Local Housing Companies and Development

August 2021

Development in Progress

Introduction

This briefing paper considers Local Housing Companies and how they can contribute to development.

Local housing companies are independent arms-length commercial organisations wholly or partly owned by councils. They can develop, buy, and manage properties within and outside of a local authority area. The homes they provide sit outside of the local government housing financing system and are not subject to the Housing Act and most of the social / affordable housing regulations. Over the past few years, the number of companies has increased among councils across the whole of England.

Research by the Smith Institute has found that:

- Local Housing Companies offer councils a 'triple dividend' in the form of much needed extra housing, a greater stewardship role in place-shaping and a financial return to the council.

- Local Housing Companies have been established by all kinds of councils, across the size spectrum, including, in some cases, with participation by counties. The largest concentrations are in London and the Southeast.
- Most Local Housing Companies have modest ambitions to build (averaging around fifty units a year), although there are larger housing companies in urban areas with major build programmes.
- Collectively Local Housing Companies could increase completions over time from 2,000 homes a year to 10,000-15,000 homes each year by 2022, with perhaps a quarter of the total in London.
- Around 30%-40% of new Local Housing Company homes are likely to be 'affordable', with fewer at the equivalent of social rented levels.
- Councils are attracted to Local Housing Companies because they want more control and influence, and greater freedoms and flexibilities (especially over rents, borrowing and the Right to Buy).
- Local Housing Companies can generate income and cross-subsidise new private affordable and sub-market housing at social rents.

Local Housing Companies provide a mix of housing tenures, with the focus on renting (at equivalent affordable rent and market rent levels) and to a lesser extent at social rented levels. Some Local Housing Companies provide homes for sale and to meet specialist housing needs and several are involved in estate renewal and regeneration schemes. Most Local Housing Companies are wholly owned by the council, that typically provides loan finance and land. Most are governed by a mix of Members and officers and partly staffed by the council and external consultants. A few Local Housing Companies are multi-council, and some are subsidiaries of a council-owned regeneration or property company. Some of the larger Local Housing Companies have attracted private finance and established 'revolving investment' funds.

Most councils expect their Local Housing Company to generate a profit, that can be re-invested into the housing company or transferred to the Council. Besides income from rents and sales, Local Housing Companies attract funds to the Council from the New Homes Bonus, additional council tax, and planning gain. Councils are also generating income from 'on-lending' to the Local Housing Company (borrowing long term at below market rates from the Public Works Loan Board and on-lending at a market-rate premium). Councils claim that Local Housing Companies are there for the long term and are more resilient to market and financial risk than private developers and that the Local Housing Company can 'flip tenures' and defer dividend payments if needs be.

Why establish a Local Housing Company?

The first issue to consider is the council's purpose in setting up a company to acquire, develop or manage homes. There are potentially several different purposes that a Local Housing Company could be intended to achieve including the provision of affordable housing, economic development or generating income for the local authority. The balance of objectives sometimes reflects a plurality of people involved in the process of deciding to commit local authority time and money to set a company up.

Traditionally councils have developed housing directly, usually funded by borrowing, held by law within the Housing Revenue Account and in most cases legally required to be let on secure tenancies at social rent levels (determined by a government formula) or at affordable rent with all secure tenants benefiting from the Right to Buy (currently eligibility starts after three years, with tenants entitled to a discount of up to £112,800 in London and £84,600 outside London). Council housebuilding largely ended in the 1980s, with the then government's policy of shifting to housing associations as the main developers of social housing.

Even though 'self-financing' was introduced to the housing revenue account in 2012, enabling long term asset management and capital strategy planning over thirty years, the Treasury's imposition of a 'debt cap' (until 2018), and their ongoing hold over the use of Right to Buy receipts and control over annual changes in social rents means that the housing revenue account is a highly constrained financial context for development. Since 2012, many councils have returned to building council housing but the numbers being built are quite small when compared with the programmes that existed before the 1980s. This continues to be the case despite the abolition of the borrowing cap.

Many councils first became interested in setting up companies because they wanted to develop new social housing that could be let at low rents in the same way as council housing. The main reason for doing this outside the housing revenue account was to access debt finance outside the 'borrowing cap' (with many authorities having very limited headroom to borrow and facing competing demands on housing revenue account debt to complete the Decent Homes standard and other improvements to existing stock). There is also an obvious commercial benefit to having flexibility over rent-setting and freedom from other aspects of the Secure tenancy regime, most notably avoiding the 'Right to Buy'.

The Government has made it clear that it does not support the approach of creating a Local Housing Company solely to avoid the 'Right to Buy' scheme. However, there is no legislation ruling this approach unlawful. Rules on the use of 'Right to Buy' receipts and the sale of Council land are clearly designed to prevent or deter this approach.

Some councils want to provide a more affordable alternative to the privately rented or leased housing they use as temporary accommodation for homeless people (where there is a statutory duty to provide a home in an emergency). General Fund housing development or acquisition is allowed for provision of temporary accommodation, without requiring a company structure. However, councils need to set up a company where trading results in a commercial profit. It seems the Government is more amenable to companies set up to tackle and prevent homelessness.

Others are specifically aiming to complement and expand the private rented sector by providing homes at full market rents. The objective may be to improve standards in the private rented sector, with a council-owned company delivering exemplary tenancy management services across a large portfolio of homes, in contrast to most private landlords in the United Kingdom who each own only one or two properties on average and whose standards are variable.

From an investment perspective, the council could potentially deliver a product that could later be sold on to institutional investors such as pension funds at a profit. In this instance, a good understanding is needed of the scope for growth of the local private rented sector. It is not a given in every part of the United Kingdom that an opportunity exists for local authority intervention in the market; even where there is demonstrable demand for private rented homes, commercial profitability will depend on availability of land, equity investment and construction methods and costs.

Some authorities have set up 'social lettings agencies' that are companies that let homes on behalf of private landlords, typically at cheaper rates than privately-run high street agents. The Government seems less opposed to councils working in the private rented market.

Many councils choose to pursue a mixed tenure approach, the most flexible including a mix of affordable rent and sale, plus open market rent and sale. Where the main priority is to meet local need for affordable housing, this can usually only be achieved through significant levels of grant or other subsidy and on its own is unlikely to offer a revenue return to the Council. Hence mixed tenure, where market priced products cross-subsidise affordable homes, is the most viable approach for most companies to pursue. In this context, an authority can argue that their company is principally commercially driven and only provides affordable housing to meet Planning requirements to support a mixed community.

There are also some wider strategic purposes that are typically used to justify forming a company including:

- New homes and other property developments support economic growth, both through immediate construction jobs and the longer-term support for local businesses by providing for a larger pool of employees to live in the area. This can be particularly relevant as part of an area-based regeneration programme, where investment in new homes has a multiplier effect in the local economy, as the new residents work in local businesses and spend in local shops and services. There may be concerns about housing key workers in health, education, social care, and other public services.
- A company's commercial growth is a direct response to demographic trends, expanding housing supply to meet growing demand, both from an increasing overall population and an ongoing long-term shift towards smaller households. The local context will include evidence from the sub-regional Strategic Housing Market Assessment which summarises projected levels of housing need and demand, including the required mix between property sizes (numbers of bedrooms), tenure types and the balance between rent levels and incomes. This strategic rationale is relevant where the private market is under-performing and failing to provide enough housing supply to meet demand.

In many cases the opportunity to generate a long- term income stream into the council's General Fund is a major incentive to invest in a development vehicle. Where profitability is essential, then homes for private sale and let at full private market rents are likely to form the core of the output delivered, with affordable homes included where necessary to fulfil Planning policy requirements.

It can be argued that, in the light of the Government's policy emphasis on home ownership and the 'Right to Buy' for all social housing tenants, there is a strong argument for focusing development activity on commercial return rather than social purposes that could fall foul of new legislative restrictions. From a commercial perspective, the strategy for a housing company is straightforward – borrow money cheaply, invest it in residential property, and receive financial benefits in terms of rental income and appreciation in property values.

This approach offers advantages in relation to exemptions from public procurement rules. In general terms, where a company is fulfilling a social purpose or a statutory function, it is regarded as a public authority for procurement purposes and the full European Union regulations apply. However, where a publicly owned company is pursuing a purely commercial purpose then it may be exempt from public procurement regulations.

Another motivation for councils is an increasing distrust of housing associations that are seen to be moving closer to becoming independent commercial private companies. So, whereas in the past many councils transferred their homes and land to housing associations, with guarantees about local management, future rent levels and a commitment to house families nominated by the council, there is now a move away from council influence over housing associations. The sense of distrust has also increased because of the shift to higher ‘affordable’ rents (up to 80% of market rents), that were introduced to enable major reductions in Government grant to housing associations. Some in local government also felt a more fundamental sense of betrayal when the National Housing Federation entered into a voluntary agreement with the Government to introduce a ‘voluntary Right to Buy scheme’ for housing association tenants, funded by the forced sale of higher value local authority homes.

The Smith Institute has concluded that:

“Frustrated by national policy-making and critical of the performance of other registered providers, a growing number of councils, large and small, have ‘gone it alone’. Under the banner of localism, councils of all types have sought to use the new general freedoms and flexibilities that they have been granted to establish their own housing companies. These council owned companies, which reflect the new entrepreneurial ethos of many councils and mirror the trading companies some councils had already established, are home grown, developing in-spite of government intervention, rather than because of it.”

Identifying the Objectives of the Local Housing Company

There is never likely to be a perfect resolution of a council company’s purpose, given the complexity of interests that a local council represents and the diverse range of objectives it seeks to achieve. Tensions are likely to arise during the process of deciding to establish a company and, as its activities are pursued in the real-world trading environment. For example, there will be a trade-off between commercial return to the company (and the council) versus social outcomes, such as complying with Planning policy on the proportion of affordable housing developed and at what prices or rent levels. Perhaps the company could achieve a faster return through a higher level of market sales rather than hold completed homes and generate a longer-term yield and capital asset growth through a market rented portfolio. These tensions need to be recognised and managed, with purposes and policies reviewed as the company undertakes its activities and generates results.

Financial and Legal Flexibilities and Constraints

Council companies have existed for many years, with trading powers previously set out in Section 93 of the Local Government Act 2003. However, the recent diversification of new companies was prompted by the General Power of Competence introduced in the Localism Act 2011. Whereas previously councils could only trade their existing activities, this legislation allows local authorities to undertake any commercial activity that an individual or private company can lawfully undertake, provided this activity is not explicitly ruled out or constrained for councils by another piece of legislation. This enables councils to trade commercially in services not provided by them before, such as building homes for open market sale and full private market rent.

Finance and resources

Direct new build by councils was constrained by the 'borrowing cap', and still is constrained by revenue contributions to capital outlay and competing housing revenue account capital investment pressures. Moreover, new build in the housing revenue account requires homes to be let at sub-market levels and on secure tenancies that provide the 'Right to Buy', risking forced loss of these new homes at discounted prices. Under current rules, 'Right to Buy' receipts can only be invested in affordable rented homes, these funds cannot directly support shared ownership, market sale or market rent.

If a council decides to pursue a market rented housing new build model with an emphasis on revenue to the General Fund, the commercial viability of this venture will be an equation based on income and costs and the mix of debt and equity capital. Equity investment could comprise Council capital reserves (if any are available) or funds borrowed prudentially in the General Fund for investment activity. Debt can be raised either on the private money markets or via the Public Works Loans Board under the prudential borrowing regime. Public Works Loans Board funds borrowed by a council can be lent on to a subsidiary company with an interest rate margin providing a revenue stream to the General Fund. The level of margin will have a significant effect on the business model, given the need for rental income to provide interest cover after management and maintenance costs have been met. There are State Aid issues in relation to on-lending; generally, a more commercial margin on the Public Works Loans Board debt will satisfy State Aid requirements as well as ensuring the income stream to the Council.

Land availability is a major consideration for a new build programme. Every council that remains a landlord should review its housing revenue account land holdings, including the scope to build on infill sites such as poorly used or redundant garages, as well as the potential opportunities to increase density through demolition or estate remodelling. A council's corporate asset register will capture the land and property held in General Fund ownership, enabling a similar process of identifying under-utilised assets with the potential for new build housing or mixed-use development. Sites suitable for residential development should have been identified by the Planning Authority within the Strategic Housing Land Availability Appraisal.

There are General Consents available allowing the disposal of general fund and housing revenue account assets; there is also the possibility of securing specific Secretary of State's Consent where the general provisions do not apply. There is a question of sale at discount or even nil value transfer into a Council-owned subsidiary company. The regulations are different for housing revenue account and general fund transfers, so expert advice is needed to ensure the correct Consent is being used or sought. State Aid rules may require land to be bought by the company at market value where there is no 'service of general economic interest' (that is, not for social / affordable housing). So, it is prudent to assume land will generally be transferred at market value, given earlier comments about focusing on commercial purposes, although land for affordable housing may sometimes be transferred at below market value.

There are several tax issues to consider – Stamp Duty Land Tax on land acquisitions; Value Added Tax on services procured by the subsidiary company; Corporation Tax on Company profits; Capital Gains tax on future portfolio disposals. Expert tax advice is essential before committing to any investment or settling on a corporate structure.

Company Options

Several corporate options are available as follows:

Council-owned Company

There are several legal forms that could be used. The simplest approach is to establish a Company Limited by Shares in which 100% of shares are held by the Council (with the flexibility to issue shares to a future Joint Venture partner in exchange for equity investment – for example a private developer or institutional funder). This form would suit a non-charitable profit-making business designed to deliver a revenue stream to the General Fund, both through a margin on debt (on-lending by the Council) and a dividend on future company profits. Other forms such as a Company Limited by Guarantee, a Community Interest Company and a Community Benefit Society would be more suited to a charitable or not-for-profit entity, or a mutual ownership social enterprise, that would better suit other purposes.

Joint Venture Company

On larger sites there may be a preference to share risk and reward, as well as benefiting from the experience, specialist skills and equity investment of a development partner. This could be partnering with an affordable housing provider to benefit from development expertise and investment in shared ownership, or with a private developer for development and marketing expertise and investment in market sale. This could take the form of a Company Limited by Shares in which the Council might hold a 50% (or other) share, or a Limited Liability Partnership.

Independent Registered Provider

To make use of ‘Right to Buy’ receipts that cannot be match-funded within housing revenue account debt / capital / revenue constraints, ‘Right to Buy’ receipts could be invested in a registered provider outside Council ownership and control to deliver affordable rented homes, either on privately acquired sites or land transferred from the housing revenue account or general fund. This approach would not deliver a direct revenue return to the Council unless the authority holds an equity investment (that would need to be less than 50% of the scheme value to ensure no local authority control).

Council-owned Group of Companies

Several authorities, wishing to invest in multiple trading and development activities with varying investment and return profiles, are setting up group structures with an umbrella holding company and several subsidiaries beneath it, such as separate housing, energy, care and support, regeneration, town centre retail and leisure trading vehicles.

A group can be tax efficient in relation to VAT and can enable an element of cross-subsidy, where profitability varies over time between the subsidiary businesses.

Existing trading companies and subsidiaries

Some councils already have arms-length management organisations that manage existing council housing in the housing revenue account and can take on a housing development or acquisition role; others have already established regeneration companies to purchase and develop properties, for example to revitalise town centres or local industrial zones; there are many other examples of local authority trading companies set up to provide a wide range of services (including energy, transport, catering, care and support, social lettings agencies and home improvement agencies). It would be possible (depending on the articles of association) for any of these existing companies to take on a housing development role, rather than forming a new company; however, there is generally a commercial sense in creating separate corporate entities to carry out discrete activities and keep risk and liabilities distinct.

Tenure Options

The council will need to set clear expectations for the housing tenure mix to be achieved, both from a Planning policy perspective for development sites but predominantly in terms of commercial return linked to the financing approach. The options include the following:

Social Rent

These are the lowest rents, such as council tenancies and old-style housing association rents. Given Ministerial comments about not supporting council companies set up to avoid housing revenue account rules, it is often thought that a Council owned trading vehicle should not be established solely to provide social rents. This would, in any case, be least viable in commercial terms. Companies owned by councils cannot legally provide secure tenancies (these are now only created within the housing revenue account), so even where a council company offers lifetime tenancies with broadly the same rights as council tenants, the legal status of tenants is as assured tenants, technically within the private rented sector as with the tenants of housing associations.

Affordable Rent / Intermediate Rent

Housing associations are now expected to set ‘affordable’ rents at up to 80% of full market rent, that of course varies enormously between places. Council-owned companies typically offer a similar product where they are required by Planning rules to build sub-market rented homes. These could be Assured tenancies or Assured Shortholds. Commercially use of Shortholds is preferred in relation to liquidity (that is being able to get vacant possession if the home needed to be sold to repay the company’s debts). Shortholds are particularly suitable as shorter term lets, for example providing temporary accommodation or to prevent homelessness.

While some companies have been set up solely to provide affordable rented housing, the tenure is more often regarded within a local authority trading vehicle as a minority product across a commercially viable portfolio. The key factor here will be the level of subsidy or grant input to meet the costs of the affordable housing, and the extent to which market product profits provide a cross-subsidy.

Private Market Rent

From a commercial perspective, where Planning consent allows, the business will be more viable with a large proportion of homes let at the full local market rent level (based on RICS valuation). Commercial principles would favour letting on Assured Shorthold tenancies, albeit that long-term investment should allow for longer tenancies where there is demand for them, rather than the six-month or one-year tenancies that predominate in the private rented sector.

Shared Ownership

Housing associations are the main providers of this tenure, where the occupier purchases an equity share with a mortgage and pays rent to the freeholder on the remaining share, with scope to staircase equity shares upwards, eventually to full 100% outright ownership. Council companies could certainly provide shared ownership as a minority product to meet Planning requirements for affordable housing. However, to take advantage of Government grant the company would need to become a registered provider and comply with the relevant regulations. Otherwise, the subsidy needed would have to be met by company profit from market sale products or equity input from the council.

Private Market Sale

The traditional development model for private sector housebuilders is to buy land, build homes and sell them as quickly as possible to realise a profit and then reinvest the capital outlay into further development for sale. While council companies are more likely to be seeking long-term revenue income and return, rather than maximising short term profit, there may be a commercial logic to selling some homes on the private market, for example to cross-subsidise affordable housing required by Planning. Homes can be sold leasehold or freehold at full local market price. Of course, sales viability is very sensitive to location and local markets, so council companies with a diverse portfolio of sites may seek to target build for sale in the highest value locations. This approach may create a tension with the social policy ethos of delivering mixed and sustainable communities; that ethos would seek to spread subsidised and full market value homes more equally across geographical areas. Commercially though, companies need the flexibility to sell homes to generate receipts to reduce the company's peak debt profile, particularly if revenue profits perform below forecasts.

Mixed use sites

Where authorities face wider regeneration challenges, sites suited to several uses are likely to include retail and residential; leisure and residential; education / community and residential. Mixed use sites could be held in council freehold ownership with residential elements leased to the subsidiary company. Alternatively, the company could develop the whole site and hold the freehold, whilst leasing back relevant elements to the council. Experience suggests most councils prefer to hold onto freehold interests, enabling long-term strategic leadership of more complex mixed-use development sites.

Office conversion

Relaxations to Planning rules have been introduced to encourage conversion of redundant office blocks to residential use. There may be sites, either in council ownership or held privately, that could be leased to a council company and then converted and let as a mix of rented homes. Under these permitted development rules there are reduced requirements for affordable housing, presenting a clear commercial advantage.

Geographical Issues

It is important to consider the company's geographical area of operation. Owning a portfolio across a wider area spreads risk in terms of differential rental and house price growth between localities. However, there are clear economies and efficiencies in managing and maintaining stock in a defined local area.

At the political level, there is a question over whether a local authority company buying homes or development land in another local authority area should notify the host council, or even offer them the chance to pursue the opportunity themselves. Where companies are active across other authority areas, it also raises the risk of multiple council companies competing for land or properties that would simply push up the price of a scarce resource. There may also be competition with first time buyers, buy to let landlords, housing associations, and private developers. There may also be a political wish to confine investment to the area covered by the local authority.

Where homeless families or people needing care and support are being housed in another area, there is a political concern about 'cost shunting' where the host local authority becomes responsible for ongoing social care, health and education services that were previously the responsibility of the 'exporting' council whose housing company has acquired homes elsewhere. This has historically been a concern with temporary accommodation placements; it has yet to emerge as a significant issue with housing companies, whose activities are less directly open to public scrutiny, often being protected by commercial confidentiality. There is therefore a need to consider whether to focus on housing people already resident or employed in the owning authority district.

Steps to take when establishing a Local Housing Company

In 2017, Mark Baigent published 'How to Set up a Local Housing Company. This publication identified six steps that local authorities should take in establishing a local housing company. This appears to me to be a reasonable approach. The six steps are as follows:

- Step 1 – Outline business case – this involves exploring and recommending strategic purposes, scale of ambition, type of vehicle, basic principles of ownership, governance, scope and timescale. This is followed by securing political approval to progress the project.
- Step 2 – Detailed business case – including the following. This is also followed by securing political approval to progress the project.:
    - 2(a) Identify sites / potential acquisitions
    - 2(b) Research rental / sale values, build costs, acquisition costs, management and maintenance costs
    - 2(c) Explore financial resourcing including debt, equity and grant/subsidy
    - 2(d) Build business model using cost/value assumptions, test out commercial viability (profitability)
    - 2(e) Sensitivity testing to consider risk of variability in key assumptions (e.g. inflation)
    - 2(f) Evaluate and recommend a suitable corporate legal form
    - 2(g) Evaluate and recommend a suitable governance structure
- Step 3 –Establishing the company – including the following:
    - 3(a) Memorandum and Articles of Association and Shareholding Agreement
    - 3(b) Appoint Directors
    - 3(c) Register Company
    - 3(d) Apply for a company bank account
    - 3(e) Appoint company auditors, solicitors, valuers, etc. as needed
    - 3(f) Set up financial systems
- Step 4 – Securing finance – including the following:
    - 4(a) Loan facility agreement agreed between Company and lender (Council or external lender) and ensure State Aid compliance
    - 4(b) Equity input agreed by the Council
    - 4(c) Provide business modelling, viability appraisal, other due diligence needed before drawdown of funds can be approved
    - 4(d) Funds drawn down as and when required to commence acquisitions, development expenditure

- Step 5 – Agreeing Company policies and procedures
- Step 6 – Commencing trading operations

Examples

Warrington Borough Council has established two Local Housing Companies: Incrementum Housing Development Company and Incrementum Housing Management Company. Incrementum Housing Development Company has been set up to help tackle the shortfall of affordable housing across the borough. It is tasked with delivering 600 fair rental homes over five years that would in turn create a sustainable income to be reinvested back into the Council. Incrementum Housing Management Company manages the housing developed by the Development Company. The Borough Council owns the companies and provides funding. Surpluses are gifted to the Borough Council.

Enfield Borough Council was managing the homelessness service in this context:
- High demand for housing generally
- Increased numbers in temporary accommodation – up 48% from 2015 to 2017
- Numbers in nightly paid accommodation – up 285% from 2015 to 2017
- Nightly paid accommodation cost £3.3m in 2014/15 and was forecast to increase to £7.8m
- Housing Gateway Limited formed to acquire and manage private rented sector properties that the Council could use for temporary accommodation for the homeless

They therefore decided to establish Housing Gateway Limited. Their objectives are to:
- Improve the quality, availability, and security of private rented sector accommodation for homeless households or those at risk of homelessness, at local Housing allowance rental levels.
- Improve value for money to Enfield Borough Council by reducing reliance on the use of nightly Paid accommodation, the use of which incurs significant additional costs to the Council.
- Secure local properties for local people.
- Set exemplary landlord standards with well managed and maintained accommodation, to improve the quality of Private Rented Sector accommodation.
- Operate in a commercial, innovative manner exploring options for development and expansion.

Conclusions

Given current and projected pressures on local authority General Funds, the core strategic purpose for many councils that pursue new build options is likely to be income generation; with economic growth and housing supply to meet demographic trends as important complementary purposes; and with affordable sub-market rented housing largely being met within the housing revenue account and by housing associations rather than by the Council-owned special purpose vehicle.

Experience with Local Housing Companies to date shows that, while inherently entailing commercial risk, this kind of initiative offers councils an exciting and realistically achievable opportunity to become more financially self-sufficient while demonstrating a willingness to intervene effectively to benefit the local community and economy.

In deciding how to establish a Local Housing Company, it would be relevant for a local authority to consider the following questions:
- Does the local authority have available land in the housing revenue account or general fund that is suitable for housing development?

- Does the local authority have housing revenue account resources and borrowing head-room to develop new council homes?
- Does the local authority have resources to invest including:
  - Right to Buy receipts?
  - Section 106 commuted sums?
  - Other capital receipts or reserves that could be invested as equity?
- Does the local authority already own any subsidiary companies? If so, what type of company? Is there an existing group structure that the new housing company could fit into?
- Would it make sense to use an existing arms-length management organisation?
- Does the local authority want to make a revenue income from the housing company?
- Does the local authority want to invest in the community without making a commercial profit?
- Does the local authority want to attract a private investment partner to share in the business?
- What tenures does the local authority aim to provide? Social rent / affordable rent / market rent / affordable ownership / open market sale? If a mix of tenures, what proportions does the local authority want to achieve?
- Is the local authority interested in mixed use development opportunities or just purely residential?
- Does the local authority want to trade in a local area or is it open to operating in other councils' local areas?

Further information

Further information about local authority housing is available on my website at: https://awics.co.uk/LAHousingFinance

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:

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Local Housing Companies and Development

Webinar

This webinar will explain and examine why and how local authorities are setting up local housing companies and other delivery vehicles. It is suitable for people in authorities that already have Local Housing Companies and people in authorities that are considering setting up an arms' length delivery vehicle. It is suitable for councillors, board members, housing managers, tenant representatives, finance staff and others with an interest in the development of new homes through local housing companies and other delivery vehicles. The webinar will consider the following questions:

- What is the Policy Context? Why are Councils establishing Local Housing Companies and other Delivery Vehicles?
- What are the issues that local authorities should consider before establishing a Local Housing Company?
- What are the financial models for development through Local Housing Companies?
- What are the steps that local authorities should take when establishing a Local Housing Company? What have authorities already achieved through Local Housing Companies?

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

The webinars is fully up to date.

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/local-housing-companies-and-development-4