Introduction to Local Authority Housing Finance (Technical Issues)

April 2020

Flats owned by Enfield Borough Council at Edmonton, London.

Introduction

This briefing paper contains an introduction and overview of the technical aspects of local authority housing finance.

Business Planning

The implementation of self-financing has allowed local authorities to plan with more certainty leading them to produce more robust business plans and asset management plans. Members and tenants can consider their long-term priorities around such matters as housing and environmental improvements, how often components such as kitchens are replaced, the green agenda, redevelopment, regeneration and new build.

Local authorities are responding differently to the challenges and opportunities that have been provided by self-financing. Some are focusing on achieving and maintaining the decent homes standard while balancing the housing revenue account; and others are considering how to use their surpluses.

Many councils, especially those that had been 'debt free' prior to self-financing, initially intended to repay their debt as soon as practicable. However, in view of the relatively low rates of interest at which councils could borrow, many of these have since decided that repaying debt is a lower priority in the short to medium term than spending the money on improvements or new build.

The Chartered Institute of Public Finance & Accountancy considers that the business plan is, and will continue to be:

- The main tool to manage the housing landlord business financially.
- The main source of financial advice for planning the strategy for the housing business and the interaction with the council's strategic housing role.
- A tool to inform and be informed by the asset management strategy, creating the boundaries for investment.
- Developed in consultation with tenants on the balance in the use of resources between investment in new and existing stock and day-to-day services.
- The main tool for accountability to tenants on performance and value for money of services.

The business plan should demonstrate that the Council can balance income and expenditure in the long run avoiding an illegal cumulative deficit while meeting capital financing costs and other obligations and achieving and maintaining the decent homes standard. Business Planning is clearly related to asset management, performance management, risk management and value for money.

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 Council 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.

What are the Key Elements of a good quality Housing Revenue Account 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 Council should possess. There should be a clear 'golden thread' that runs from the Council's corporate strategy through the Housing Strategy to the Housing Business Plan. The Housing Business Plan should address how the Council's housing business is to assist in the delivery of the Council's corporate objectives.

High-level objectives may therefore be taken from the Council's corporate documents but there will be a need to develop them further into the detailed objectives of the housing service. 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 local authority housing service would now 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 Council can balance income and expenditure in the long run avoiding an illegal cumulative deficit while meeting capital financing costs and other obligations and achieving and maintaining the decent homes standard. Councils 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 variations, inflation and options around social and affordable rents
  - The effect on stock levels of 'right to buy'
  - 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 housing revenue account to provide resources to support the capital programme

The Chartered Institute of Public Finance & Accountancy has identified the following as the key sensitivities to address in a business plan:

- Inflation increase or decrease
- Cost inflation not synchronised with the Consumer Prices Index
- Right to Buy levels and receipts
- 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 authority

A sustainable housing revenue account 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.
  - New Build – what level of new build programme is to be carried out and what it will cost.
- Financing
  - The Major Repairs Reserve is now financed through depreciation and is available to finance major repairs
  - Support from the Revenue Account for prudential borrowing or revenue contributions may be required
  - The level of Capital Receipts needs to be estimated and decisions taken about their use. This may have an effect on other programmes

- Government Grants and other contributions may be available especially if it is intended to build new homes or carry out regeneration schemes

Business plans should ideally be prepared in consultation with partners and residents.

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.

Implications of Britain leaving the European Union

It is too early to tell exactly what the implications for local authority housing will be of Britain leaving the European Union as the arrangements are not known and different forecasts have been made. However, there have been some immediate effects including:

- The fall in the value of Sterling that has increased the cost of imported materials including building materials.
- The government's budget surplus target has been abandoned but no significant additional resources have been made available for housing.
- The government has stated that there will be no new reductions in welfare entitlements, but planned reductions will be implemented as described above.
- Interest rates have been reduced but it is not clear whether this is sustainable.

Long-term effects are likely to include:

- More expensive construction and maintenance costs due to labour shortages and increased materials prices
- Changed procurement arrangements if the United Kingdom government decides to abandon European Union procurement rules.
- Changed approaches to employment / environmental law as these appear to be among the main objectives of Britain leaving the European Union.

Asset Management

Asset Management has been defined as:

"Taking a comprehensive approach to managing… physical assets with the aim of achieving particular objectives, usually to make best use of the housing stock and achieve value for money. It covers the construction, operation, maintenance, modification, replacement and disposal of housing and other buildings.

"Asset Management is about understanding and managing the performance of, and risks presented by, a landlord's assets. An Asset management strategy therefore provides a framework for landlords to manage stock pro-actively and support business plan objectives. It is used by social landlords to link knowledge of their stock, the need for housing in response to local demand and customer aspirations, and what is affordable in the business plan."

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

"Traditional asset management approaches, under the housing subsidy system, have only been able to focus on how to deliver a limited investment programme efficiently and in line with tenant priorities. This at least ensured that existing resources were spent to maximum benefit for tenants.

"The self-financing Housing Revenue Account… allows authorities to put in place a long-term asset management plan which is backed by a greater predictability of funding within the borrowing cap.

"The asset management plan is the foundation of the self-financing business plan. The investment needs of the stock is one of the drivers of the plan. Good quality stock condition information, either from a survey or from asset registers, is an essential starting position. This stock condition information should include non-housing stock such as garages, shops, etc. Self-financing should present an opportunity to invest in these, sometimes neglected, assets with the potential for improving the income generated."

The Asset Management Plan is often considered to be the foundation of the business plan. It should therefore be kept under review including the:

- Identification and analysis of housing and non-housing assets including their condition and future maintenance needs.
- Achievement and Maintenance of the Decent Homes Standard and other agreed local standards including the Stock Condition Survey and the Replacement of components linked to Depreciation
- Appraisal of assets to inform consideration of Demolitions, Disposals and Renewals
- Potential for Regeneration schemes and New Build.

Councils should bear in mind that the self-financing settlement is designed to fund the maintenance of existing homes to the decent homes' standard, environmental and open space management and aids and adaptations. However, the settlement took no account of a backlog of decent homes works, non-dwelling maintenance, improvements, structural repairs, asbestos removal or green initiatives.

Performance Management

Performance Management is a process by which organisations align their resources, systems and employees to strategic objectives and priorities. It includes activities that ensure that goals are consistently being met in an effective and efficient manner; and can focus on the performance of an organisation, a department, employee, or processes that build a product or service.

Performance Management involves the collection of performance information that can be financial or non-financial. Examples of financial performance information that is commonly used include:

- Rent collected as a proportion of rents owed
- Proportion of tenants with more than seven weeks' arrears
- Proportion of tenants evicted for rent arrears
- Levels of voids
- Expenditure on Management
- Expenditure on Maintenance analysed between Planned Repairs and Responsive Repairs

Risk Management

The Audit Commission defined risk management as follows:

"Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled".

While the Chartered Institute of Public Finance & Accountancy has said that:

"Risks are being transferred with the settlement from central government to authorities and the risk management arrangements need to be re-assessed to ensure that they are robust enough.

"The self-financing HRA will more closely resemble the finances of housing associations, with similar associated risks. It would therefore be appropriate to have the same type of risk management framework in place.

"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."

It could be argued that reporting to elected members should focus on risk management, identifying the key assumptions and forecasts that are made in the business plan and budget, the key risks that those assumptions and forecasts may not prove accurate, how to mitigate and manage those risks, and then monitoring the extent to which the assumptions, forecasts and risks are realised in practice.

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 in the HRA 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.

There is a hierarchy of risks from organisational, strategic, high level risks managed at council / board level; through functional risks managed at senior management team level; operational risks managed at manager level; to working risk assessments for premises, fire, activities and other key documents.

Many authorities prioritise their risks using a matrix such as that which is shown below:

Catastrophic		**High Impact, Low Likelihood Consider Action and have a Contingency Plan**		**High Impact, High Likelihood Immediate Action is Needed**
Impact				
Minor Disturb-		**Low Impact, Low Likelihood Keep under Periodic Review**		**Low Impact, High Likelihood Consider Action**
		Very Unlikely		**Very Likely**
			Likelihood	

This approach categorises risks according to how likely they are to occur and how catastrophic they would be. There are therefore four categories of risk:

- High Impact, high Likelihood – where immediate action is needed.
- High Impact, Low Likelihood – where there is a need to consider action and to have a contingency plan.
- Low Impact, High Likelihood – where there is a need to consider action.
- Low Impact, low Likelihood – where there is a need to keep under periodic review.

The Chartered Institute of Public Finance & Accountancy has identified that in practice local authorities will face the following major risks:

- Interest Rates
- Inflation
- Income recovery rates
- Void levels
- Rent policy
- Stock changes (new build, regeneration, right to buy)
- Investment programmes
- Debt
- Supporting People Grant
- Depreciation and Impairment

Increased tenant poverty is often identified as a risk. It is caused by reduced employment, reduced real incomes, reduced benefit entitlements, increased costs, reduced access to services and reduced aspirations. Its effect is to reduce the ability of tenants to pay rent on time and to sustain their tenancies. Typical responses that are made by local authorities include money advice, employment initiatives, reduced costs in use and community support.

Concern should be given to the 'perfect storm' where several adverse risks are faced at the same time producing a serious threat to the organisation. For example, what would happen if the following were all to occur at the same time?

- Reductions in benefits for the under-25s and the over 65s
- A gas explosion in a flat where the tenant has refused access
- Increased interest rates

The Chartered Institute of Public Finance & Accountancy has identified that risks can be opportunities as well as threats:

"Risk is not all bad; it can present opportunities for the service to innovate and change. The full understanding of risk can enable new ideas to be progressed in a managed environment. The failure to take risks at the opportune moment can also in itself be a risk to the success of the service."

Value for Money

Value for money and efficiency are often used interchangeably but they are not the same. Indeed, efficiency is not simply value for money it is but one element of it. Value for Money has been defined as:

"*The correct balance between Economy, Efficiency and Effectiveness. Value for Money at Kensington and Chelsea Tenant Management Organisation is considered by the Tenant Management Organisation to be high when there is an optimum balance between all three, with relatively low costs, high productivity and successful outcomes in terms of service delivery to residents."*

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'.

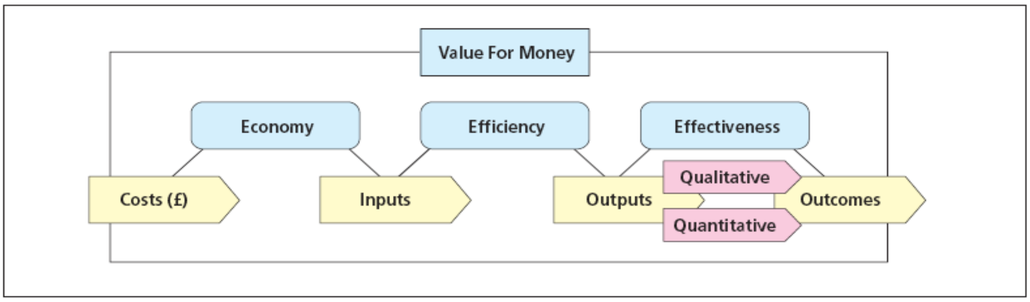
Economy, Efficiency and Effectiveness are defined as follows:

- 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.

These concepts are illustrated diagrammatically below:



Arms’ Length Management

The former Labour government introduced the arm’s length management organisation and provided additional public funding to authorities with arm’s length management organisations that needed additional resources to achieve the decent homes standard. Many authorities were attracted to the option because they retained ownership of the stock, but the government ensured that the option was confined to those authorities that achieved a high level of performance. However, the coalition government made capital funds available to stock retention and arm’s length management authorities on the same basis. Several local authorities have therefore decided to close their arm’s length management organisations principally on the basis that this would eliminate duplicate costs.

Arm's Length Management Organisations are normally companies that are 100% controlled by the local authority, and they are usually constituted as companies limited by guarantee. An Arm's Length Management Organisation is managed by a Board of Directors that includes representatives of the local authority, tenants and independent board members. Usually no one group is in a majority on the Board although in some cases most places are taken by tenant representatives. Councillors on the Board must not play a role in Council decisions on the Arm's Length Management Organisation.

Arm's Length Management Organisations have their own budgets and business plans, retain all surpluses earned, and receive all monies paid to the Council for their support. They produce their statement of accounts under the Companies Acts. Their main revenue source is all-in management fees paid to the Arm's Length Management Organisation by its parent council. The local authority continues to hold the housing revenue account and borrow to finance the capital programme.

Expenditure on management falls within the company's accounts. As far as the council's Housing Revenue Account is concerned, there may only need to be an entry representing the payment to the arm's length company. Expenditure on repairs and maintenance either falls within the accounts of the arm's length management organisation or is retained within the accounts of the local authority and is managed by the arm's length management organisation depending on the nature of the management agreement. Expenditure on the capital programme falls within the Council's accounts but is managed by the arm's length management organisation.

The Private Finance Initiative

A Private Finance Initiative scheme involves the private sector financing and managing public services. A key element in this is the transfer of risk to the private sector. The largest housing Private Finance Initiative scheme to be signed was in Islington in September 2006. The contract was for £165million and provided for £153million of investment and on-going management and maintenance over sixteen years. The scheme covers 2,900 rented homes and 1,200 leasehold properties and provided for achieving the decent homes standard by 2010/11.

Private Finance Initiative schemes in housing that have taken place have related to a part of the stock where a specific investment need has been identified. The Council retains ownership of the stock and the tenants continue to be council tenants with the council setting the rent.

The local authority needs to lease the properties to the private sector partners at the start of the contract. This is usually for a peppercorn rent. Apart from that the local authority specifies its requirements and meets the cost of any subsidy required after considering competitive tenders. Payment needs to be partly based on performance.

The Private Finance Initiative partner is usually a consortium of private sector firms (usually consisting of a bank, a housing association and a building contractor). The organisations involved decide how to provide the service and meet the contract terms including managing the stock and collecting the rent. They raise capital to refurbish the homes. The consortium then provides repairs, maintenance and a range of housing management services to the stock as part of a thirty-year contract and is paid on a performance basis.

The government no longer favours the Private Finance Initiative and while it continues to give financial support to existing schemes has funded only a few new schemes under its Private Finance Initiative Two. The most recent of these is in Woking.

Stock Transfer

Large Scale Voluntary Transfer involves the Local Authority transferring the ownership of all its stock with the agreement of the tenants. The first Large Scale Voluntary Transfer was made in 1988 by Chiltern District Council.

The key features of a Large-Scale Voluntary Transfer are:

- Transferring tenants are offered benefits such as rent guarantees, stock investment programmes and rights as 'assured tenants'.
- Transfer price is determined by 'Tenanted Market Value' (see below).
- The new landlord must be a Registered Social Landlord
- Transfers and additional investment following transfer are funded entirely by the private sector

A small scale or partial voluntary transfer involves the transfer of part of an authority's stock where it is considered that investment needs are greater than can be afforded by the local authority.

The basis for valuation for a Large-Scale Voluntary Transfer is Tenanted Market Value. This values the stock as social housing, assuming affordable rents and good standards of maintenance. It does not, therefore, reflect either the value of the 'bricks and mortar' or the market value, and is usually significantly less than either of these values and can even be negative. Tenanted Market Value is calculated by forecasting income and expenditure on management and maintenance over a thirty-year period and using the forecast surplus for the period as a basis for calculating the capital value. Tenanted Market Value is usually calculated using a discount rate between 6% and 8%.

The 'Right to buy' is preserved. Potential receipts from this are excluded from the calculation of Tenanted Market Value. Receipt sharing arrangements are usually agreed instead, with the Registered Social Landlord receiving enough to compensate for the property discount, and the balance accruing to the Council.

This method of calculation means that the new landlord can afford to cover his capital financing costs as well as his management and maintenance costs out of the forecast income. The forecast income will take account of any guarantees that have been given about rent levels.

Following self-financing in 2012, future stock transfers will only be able to go ahead based on the same level of expenditure and investment that would be possible with stock retention. Communities & Local Government sees the tenanted market value that has been established through self-financing as being the appropriate value to use in a transfer. The transfer housing association would therefore be obliged to take over relevant housing revenue account debt. No additional central government funding is available to support stock transfers unless they would be delivering additional benefits such as regeneration work.

The arrangements are said to create a 'level playing field' between stock retention and stock transfer – with stock transfer not being able to deliver any more than stock retention. However, in practice they have created a disincentive to stock transfer. This is because the tenanted market value that has been used for self-financing makes no allowance for the cost of achieving the decent homes standard or any backlog of repairs; and does not take account of additional costs that would be faced by a housing association such as value added tax.

Self-financing therefore places a barrier in the way of future stock transfers. This is because a transfer housing association would be obliged to take on all the housing debt of the local authority. This would prevent them from being able to afford to borrow for capital investment and would be a problem in the case of a local authority that had yet to attain the decent homes standard.

Strategic Housing and the General Fund

Traditionally, the main housing activity of a local authority has been the direct provision of council housing, and where councils have retained their housing stock this is still often the case. However, councils also have important strategic housing functions that are supported by the housing general fund budget. Where councils have transferred their housing stock these strategic general fund activities continue to be important.

The Housing General Fund records expenditure and income relating to housing services that are provided to the wider community and not exclusively to tenants. General fund expenditure is funded through a combination of Council Tax, Business Rates and Rate Support Grant.

The government distributes Revenue Support Grant and Business Rates among authorities. The government also controls what Councils can collect in Council Tax through capping powers. During recent years, the government has done this requiring councils to hold a referendum if they wish to increase Council Tax by more than a certain amount (usually 2%) although since 2016/17 they have allowed further increases to fund additional social care costs. They have also 'localised' business rates so that councils will gain the benefit of increased business rate income in their areas in future. Since 2010 most former ring-fenced grants (including Supporting People Grant) have been 'rolled up' into revenue support grant so that councils have discretion over where to spend their resources and where to reduce budgets. The government is now consulting on a 'Fair Funding Review' that will inform future local government finance settlements.

As with the housing revenue account, a council can finance its housing general fund programme through borrowing, capital receipts, revenue contributions or government grants.

Disabled Facilities Grants

Local authorities have a statutory duty to provide Disabled Facilities Grants to eligible claimants. The government provides funding for this through disabled facilities grants. Since 2010/11 funding for disabled facilities grants has been paid to local authorities as an un-ring-fenced payment. This means that funding for several programmes have been pooled together and it is for local authorities to determine, against local priorities, how they best use these funds.

Homelessness

Councils have had a duty to house the unintentionally homeless since the late 1970s. Most local authorities seek to fulfil this responsibility by finding homes for people either in their own stock or with a registered social landlord. However, where this is not possible, homeless people are offered temporary accommodation – often in hostels or 'bed & breakfast'. The cost of providing temporary accommodation is often high and is met from the general fund.

Local authorities provide a range of specialised provision for homeless people including resettlement services, emergency night shelters and units for groups including the young, substance abusers and women fleeing domestic violence. The Supporting People programme also provides funding for these services.

The Homelessness Reduction Act requires earlier intervention by councils to prevent homelessness and to provide advice and help to all affected, not just those protected under existing laws. It obliges councils to start assessing someone at risk of being made homeless 56 days before losing their home. Currently, the threat of homelessness is defined as starting 28 days before the person loses their home.

The Flexible Homelessness Support Grant was introduced in 2017 and is designed to transform the way councils fund homelessness services to give them greater flexibility to prioritise the prevention of homelessness. It is ring-fenced.

Spending Review 2019

The Spending Review of 2019 was announced by Sajid Javid, the Chancellor of the Exchequer, on 4th September 2019. The statement sets departmental budgets for just one year rather than the usual three years, due to uncertainty over the impact of Brexit.

In the event, very little was provided for housing. Funding pledges for the housing sector included an additional £54million to help tackle homelessness, £40million to go towards Discretionary Housing Payments, and £24million to support the government's Building Safety Programme in response to the Hackitt Review.

Conservative Election Manifesto 2019

The Conservative Party won an overall majority in the general election held on 12th December 2019. However, their manifesto was remarkably light on detail. The policies relevant to local authority housing finance include:

- Building a million new homes over five years. This is a reduction from the current policy of building 300,000 a year and does not include any target for affordable homes.
- Renewal of the Affordable Homes Programme in the Spring Statement (this is now delayed)
- A Social Housing White Paper, which was originally due in Spring 2019 that would set out further measures to empower tenants and supply social homes

The target of a million homes is a substantial downgrade on the previous target of reaching 300,000 homes a year by the mid-2020s that was set in 2017. It is also 41,000 fewer homes a year than the current rate of net supply that reached 241,000 in November 2019 suggesting a belief that this figure represents a peak. The party did not set a target for affordable housing but did pledge to renew the Affordable Homes Programme in the Spring Statement. The manifesto does not mention social housing so it may be assumed that any affordable housing that would be built would be housing with rents set at 80% of market levels. Many in the sector consider that government should set a target to build a significant number of affordable homes including a significant number of social homes.

The Second Queen's Speech 2019

The second Queen's Speech of 2019 was delivered on 19th December 2019. Specific measures include:

- To ensure residents are safe in their homes, the government will bring forward measures to implement the most urgent recommendations from the first phase of the Grenfell Tower Public Inquiry. They will also publish a draft Building Safety Bill to implement the recommendations of Dame Judith Hackitt's review of building regulations.
- Renewing the Affordable Homes Programme, building hundreds of thousands of new homes for a range of people in different places. This will help them to prevent people from falling into homelessness while also supporting further people into homeownership.

- For those in the social rented sector, they will bring forward a Social Housing White Paper that will set out further measures to empower tenants and support the continued supply of social homes. This will include measures to provide greater redress, better regulation and improve the quality of social housing.
- Committing to end rough sleeping by the end of this Parliament. The Government will continue to invest in key rough sleeping interventions, building on the progress that they made last year in reducing rough sleeping numbers. The Government will also continue to support those at risk of homelessness and rough sleeping through the continued enforcement of the Homelessness Reduction Act.

Adrian Waite
April 2020

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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Introduction to Local Authority Housing Finance in England – Webinars

We are holding webinars entitled 'Introduction to Local Authority Housing Finance in England' between April and May 2020. These webinars give an introduction and overview of this important subject and are fully up to date with all developments.

There are three webinars:

- Introduction to Local Authority Housing Finance in England (revenue) - 29th April 2020 at 2pm
- Introduction to Local Authority Housing Finance in England (capital) - 30th April 2020 at 2pm
- Introduction to Local Authority Housing Finance in England (technical issues) - 4th May 2020 at 2pm

Each webinar will last about an hour and costs £30 plus value added tax (a total of £36).

These webinars are comprehensive and are designed for people who are not experts in housing finance, but who need to understand the basics and achieve an overview of what is going on. They are suitable for councillors, housing managers, tenant representatives, finance staff who have limited experience of local authority housing finance and others who realise that an understanding of housing finance can place them at an advantage!

Introduction to Local Authority Housing Finance in England (revenue) refers to the Housing Revenue Account, Rents, Service Charges, Management and Maintenance, Self-Financing, Housing Benefit and Welfare Reform.

Introduction to Local Authority Housing Finance in England (capital) refers to Capital Programmes, Right to Buy, Development, the Affordable Housing Programme, Prudential Borrowing and Local Housing Companies.

Introduction to Local Authority Housing Finance in England (technical issues) refers to Strategic Housing, Arms' Length Management, Private Finance Initiative, Business Planning, Risk Management, Asset Management and Value for Money.

All the webinars are fully up to date and refer to the recent social housing green paper; the lifting of the 'borrowing cap'; policy on 'right to buy' receipts; and setting of rents based on the consumer prices index plus 1% a year. They also address the policies of the government that was elected in December 2019.

The presenter will be Adrian Waite, who is well known for his ability to explain complex financial matters clearly.

It is possible to ask questions during and after the webinar. Each webinar is also accompanied by a very useful briefing paper that will be emailed to participants after it has finished alongside a copy of the presentation used. A recording of the webinar is also available after it is completed.

For further information or to make a booking, please click here: https://awics.co.uk/introduction-to-local-authority-housing-finance-in-england

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