

AWICS Housing News – January 2014

Contents:

- The Autumn Statement and Housing
- Councils and Collective Punishment
- Local Authority Housing Finance
- Thamesmead and Service Charges
- Impact Housing launches its 2014/18 Business Plan
- Northampton Borough Council launches Arm's Length Management Organisation
- Rents for Social Housing from 2015
- Housing Transfer Manual
- Advertisement – An Opportunity to join the Board of Impact Housing



Cedar Court, Salterbeck, Workington, Cumbria. An Impact Housing scheme.

The Autumn Statement and Housing

George Osborne MP, the Chancellor of the Exchequer, made his autumn statement on 5th December 2013. He said that the United Kingdom is growing faster than any other major economy, but the job of recovery was 'not yet done'. He predicted that the United Kingdom government would be 'back in the black' by 2018/19 but said that money was still tight.

The Autumn Statement is a half-yearly update on the Budget, allowing the Chancellor to give MPs a guide to his tax and spending plans. These plans are based on the economic projections provided by the Office for Budget Responsibility - a body set up in 2010 to provide independent economic forecasts.

In the current financial year, central government departments are projected to underspend by £7billion, which the chancellor said allowed departmental budgets in both 2014/15 and 2015/16 to be reduced by £1billion.

Key announcements included:

- An extra £1billion of cuts from the budgets of government departments for each of the next three years
- There will be a £1billion, six year programme to unlock new large housing sites. The programme will begin in 2014/15, on nine specific sites, capable of unlocking around 27,000 houses. £50million of this will be earmarked for Local Enterprise Partnership supported bids
- There will be a consultation on options to introduce a 'right to move' for tenants who need to move for reasons of employment
- The government will introduce Right to Buy Agents to help households complete the purchase of their council home and provide £100million to improve applicants' access to mortgage finance
- The government will explore options for kick starting the regeneration of some of the worst housing estates through repayable loans

- A range of measures aimed at removing barriers to the building of new homes in the planning system. This includes a consultation on potential changes to the New Homes Bonus, which would introduce mechanisms to withhold payments where planning applications are only approved on appeal
- Further details of the cap on overall welfare spending, previously announced in the June 2013 spending round and due to take effect from April 2014. The Chancellor will set the level of the cap at the beginning of each parliament and if it is breached there will be a discussion and a vote in the House of Commons. The state pension and job seekers' allowance will both be excluded (see below)
- The government will pilot a new scheme for young benefit claimants. The scheme will make training mandatory for all 18 to 21 year olds without level 2 qualifications in English and maths who are receiving job seekers' allowance. After six months, claimants will be expected to participate in a work experience placement, a traineeship or community work placement
- A review of the role of local authorities in the delivery of new housing

The Local Government Association commented that:

"The current housing crisis means that councils must be provided with the flexibilities to allow them to invest fully in new housing. The Local Government Association looks forward to contributing to the two authoritative reviews of housing commissioned by the Government and the Opposition."

AWICS has published a briefing paper that summarises and comments on aspects of the autumn statement that are relevant to housing and contains sections on:

- Macro-Economic Position
- Key Announcements
- Pensions
- Welfare Reform
- Borrowing Cap
- New Homes Bonus
- Reactions of the Housing Sector
- Implications in Scotland

To download your free copy, please visit <http://www.awics.co.uk/autstatehsg.asp>

Adrian Waite

Councils and Collective Punishment

Don't judge all local authorities by the small minority that have misused their housing funds. Borrowing caps should still be removed to allow councils to provide appropriate accommodation for their citizens.

Lifting 'borrowing caps' imposed on council housing budgets is being widely backed, but, after uncovering several local authorities transferring money from their housing fund, Keith Cooper writing in 'Inside Housing' thinks it's an unwise idea. I think this is too simplistic and misses the point about the need for debt financing.

Cooper has undertaken an excellent bit of investigative journalism to highlight the actions – verging on unethical – of a small number of errant local authorities. They chose to take advice that suggested there might be a loophole allowing breaches of the Housing Revenue Account ring fence. But it is clearly wrong to assume that, given extra resources, all authorities would do this.

This sort of 'collective punishment' has hindered local government for too long, from the days of stopping all capital expenditure last century right through to current times.

It appears prevalent in the current administration, which says it is intent on reducing regulation and then brings out advice to stop deviation by a few from what it thinks is right – such as filming council meetings, the flying of flags and 50 money-saving ideas.

I would just remind everyone that Collective Punishment was outlawed by article 33 of the Geneva Convention!

No, what we need is the removal of the cap on councils' HRA capital spending.

We need homes for individuals and, as Lord Freud has pointed out, this is not being delivered at the present time. Local authorities are well placed to know the demand – and, in most of the country, this is not for four-bedroomed properties that provide the best return for the private builder.

Councils have demonstrated a common-sense approach to providing extra accommodation within the resources they have available. But this work is not allowed to flourish because of fears (or is it dogma?) over national debt.

It's an extremely sad situation when the issue coming over the horizon is an ageing population that is certainly costing far more in welfare benefits than housing support and is going to cost the nation far more in care costs in the future if we don't act now.

Allowing local authority housing to address the issues of lack of right-size accommodation and the provision of homes that are suitable to provide the elderly with a comfortable, non-institutionalised living space, could be a major part of the answer. However, to fund it means the well tested and proven Prudential Borrowing has to apply in the HRA, and we should not be constrained by an arbitrary cap on spending.

We need to recognise that investment now will save costs in the future. Ignoring it just means extra hardship as many feel the impact of welfare reforms, plus local authority and health budgets are being exposed to a future spiralling of cost as the demographic time bomb explodes. (Growing evidence shows these reforms are in any case not delivering savings and are certainly threatening the stability of HRAs)

So local authorities are not a homogeneous bunch. However, they do need the freedom and resources to solve what are national problems but which impact at local level and need to be solved at a local level. This freedom should include the ability to utilise future income streams to try to stem nationally rising costs.

And any who do abuse the powers should be dealt with on an individual basis, rather than punishing everyone.

Ken Lee, Chair of the CIPFA Local Authority Housing Panel and Director of Resources at Wigan and Leigh Housing Company

Local Authority Housing Finance

In October 2013 the Chartered Institute of Public Finance & Accountancy published its 'Voluntary Code for a Self-Financed Housing Revenue Account in conjunction with the Chartered Institute of Housing. It contains sections on:

- Status and how the Code works

- Principles
- Financial Viability
- Communications and Governance
- Risk Management
- Asset Management
- Financial and Treasury Management

The code of practice is a voluntary code and there are therefore no sanctions for not following it. However, it appears to contain nothing controversial and represents a useful check list based on common sense. It should therefore be welcomed by local authorities and their tenants.

However, its silence on the future treatment of depreciation, impairment and major repairs is a disappointment.

AWICS has prepared a briefing paper that summarises and comments on the voluntary code. To download your free copy please visit: <http://www.awics.co.uk/volcode.asp>

Circular 8/95 was issued by the then Department of the Environment on 1st May 1995 to provide guidance on the operation of the housing revenue account ring-fence. It followed some controversy and some legal cases regarding the interpretation of the ring-fence legislation that is contained in the 1989 Local Government and Housing Act. Both the Act and the guidance are based on the concept that the housing revenue account should contain only income and expenditure that is related to the council's role as a landlord and that housing revenue account resources should not be used to fund any of the council's other activities.

In 2008 the Department for Communities & Local Government established a working party to consider reform of the finance of the housing revenue account. Adrian Waite was one of the members. Its focus was on the proposal to introduce self-financing. However, it also considered the operation of the ring-fence and recommended that the rules be strengthened to protect tenants from costs being charged to the housing revenue account that were outside the spirit of the legislation. The former government accepted this recommendation but the current government decided that no change was necessary to the guidance as the principle of 'localism' meant that local authorities should be free to interpret the legislation as they wished.

During recent years there have been many instances where local authorities have been criticised for charging costs to the housing revenue account that many would consider to be the costs of general fund services such as libraries, community centres and street cleaning. In 2013 five local authorities took advantage of a loophole in the legislation to transfer millions of pounds from their housing revenue accounts to their housing general funds in a move that has been questioned – even by the Department for Communities & Local Government.

It was surprising that the working party had difficulty in locating a copy of Circular 8/95. We have therefore published a briefing paper that reproduces the circular and provides some commentary. It should be noted, however, that while the circular is still in force, it is over eighteen years old and so some references may be out of date. Please also note that the comments reflect Adrian Waite's personal interpretation of the guidance and anyone seeking definitive legal guidance should seek their own legal advice.

To download your free copy please visit: <http://www.awics.co.uk/circ895.asp>

We are running our 2014 series of 'All You Want to Know about Local Authority Housing Finance' at venues in all parts of England from February to November. This seminar and workshop is designed to give an introduction and overview to this important subject and is fully up to date with all developments.

This seminar and workshop is 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. It is suitable for councillors, housing managers, tenant representatives and 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 – especially when considering the financial opportunities that exist for local authority housing!

Do you think that a working knowledge of local authority housing finance would put you and your colleagues in a position of advantage?

We believe in quality rather than quantity and so numbers at each session are limited to twenty people to permit the maximum possible interaction and participation.

The session will answer the following questions:

- How does the Housing Revenue Account work?
- How does the Housing General Fund work?
- What are the Implications of Self-Financing?
- What are the Financial Opportunities for Local Authority Housing?

The session includes a participatory case study and is accompanied by a very useful 100 page book that is designed for reference after the session.

Venues and Dates:

London: Novotel Hotel, Waterloo – 26th February 2014.

North: Cedar Court Hotel, Huddersfield – 10th June 2014.

London: Novotel Hotel, Waterloo – 11th November 2014.

The seminar is also available in-house.

The book: 'All You Want to Know about Local Authority Housing Finance 2013' is available to buy separately from the seminar. It runs to 100 pages, is fully up to date and sells for £30 plus £3.25 postage and packing. Further information is available at: <http://www.awics.co.uk/TechnicalBooks.asp>

Adrian Waite

Thamesmead and Service Charges

Service charges are an integral part of landlords' work in financing value for money services and sustaining customer satisfaction. They have always been relatively complex but with landlords, leaseholders and tenants facing increased financial challenges and with increased legal complexity there is an increased need to understand how service charging works.

Gallions Housing Association faced a demonstration by residents at their Sidcup headquarters in December 2013 as part of an ongoing campaign against what residents consider to be 'exorbitant' service fees. Signs included the slogan 'Service Charge: all charge, no service'. The website for the movement says that:

"We are a group of ordinary people living and working in Thamesmead fighting for what we believe to be right, seeking answers to our questions and protesting against the exorbitant estate charges made by Gallions Housing to us for services that are not maintained or poorly maintained."

Gallions' statement about the protest said:

"(We are) acutely aware that homeowners are dissatisfied with the estate charges and feel that their council tax should cover the cost of the upkeep of many of these public spaces... We do not collect or retain council tax receipts, but we are responsible for providing the services and maintenance. In fact we do not recover all of the costs associated with maintaining the public realm, which are enjoyed by everyone in the area."

"The way in which estate charges are calculated is complex and varies from area to area and homeowner to homeowner. We are aware of residents' concerns, but their obligation to pay the estate charges has been established by the courts."

"We are continuously looking to reduce charges where possible through efficiencies, ensuring that bills are accurate and easy to understand, and to make sure that residents are happy with the quality of services we provide. We want residents to be confident that they are getting good value for money and are able to enjoy the amenities in their communities. We encourage residents to get in touch with us if they have difficulties paying the charges, and are flexible in terms of arranging longer term payment plans."

Residents of Thamesmead have turned to their Member of Parliament, Teresa Pearce, for assistance. She, in turn, went to AWICS for technical advice on the operation of the estate and service charges at Thamesmead. Copies of the AWICS reports are available on the residents' website at <http://www.thamesmeadresidents.co.uk/1/post/2013/11/adrian-waites-report.html>

Gallions Housing Association is the first landlord to breach the Homes & Communities Agency's 'serious detriment' threshold for consumer complaints and also for signing off the lump sum for the retirement package of former chief executive Tony Cotter. The association has since joined the Peabody Group and has appointed a new board. The association has stated that:

"The focus of the new board members will be to look at all of the issues facing homeowners and tenants, putting quality services and our relations with the residents of Thamesmead first."

The National Housing Federation held a conference on Service Charges in Manchester on 2nd & 3rd December 2013 which I attended as a speaker. My two sessions were entitled:

- Ensuring Excellent Customer Service
- The Supported Housing World

The conference was also held in London in September at which I spoke on:

- How to calculate and apportion service charges effectively

Copies of my presentations can be downloaded from the links below

- How to calculate and apportion service charges effectively - <http://www.awics.co.uk/showdoc.asp?fname=26nhf130904slides.ppt>
- Ensuring Excellent Customer Service - <http://www.awics.co.uk/showdoc.asp?fname=26nhf131202slides.ppt>
- The Supported Housing World - <http://www.awics.co.uk/showdoc.asp?fname=26nhf131203slides.ppt>

Other speakers at the conference addressed the following subjects:

- Can you future proof your systems to deal with Universal Credit and benefit changes?
- Standards in service charge recoupment and issues resolution
- How to undertake effective consultation before major works - processes for section twenty
- Managing Mixed Blocks - Leasehold and rented challenges
- Case study on de-pooling service charges for tenants - challenges and successes

A copy of my notes on these presentations can be downloaded from <http://www.awics.co.uk/dynamicdata/data/docs/national%20housing%20federation%20conference%20on%20service%20charges%20-%20briefing%20paper.pdf>

Supported Housing covers a range of housing types including group homes, hostels, refuges, supported living complexes and sheltered housing. Residents generally receive a level of personal care, support or supervision that is funded through service charges. The cost of meeting this non-housing related support is met separately from Housing Benefit. Residents typically include the elderly, people with mental, physical and learning disabilities, and substance abusers.

The government is proposing changes to how service charges in supported housing are funded. AWICS has published a briefing paper that looks in detail at these proposals and includes sections on:

- Department for Work & Pensions Research - December 2010
- Housing Benefit Reform - Supported Housing
- Supported Housing Investigation Launched
- Reactions of the Sector
- Reaction of the National Housing Federation
- Other Reactions
- Supported Housing and Universal Credit
- Autumn Statement 2012
- Service Charges eligible for Benefit
- Support Exempt Accommodation and Temporary Accommodation
- The Latest Position

To download your free copy please visit <http://www.awics.co.uk/suppthsg.asp>

AWICS is holding a seminar and workshop 'All You Want to Know about Service Charges' on 29th April 2014 in London. This seminar and workshop is designed to give an introduction and overview to this important subject and is fully up to date with all developments.

It will be presented mainly from a financial point of view and is designed for people who are not experts in service charges, but who need to understand the basics and achieve an overview of what is going on. It is suitable for councillors, board members, housing managers, finance staff, tenant representatives, members of the service charges team who have limited experience and others who realise that an understanding of service charges can place them at an advantage!

The session will answer the following questions:

- How do Service Charges work:
 - In Housing Associations and Local Authorities?
 - For Leaseholders and Tenants?
- How are Service Charges calculated?
- How to de-pool service charges?
- When are service charges eligible for housing benefit?
- How to ensure excellent customer service?

For more information please visit <http://www.awics.co.uk/schs.asp>

Adrian Waite

Impact Housing launches its 2014/18 Business Plan

Impact Housing Association, of which I am Chair, has launched its 2014/18 Business Plan. The five year Business Plan is updated annually. This is the background document which sets out Impact's priorities for the future. Impact also sets out its main achievements over the last year. The Business Plan is only one of the internal planning tools - the other two are the Delivery Plan (actions for the next year) and the Budget (income and expenditure over the next three years); these are both internal documents and not available on the website or elsewhere.

These are challenging times. For Charitable Housing Associations like Impact, there are a number of very significant issues facing all of us, each bringing different challenges.

Challenge 1: Funding - There have been severe cuts in central and local government services over the last three years. These are still working their way through to local organisations, local families and local communities. The next Spending Round will bring further cuts. The Minister for Communities and Local Government recently made it clear to local politicians that things would not improve for them until at least 2020. By that time, poor families will be 30% poorer than they were in 2010. Capital funding for infrastructure and housing (including subsidies for affordable housing) will continue to be severely constrained. Reduced revenue support to the most vulnerable may put lives and wellbeing at risk. Impact's position is very clear and very focused: the primary commitment is to tenants, the second is to the communities in which they live, the third is to a wider Cumbrian operating environment.

Challenge 2: The role of the Third Sector - Clearly the statutory sector can no longer do the old things in the old ways. There may be opportunities for efficient and effective locally based third sector organisations to help. It is clear that many people in government see Housing Associations as being central in delivering the 'Localism' agenda. However, the temptation for local authorities to outsource services to the private sector through a strict interpretation of European Procurement Rules also needs to be recognised. For Impact to have credibility and authority, it will need to work together with other local third sector providers in real partnership.

Challenge 3: Self-Regulation - The Regulator has now been incorporated into the Homes and Communities Agency and has a 'light touch', with an emphasis on financial competency. Impact is regarded by them as a strong organisation with robust financial controls (a view reflected by lenders). Impact's financial strength and credibility put them in a unique position to contribute to local communities and local partnerships for service delivery.

Challenge 4: Staffing - This is a difficult time, with pay restraint and more stressful jobs, particularly dealing with tenants, customers and communities under stress. It is crucial that Impact retains a highly motivated and resilient staff. Indeed, if they are to achieve their aspirations over the life of this plan, they need to be an 'Employer of Choice'.

These challenges will also bring opportunities for organisations like Impact. The Business Plan attempts to interpret the fast changing external environment in a way that will allow Impact to set ambitious targets within a flexible framework for the future.

These changes will require four major commitments from Impact. There is a need to:

- Stick closely to the commitments set out in the Blueprint which is a reaffirmation of our basic principles
- Continue to have a clear focus on best use of energy and resources
- Continue the commitment to develop truly customer facing services
- Have a continuing emphasis on value for money, the costs of front line services and back office costs within a budget that shows very constrained surpluses

The Business Plan both reacts to these challenging times and sets out a positive agenda for change and, potentially, growth.

A copy of the business plan is available on the Impact website at <http://www.impacthousing.org.uk/news/impact-launches-its-201418-business-plan>

Adrian Waite

Northampton Borough Council launches Arms' Length Management Organisation

Northampton Borough Council, an 'AWICS' client has decided to establish England's 48th Arms' Length Management Organisation. It will be the fourth ALMO to be created in the past three years after East Kent Housing (2011), Cornwall Housing (2012) and Shropshire Towns and Rural Housing (2013).

Over the past fifteen months, an in-depth review has been carried out into how Northampton's 12,100 council homes are maintained and managed. The review recommended that housing is transferred to an Arm's Length Management Organisation.

The review was prompted by the need to find a financially sustainable way to update the council's housing stock and provide local people with decent homes and improvements in service. The Council has not achieved the Decent Homes Standard and did not receive sufficient capital funding from the Homes & Communities Agency.

The review was carried out by two panels, one of tenants and one of housing staff. They looked in detail - using advice from experts in finance and property - at the work needed to raise the standard of homes and neighbourhoods and how this could be funded.

The panels examined six options for the future management of the council's housing, including transferring the stock to a completely independent body, or simply leaving things as they are. The options were then scored on their viability and the quality of service that they would provide for tenants in Northampton, before both panels made a recommendation.

Tenants and staff both said that an Arms' Length Management Organisation would provide the most stable and sustainable way to manage housing for the future. They said that this route would create a locally-focused organisation that would be able to concentrate on maintaining and improving homes and that would allow for greater involvement of tenants and staff in setting its direction.

Under an Arms' Length Management Organisation, the housing stock is still be owned by the Council and tenants remain as council tenants, with all their current rights protected. An Arms' Length Management Organisation is a separate not-for-profit company that focuses solely on managing and improving homes. Arms' Length Management Organisations are governed by a board, and at least a third of board members must be council tenants to ensure tenants are involved in decision making. The Council is still responsible for the wider, strategic housing issues.

Councillor David Mackintosh, Conservative Leader of Northampton Borough Council, said that this option would provide a more efficient and effective service to meet the needs of local people:

"We want to make sure that our tenants receive a high standard of service from their landlord and that they will have better homes in the future. Tenants quite rightly have high aspirations and they have decided that based on the facts, an ALMO is the best way to make sure that their voices are heard so that they can play a part in making those aspirations a reality."

"New rules on housing stock transfer mean that financially, transferring our homes to a completely separate body is no longer an option but we need change to help raise the standard of council homes. I agree with the tenants' view that a new, local management organisation would have the strong focus and clear accountability to tenants that would lead to improvements in the service in Northampton."

Cllr Mary Markham, Cabinet Member for Housing, said:

"Doing nothing is not an option. I meet tenants frequently and while many are generally happy with the service they receive from us as a landlord, there has been quite a lot of dissatisfaction too. Tenants tell me without exception, that they want to be involved in the decisions that are made about their homes and they want to see the standards rise. I think the recommendation they have made is sensible and will provide the best outlook for social housing in Northampton."

"We want to make sure that our tenants receive a high standard of service from their landlord and that they will have better homes in the future. Our tenants quite rightly have high aspirations for the service they want. They have looked through all of the information and decided an ALMO is the best way forward so we are happy to support them in this as we help them in making this a reality."

Cabinet and Full Council agreed to move forward with an Arms' Length Management Organisation. Implementation work would begin in January 2014 and take around a year to complete.

The National Federation of Arms' Length Management Organisations has welcomed the news. Eamon McGoldrick, the Managing Director, said:

"I am delighted that Northampton Borough Council has decided to set up an ALMO. Two of the primary objectives will be to improve services and to develop a tenant centred approach. ALMOs have a strong track record in both areas and we will be pleased to provide any assistance to residents and staff to help set up the organisation over the next 12 months."

Adrian Waite

Rents for Social Housing from 2015

The government issued a consultation paper on rents for social housing from 2015 on 31st October 2013.

The main changes proposed in the consultation paper are:

- Moving from annual increases in weekly rents of Retail Price Index +0.5% (plus up to £2 for social rents), to increases of Consumer Price Index + 1%
- As a result, removing (from 1st April 2015) the flexibility available to landlords to increase weekly social rents each year by an additional £2, above the increase in formula rent, where the rent is below the rent flexibility level and rent cap
- Making clear that rent policy does not apply where a social tenant household has an income of at least £60,000 a year

For many landlords and tenants the change from rent increases of the retail prices index plus 0.5% to the consumer prices index plus 1% will not be significant as the consumer prices index has historically risen at a rate of about 0.5% less than the retail price index. Many landlords and tenants will also welcome the announcement as bringing more certainty to future rent policy in the long-term.

However, where landlords have yet to achieve rent convergence the new approach would prevent them from doing so in future. This mainly affects local authorities that have not been able to converge their rents with formula rents either because of the operation of the 'caps and limits' in the existing rent policy framework or because of historic policy decisions. This is especially significant in that the debt settlement with self-financing was based on the assumption that rents would converge and the implementation of the new rent policy would therefore leave those councils with a 'black hole' in their self-financed business plans.

The government's approach for local authorities and registered providers also differs. Registered providers would be able to negotiate waivers with the Homes & Communities Agency whereas in the case of local authorities the new regime will be enforced through the rent rebate subsidy limitation mechanism with 'rent limits' being calculated based on the permitted increase in the previous year's rents rather than on the rent formula.

This spells bad news for landlords whose rents are still below the formula and provides an incentive for landlords in this position to maximise their rent increases in 2014.

It is interesting that the government is considering removing the 'bedroom caps'. This would result in significant increases in rents in high value areas when dwellings are re-let.

The proposal to increase rents for tenants with high incomes is also contentious with many landlords arguing that it would be unworkable.

The deadline for responses to the consultation was 24th December 2013.

AWICS has published a briefing paper that summarises the consultation document and the reactions to it in the sector and draws conclusions. To download your free copy please visit <http://www.awics.co.uk/rents2015.asp>

Adrian Waite

Housing Transfer Manual

The government consulted on the future of the stock transfer programme from June to September 2013; and in November 2013 issued the results of that consultation, right to transfer regulations and revised guidance for the housing stock transfer programme from 2013 to 2015.

Stock transfer is the process by which local authorities transfer ownership of council houses to housing associations (also known as registered providers). The first stock transfer took place in 1988 and since then about half of England's local authorities have transferred their stock. However, the introduction of self-financing in 2012, by increasing the amount of housing debt that councils are responsible for and by ending government subsidy for stock transfers, has resulted in fewer transfers going ahead. However, it had been expected that the government would take steps to facilitate further stock transfers especially where these are requested by residents. Councils can transfer either all or part of their stock.

The revised guidance has mainly caught the headlines because of the 'tight' timetable that it includes and the potential for this to undermine the stock transfer proposals that are already in the pipeline at Durham, Gloucester, Lewisham and Salford.

The delay in providing the guidance hasn't helped with the timetabling issues and also gives credence to the suspicion that there is division within government about the future of stock transfer.

The problem is that the self-financing system has increased local authority housing debt with the result that, for a stock transfer to be viable, some of this debt would have to be written off – and Communities & Local Government has no budget to do this. However, the government still wishes to encourage stock transfer, especially where this is driven by tenants. Hence, the revised guidance that gives some hope to those who would like to transfer. However, when the details are examined it is clear that the government is still wedded to the erroneous idea that the self-financing valuation would usually represent an appropriate valuation for stock transfer purposes. It is also unclear how substantial a budget is possessed by Communities & Local Government for supporting new stock transfers. Consequently they appear to be reluctant to write off much debt and stock transfers, if they occur in future, may not offer tenants as many benefits as earlier stock transfers have done.

AWICS has published a briefing paper summarises and comments on the revised guidance with particular reference to the financial implications. To download your free copy please visit <http://www.awics.co.uk/transfer.asp>

Adrian Waite

ADVERTISEMENT

An Opportunity to join the Board of Impact Housing

Impact Housing has been providing services to Cumbrian Communities since 1975. We are a charitable housing association that also provides a whole host of other services, including supported housing, support for young people, specialist elderly accommodation and community businesses.

The Board is responsible for upholding the **Values** of Impact by:

- Setting the **Strategic Direction**.
- Ensuring **Viability and Value for Money**.
- Promoting and Monitoring **Performance**.

Following the retirement of a couple of our Board Members, we are looking for new Members to join our team.

We are particularly keen to recruit members with personnel or people management experience. For example, you may run (or have run) a small organisation or been a manager in a larger organisation.

Have a look at our website to find more about us. If you like what you see, let us know. Our Board Meetings are held monthly, usually on a Wednesday evening in Workington, Carlisle or Penrith.

Board members are currently reimbursed their travel expenses, but plans to pay members a small annual fee are currently under consideration.

Further information and an application form can be downloaded from our website at www.impacthousing.org.uk/xxxx or can be requested from xxxx on 01900-84xxxx.

If you would like an informal chat, please ring

Adrian Waite	Chair	07502 142 658 or
Mike Muir	Chief Executive	07813 858 905

www.impacthousing.org.uk

IF YOU WOULD LIKE TO PLACE AN ADVERTISEMENT IN THE AWICS HOUSING NEWS PLEASE CONTACT Adrian.waite@awics.co.uk

The AWICS Housing News is published by 'AWICS' Limited. However, the views expressed in articles are not necessarily those of 'AWICS' or Adrian Waite.

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 us and our services 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>
- Regional Seminars - <http://www.awics.co.uk/regionalSeminars.asp>
- In-House Training - <http://www.awics.co.uk/inHouseCourses.asp>
- Independent Residents' Advice – <http://www.awics.co.uk/IndependentTenantAdvice.asp>
- Technical Books - <http://www.awics.co.uk/TechnicalBooks.asp>
- Information Service - <http://www.awics.co.uk/informationsservice.asp>