state that:

"We expect stress testing to be pivotal to, and integrated with, providers' overall approach to business planning, risk and performance management… We will seek evidence that providers go beyond simple sensitivity testing to include multivariate analysis, which tests against relevant serious economic and business risks and demonstrates the effects on cash, covenants and security."

Providers should of course respond in a way which is proportionate to their circumstances. The Code of Practice elaborates on this requirement by suggesting that organisations should:

- Go beyond simple sensitivity testing and include multivariate analysis which tests against potential serious economic and business risks.
- Explore those conditions which could lead to failure of the business.
- Consider both the long-term, cyclical nature of economic factors that impact on the business as well as internal business risks.

The Regulator of Social Housing expects organisations to stress test their whole organisation, not just the registered providers. Providers are required to submit their stress testing to the regulator for scrutiny. Stress tests form a key focus of the in-depth assessments and providers can expect the visiting regulatory team to want to discuss both the tests and the associated avoidance and recovery plans with executives and non-executives alike.

Stress testing goes beyond sensitivity analysis in that it asks the question: 'How much of a variation would make the business unviable?' For example, by how much would interest rates have to increase to make the business unviable? With multivariate analysis, combinations of risks are considered. For example, the business plan would be tested to see what increases in interest rates, increased maintenance costs, increased voids and reduced capital receipts taken together would make the business unviable.

Stress tests often follow this process:

- Describe a range of events that in combination would cause financial distress, typically resulting in the breach of one or more loan covenants or running out of cash. These should link to both the strategic risk map and the contingent liabilities logged in the asset and liability registers.
- Explore the cumulative and long-term impact of those events using a financial model.
- Decide on one or more scenarios (where several events occur simultaneously) that would kill the business - the perfect storm'
- Use the model to articulate the scale of the crisis that would arise.
- Rehearse a range of recovery actions that would be required to ensure long-term viability.
- Consider adjustments to risk appetite and other avoidance techniques.

Whilst fascinating and instructive, the financial modelling on its own will not ensure long-term financial viability, and so it is crucial that providers invest significant time and effort into the last two stages of this process. The National Housing Federation considers that a useful rule of thumb is to plan to spend one third of the time on the financial modelling (stages 1 to 4 above) and two thirds on planning to avoid or recover from the perfect storm (stages 5 and 6).

The Regulator has steered away from prescribing the scenarios that associations should explore – not least because each association faces a unique combination of challenges driven by geography, scale, ambition and exposure to market and contract risk. It is therefore for each housing association to define its own perfect storm.

The perfect storm is not a forecast. The likelihood or otherwise of such a combination of adverse events is not pertinent. Rather this is an exploration of the minimum it would take to break the business plan and how to enhance the resilience of the organisation to such events.

Once the financial modelling is completed the next stage is to identify those decisions that would need to be taken should the perfect storm occur. These will be practical and precise, require difficult decisions and crucially must match the scale of the crisis that would ensue.

While they would be different for each organisation, they would typically include a sequence of measures such as:

- Reducing discretionary spend.
- Delaying or stopping development.
- Restructuring teams and operations.
- Closing loss-making activities.
- Divesting risky investments.
- Selling assets or businesses.

In addition to developing a detailed action plan, organisations will want to verify that documented processes, early warning signs and key performance indicators align with these intentions. An organisation's ability to act at speed will be greatly enhanced by: an up-to-date asset and liability register detailing what value could be realised by asset sales; a good grasp on where third-party consents would be required to take those actions; a real-time understanding of the scale of the committed and uncommitted development programme; and a comprehensive and granular list of items of discretionary spend.

With the modelling complete and the recovery plan in place, housing associations reconsider their top-level risk management mechanisms and adjust them where appropriate (stage 6 above). Once more these will vary by organisation but could include:

- The risk appetite statement.
- Key Performance Indicators and early warning systems.
- Cushions or internal targets on financial covenants.
- Minimum cash and/or liquidity cushions.
- The maximum committed development pipeline.
- The degree to which major expenditure items are fixed in long-term contracts or procured under more flexible arrangements.
- Incentives embedded in executive performance targets and pay.
- The timing of budget reforecasting exercises in relation to the financial year end.
- The skills of board members.

Clearly it is recovery planning and risk adjustments rather than the financial modelling that will ensure long-term viability and the protection of social housing assets. Therefore, the Regulator concentrates on these elements of the stress test during their in-depth assessments.

The origins of stress testing lie in the engineering sectors where there is a well-established practice of subjecting products to conditions beyond their normal operational environment, and to breaking point, to test their resilience.

While most housing associations manage their affairs to ensure robust and sustainable viability, the history of housing associations getting into financial distress has included many examples of over-development, accelerated diversification and inadequate or inaccessible funding.

All well-run organisations use a variety of methods to ensure that their ambitions can be delivered despite adverse movements in the external environment or deteriorating operational performance. These include business planning and identifying contingencies that can act as insurance in the event of risk crystallisation. Stress testing is simply an extension of this good practice. Testing a business plan to destruction helps housing associations to understand better what could bring about their demise, to take steps to avoid those circumstances and most importantly, to rehearse a range of difficult decisions which, if taken in good time and at speed, could see it survive beyond such a crisis.

How can housing associations develop effective business plans that will address the new uncertain environment in a robust way?

Rent policy is a critical area to 'stress test'. A range of scenarios around future government rent policy should be modelled especially after 2024. There is also a need to consider options around changing the mix of tenures between social, affordable and market rents.

While most housing associations make service charges there is some evidence that they are often insufficient to recover the full costs of the services that are provided. Furthermore, many housing associations do not have sufficiently robust financial systems to be able to identify the costs of providing services accurately or to calculate what an appropriate service charge should be. These matters need to be addressed as part of the business planning process.

Income recovery rates can vary significantly due to changes in levels of voids and bad debts. Changes in the economic environment are likely to affect demand for different types of property and levels of rent collection in ways that are difficult to predict. For example, the roll-out of Universal Credit is likely to increase arrears and bad debts; while restrictions on eligibility for housing benefit could reduce demand for supported housing and increase demand for shared accommodation from young people. Different scenarios will need to be modelled.

There are differing views about the extent of the scope for further efficiencies in management and maintenance. It is often said that the scope for such efficiency gains has already been exhausted. However, others take the view that was famously taken by Sir Peter Gershon that efficiency gains of at least 2% a year should be achievable on a permanent basis. Still others argue that the scope for efficiency gains is greater than this. In practice, most authorities have ensured that their financial projections 'balance' by making whatever assumption is required about future efficiency gains. This may no longer be an appropriate approach moving forward.

Capital financing costs are significant. Currently, interest rates are at an 'all time low' with the Bank of England's base rate being set at 0.1%. Government policy is to maintain interest rates at a low level to boost demand by encouraging borrowing and discouraging saving. However, most commentators are predicting that interest rates will increase eventually, and it can be expected that in the long-run interest rates will return to a rate somewhat above the inflation rate. Treasury Management strategy is therefore an important part of business planning and changes in interest rates are certainly a variable against which stress testing is required.

Housing has never been a static business. Stock levels can reduce because of 'right to buy' and other disposals; but can also increase because of new build, buy-backs, and regeneration schemes. Variations in stock numbers affect both income and the need to spend on management, maintenance, and major repairs. This needs to be factored into the business plan model, assumptions need to be made regarding which costs should be fixed or variable, and stress testing needs to be carried out around uncertainties such as levels of maintenance expenditure.

Capital programmes are funded through a combination of borrowing, grants, and other sources. There is therefore a need to model all these sources of funding, to assess the minimum level of capital programme required and to carry out stress testing around the Housing Association's ability to continue to fund its capital programme at the level required to meet statutory and other obligations including maintaining the decent homes standard.

In reviewing a business plan, the following questions can be helpful:

- When the planning process was last reviewed?
- How do you use your Business Plan?
- Are plans at all levels in the organisation clearly linked to the Business Plan?
- Do your stakeholders share your understanding of your business objectives?
- Do you regularly review the scope and content of the Business Plan?
- How do you ensure that the scope and content of the Business Plan meets the needs of the organisation and stakeholders?

Conclusions

Business Planning is not just about 'crunching the numbers'. It is also about:

- ♦ Strategy
- ♦ Responding to external challenges including changing government policy
- ♦ Asset Management
- ♦ Risk Management

Now is not only a good time to revise and update business plans. It is essential that this be done so that housing associations can be responsive to changing government policy and other significant uncertainties in the environment in which housing services are provided.

This requires a new way of business planning including a robust approach to the development of strategy, financial forecasting, sensitivity analysis, risk management and contingency planning.

Adrian Waite
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About 'AWICS'

'AWICS' is a management consultancy and training company. We specialise in providing support in finance and management to clients in local government and housing in England, Scotland and Wales. We are well known for our ability to analyse and explain complex financial and management issues clearly.

Our mission statement is 'Independence, Integrity, Value'. We therefore provide support to clients from an independent standpoint that is designed to help the client to achieve their objectives. We are passionate about working with the utmost integrity. We believe that we offer the best value for money that is available today!

For more information about our services and us please visit our website at www.awics.co.uk or contact Adrian Waite at Adrian.waite@awics.co.uk. Services that we offer include:

- Management Consultancy – http://www.awics.co.uk/ManagementConsultancy.asp
- Interim Management – http://www.awics.co.uk/interimmanagement.asp
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Business Planning for Housing Associations

Webinar

We hold webinars on 'Business Planning for Housing Associations'. These webinars last about an hour and cost £30 plus value added tax (a total of £36).

The webinars look in depth at how housing associations can update their business plans. It is relevant to England, Scotland and Wales.

Business Planning has always been an important element of the management of housing associations. However, we are now operating in a very uncertain environment. The long-term implications of coronavirus and of Britain leaving the European Union (Brexit) are not clear. UK Government policies on housing and welfare are yet to be developed. Economic conditions are likely to be difficult. Demographic change continues to put pressure on housing services.

And then there are the requirements of the Regulator and the funders to consider.

This requires a new way of business planning including a robust approach to the development of strategy, financial forecasting, sensitivity analysis, risk management and contingency planning.

The webinar will address the following questions:

- What are the key elements of a good quality housing association business plan?
- What is the political, economic, social and technological environment in which housing associations operate in England, Scotland and Wales? What are the key uncertainties?
- How can housing associations develop effective business plans that will address the regulatory requirements in an uncertain environment in a robust way? What assumptions should be made in the financial model? How can uncertainties be managed?
- What business planning techniques are now required including for strategy, financial forecasting, sensitivity analysis, risk management and contingency planning?

These webinars are suitable for housing accountants, housing managers, board members and others who realise that an understanding of business planning in housing associations could place them at an advantage!

The presenter is Adrian Waite, who is well known for his ability to explain complex financial matters clearly. To view his biography, please click here.

It is possible to ask questions during and after the webinar. Attendees will be provided with a copy of the slides. A very useful briefing paper and a CPD certificate will be emailed to participants after it has finished. A recording of the webinar is also available after it is completed.

For further information, please click here: https://awics.co.uk/business-planning-for-housing-associations

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