AWICS Independence.....Integrity.....Value
Adrian Waite (Independent Consultancy Services) Limited

AWICS Housing News

November 2015

Flats at Edmonton belonging to Enfield Council and flats at Wakefield belonging to Wakefield & District Housing.
All social housing will be affected by the rent reductions and 'right to buy'.

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Welcome to the November edition

Dear reader,

In the November edition, we focus on rent reform, reinvigoration of Right to Buy, the ongoing devolution of housing powers in England and a scheme in Huntingdonshire where Luminus Housing Association is providing extra care housing. For Wales, we point to the successes of delivering social homes and for Scotland we highlight Perth & Kinross' use of estate-based initiatives to reinvigorating estates in the area.

We hope you find this newsletter useful and encourage you to send us any comments and questions you might have. Those can be directed to Adrian Waite at **Adrian.waite@awics.co.uk.**

Rent Reform — responses by the sector

Rents in social housing in England will reduce by 1% a year over the next four years starting from April 2016. The government's intention is that this will save the taxpayer £4.3billion over five years. The result will be a reduction of 12% in average in the rent that will be collected in 2020/21 when compared with current forecasts. According to the Homes & Communities Agency, the social rent sector generated an income of £13.1billion in 2013/14. A reduction of 1% would therefore present a reduction of £130million in the overall rent income compared with increases based on the consumer prices index plus 1% a year that had been proposed by the government as recently as the autumn of 2014. Previous government rent policies have been introduced through guidance, but this policy is included in the Welfare Reform and Work bill.

In our briefing paper on the implications of the July 2015 budget for housing, we identified that the reduction in rent will have implications on the level of new build, on regulation, valuations and credit ratings, amongst others. As social homes are valued on the basis of the income that they can generate, it is likely that the change could reduce the value of social homes on balance sheets by up to 25%. Savills estimate that the ability of housing associations to raise debt may be reduced by £28billion by 2020, if they fail to find the necessary efficiencies. Furthermore, the Local Government Association and the Chartered Institute of Housing estimate that local authorities may be affected by £2.6billion in lost revenue, potentially representing 60% of their total housing maintenance budget.

In September 2015, Shoreline Housing Association announced that it would let some employees go as it attempts to save £3.5million a year from its bottom line, or 15% of its annual expenditure as the rent reductions risk extracting £211.5million from their thirty-year business plan. Chief Executive Tony Bramley said:

> *"Like the majority of housing associations up and down the country we are seriously having to rethink how we operate, adjust our business plan, review the services we provide and look at what type of landlord we want to be to ensure that we remain solvent in the long-term... Our employees are involved in the process and both as a landlord and employer we aim to do all we can to mitigate the impact of the government's changes as much as we can.. It's an extremely difficult time for our employees and the housing sector as a whole, but we remain committed to providing a valuable service to our tenants and ensuring that the long-term future of Shoreline is assured."*

There has been a debate as to what level Specialist Housing Providers for individuals with specialist care needs may be exempted from the policy. Here the government initially suggested that such organisations would be exempted from the 1% rent cut policy. Homelessness minister Marcus Jones replied to a parliamentary question:

> *"We acknowledge that there may be some circumstances where the rent reduction policy should not apply... In particular, the types of accommodation that are current excepted under the Rent Standard such as specialised supported accommodation are likely to remain excepted.... We are considering whether the existing definition is appropriate in light of the revised policy and will be setting out the details in legislation."*

However, ministers have subsequently indicated that they do not intend to exempt all sheltered housing from the policy.

David Orr, Chief Executive of the National Housing Foundation, and Gary Porter, the Chair of the Local Government Association, both spoke before the Parliamentary Work and Welfare Reform Bill committee. Gary Porter noted that the reduction in rent for council tenants will barely be 80p per week but that it would reduce the number of new council-build accommodation starts. David Orr recommended that the government's role in rent setting should be suspended after the four year rent reduction rounds end. He said:

> *"These decisions are government decisions, not decisions made by individual housing associations, which is why our evidence proposes that at the end of the four years, government should legislate to withdraw from rent setting altogether and relocate responsibility... with the boards of housing associations."*

A copy of our briefing paper on the implications of the July 2015 budget for housing can be freely downloaded from: http://www.awics.co.uk/budget2015housing.asp

AWICS is holding a webinar on the social rent reforms. This webinar considers the United Kingdom government's proposal to oblige housing associations and local authorities to reduce social and affordable rents by 1% a year over the next four years; and to charge near-market rents to tenants with high incomes. It will be held on 14th December 2015. For more information or to make a booking please click **HERE**

Reinvigoration of Right to Buy

The right to buy was launched in 1980 and since then many millions of council tenants have bought their homes at a discount. However, during the years before 2011 there were relatively few sales for a variety of reasons. In November 2011 the government launched a re-invigorated scheme.

Reinvigorating Right to buy is intended to boost home ownership for social tenants. The Government believe this will support social mobility policy objectives and help aspiration. The government considers that one for one replacement of additional sales with affordable rented units will prevent Right to buy sales depleting the affordable housing stock and would ensure their ability to meet housing need is not impaired.

In the budget of March 2013 the government increased the cap on the right to buy discount in London to £100,000. The Office for Budgetary Responsibility calculated that the increased discounts would cause a £5million loss in 2013/14 and surpluses of £45million in 2014/15 and £40million in 2015/16 and reduced the eligibility criteria from five years to three.

The Government decided that net receipts from sales (after allowable costs, repayment of housing debt and currently forecast receipts for councils and central government) should be used to replace the additional homes sold as a result of the higher discount levels. That is, all Right to buy sales above previously predicted levels will be replaced by new homes for Affordable Rent funded (in part) by the additional Right to buy receipts. The Department for Communities & Local Government has produced a model for the calculation of the amount of debt to be repaid that is based on the tenanted market value model that has been used for the calculation of opening debt for self-financing.

The receipt needed to fund replacement is only be a fraction of the cost of a new home. This is because most of the funding for new affordable rented homes comes from borrowing by the provider against the future rental income stream and, in many cases, cross-subsidy from the landlord's own resources, including land.

Right to buy receipts include all receipts from tenants under Right to buy legislation. Additionally, the government propose to include receipts arising from voluntary sales at discounts to secure tenants, including some shared ownership sales.

The valuations used in calculating the self-financing settlement payments to end Housing Revenue Account subsidy include a forecast of lost surplus income arising from Right to buy sales under the current Right to buy policy. However, under the new policy to reinvigorate Right to buy, the government expected sales to be substantially higher than the self-financing projections, and they decided that a part of the Right to buy receipt should be used to pay down the housing debt supportable from the lost income from these additional sales.

According to the government's quarterly statistics published in June 2015, almost 30,000 council homes have been sold in the three years since Right to Buy discounts increased, with an estimated 3,337 replacements started. There were 3,321 sales between January and March 2015 and 710 replacement homes started

The 3,321 sales is a 2% decrease on the same period last year, and marks the first quarterly fall in sales since discounts were raised in April 2012. It takes total sales since to 29,509.

The figures show 34% of the homes sold were in London – representing the highest proportion of council homes sold in the capital since quarterly records of sales began in 2006. The 710 replacements is the most councils have started in a single quarter, beating the previous best of 414 between October and December 2014.

However, there is still confusion over the exact number of replacements, with the Department for Communities and Local Government admitting the number may need further revision.

Despite the government's protestations that the homes sold during the first year of the re-invigorated 'right to buy' have now been replaced and that it could be expected that it would take three years to replace homes that are sold; most people in the sector now doubt that one-for-one replacement will actually be achieved.

Furthermore, the evidence from research that has been carried out into the effects of 'right to buy' in local authorities is that it is not necessarily succeeding in its declared objective of increasing home ownership. This is because many of the homes sold are ultimately re-sold into the private rented sector. It occurs to me that if a government was really serious about extending home ownership its focus should be on bringing about a significant redistribution of income and wealth in favour of working people thus increasing significantly the number of people who could afford to sustain home-ownership.

We have published a briefing paper that looks in detail at the reinvigoration of ‘right to buy’. It refers to: Budgetary Implications, Sales since 'right to buy' was 're-invigorated', Response of Shelter, Impact in London, Impact on Housing Tenure, Valuations, One for one replacement, Right to Buy fraud, Right to Buy receipts and Exchange Value and Use Value. A copy can be freely downloaded from: link

Devolution of Housing powers — 38 regions offer their proposals

In early September 2015 the government’s deadline for local authorities to submit proposals for devolution closed. As part of this, local authorities were asked to submitted fiscally-neutral proposals for aspects of control over local housing policy and social housing funding. The government received a range of proposals from 38 regions including both urban and rural areas that express the interest and need in the sector to collaborate. Many bids were a joint effort by a number of local authorities acting together as a ‘combined authority’. Crucially the bids encouraged involvement of local housing providers and Local Enterprise Partnerships. The only existing devolution agreement is for Greater Manchester, that already has a £300m housing investment fund agreement in place.

Greg Clark, the Communities and Local Government secretary, said:

> *“The sheer volume of bids we’ve received, from cities and counties, demonstrates how local leaders are embracing this opportunity to have a direct hand in shaping the future of their area, whether in skills, transport, housing or healthcare.”*

Examples include:

- The bid for Essex includes fifteen local authorities with the objective being to meet the growing housing need in this area by better co-ordination amongst the authorities.
- The bid including North Yorkshire County Council, the City of York, and East Reading Council called for the retention of 30% of Residential Stamp Duty Tax. The tax raised would contribute towards a new Housing Investment Fund. Over twenty years it might raise £75million delivering a potential 108,000 homes. Furthermore, the authorities asked for retention of all ‘Right to Buy’ receipts within the area.
- The bid from Gloucestershire County Council and six district councils calls for the government to lift the Housing Revenue Account Borrowing Cap. It also asks for retention of ‘Right to Buy’ receipts to invest into new build.
- A West of England proposal including Bath, North Somerset, Bristol, North Somerset, and South Gloucestershire focuses on development of un-used or derelict brownfield land. The authorities also commit to undertaking a joint spatial plan covering five local authorities.
- The Greater London Authority asked for ‘Right to Buy’ receipts to be ring-fenced in London. Furthermore, a working group has developed a case for the Greater London Authority to retain stamp duties and business rates for greater flexibility to increase housing development.

The government has since announced that it will localise business rates in all parts of England.

The request for proposals coincides with a call for greater local autonomy by Core Cities UK, a group of the largest cities outside London that represent the eight largest economically powerful areas in the United Kingdom. The report calls for local control of a single-pot infrastructure investment fund for housing. They argue that pooling the control over national and regional public sector investment and funds for housing may achieve better results than retaining too many approval processes centrally in London.

Councillor Jon Collins (Labour), Leader of Nottingham City Council told ‘Inside Housing’ that:

> *“Through combined authorities working together, we are far better able to manage housing targets and land delivery than we can individually. To be able to work collectively and potentially do some ‘horse trading’ to encourage housing where it’s wanted is a real advantage. Through devolution deals, if there’s the opportunity to get hold of some of the funding the Homes and Communities Agency still has, and to coordinate development on the fragmented public estate, is also potentially a huge advantage in the short-term.”*

As reported in Public Finance, the Local Government Association claimed that the housing devolution bids could help to unlock up to £80billion in economic growth locally. They also pointed out that United Kingdom Core Cities may have much catching up to do compared to some other European counterparts with much higher economic productivity, such as Munich (88% greater), Rotterdam (42% greater), or Barcelona (26% greater). The Local Government Association said:

> *“Decades of centralised control over funding for local growth have failed to produce a more balanced economy. It is time to spend smarter on infrastructure to get maximum value from every public pound. This starts with a much more effective and efficient approach to investing in local growth. Local leaders know their local economies best and hold the key to removing the obstacles limiting the productivity of businesses and holding back local growth. We need the Spending Review to hand us the fairer funding and powers to unleash the full potential of local businesses and economies.”*

Given the prospect of devolution of housing powers, Alison Thaine, (Chief Executive of the housing association: Thirteen Group), called on housing providers to take a greater role. Firstly in national level discussions on housing and secondly at the ‘local’ level, working in close partnership to further the goals and aspirations of the local authorities where they have properties. She compared this challenge with that of the business community which through the Local Enterprise Partnerships has now become an essential (and required) partner in local devolution initiatives. She said:

> *“The devolution of power to the regions will have a greater impact on the places we are responsible for developing, regenerating and, most importantly, supporting through housing provision and services that benefit our communities. Therefore, it’s absolutely essential that housing has a seat at the table and can clearly articulate our contribution to enhancing regional economic performance and being involved at the proposal stage would make it easier to share our expertise, as well as exert some experience-based influence on how our regions develop and thrive in the future.”*

Furthermore, she calls on housing providers to do their utmost to support the aspirations of local authorities’ bids.

> *“I hope that housing providers have been able to put forward a strong offer to support the submitted bids. Not being an active participant in this process further exacerbates the belief our industry lacks a sense of its own purpose. While it’s clear that the Budget is causing the housing industry to think about its purpose, both as a sector and as individual organisations, devolution provides a focus for our future strategies, which has to include greater collaboration at a local and regional level.*

In November 2015 it was reported by ‘Inside Housing’ that around thirty housing associations and all ten councils in Greater Manchester plan to agree a ‘memorandum of understanding’ to set joint targets across the region for housing. The memorandum will focus on setting joint goals on areas including housing supply, employment, crime and disorder, and health. It may also look at agreeing joint ‘asks’ of government to achieve these targets, and could look at ways the landlords can use their collective asset base to achieve scale, enabling investment in more homes.

The proposal will take advantage of new powers devolved to the Greater Manchester Combined Authority was described by 'Inside Housing' as 'the largest ever agreement of its kind'. It follows the 'memorandum of understanding' on public health signed by Greater Manchester local authorities, clinical commissioning groups and National Health Service providers, following the £6billion devolution of the region's National Health Service budget.

It is understood that the 'memorandum' will feature in the Spending Review announcement on 25th November 2015 and will be finalised in April 2016.

Jon Lord, chief executive of Bolton at Home told 'Inside Housing' that:

"It's going to include obviously how we play into public service reform, how we would play into the growth agenda… those are the two major pieces of the conversation we're having at the moment."

Paul Beardmore, Director of Housing at Manchester City Council, said the agreement was significant in 'its scale', and was intended to negotiate 'shared ambitions' between landlords and councils.

It has already been announced that investment of £1.5billion will be made in housing projects in the Manchester area in the ten years following devolution, funding up to 15,000 homes.

The proposals put forward by the local authorities generally show a collaborative mind-set that goes beyond co-ordinated housing policies in their ambition. Evidence of this approach includes the commitment of a number of partnerships to work on joint spatial plans for the territories that they cover. In the forthcoming negotiations, the government will look for ways to reduce the risks on their part for 'picking up the tab' - hence their insistence that devolution proposals are 'fiscally neutral'. This may be particularly true in cases were local housing budgets are devolved and local authorities may gain powers to borrow to fund investments to cater for the local housing market.

The government's press release is accessible here: **Landmark devolution bids submitted from right across the country.**

Huntingdonshire Council lends money to Luminus to finance extra care home

Huntingdonshire District Council completed on 9th October a loan facility agreement with a local Registered Provider, Luminus. The purpose was to facilitate the building of a new 55 bed extra care home. Some Homes & Communities Agency funding had been secured but the loan was required to fund the majority of the expenditure.

This innovative funding agreement may become more common as developments stall because of the difficulties some Registered Providers are currently facing in accessing competitive sources of finance.

The new extra care scheme will be built and managed by Luminus, who will be the landlord to the tenants. Huntingdonshire Council will be able to nominate tenants to the Scheme in accordance with its allocations policy.

The basis of the loan agreement is that the local authority provides a loan facility to the developer that it can draw down up to a maximum amount during the construction phase of the development. The interest rate charged will be calculated by reference to the prevailing Public Works Loans Board rate at the time of drawdown plus a margin. This margin is fixed and is dependent upon the financial standing of the borrower and the security provided.

The Huntingdonshire loan will be repayable over a thirty year period once the construction is completed and is secured against the new extra care scheme.

Luminus has benefited from a flexible loan from a development partner that has interest in ensuring the development succeeds from both a financial and development perspective.

Huntingdonshire District Council benefits from both facilitating a priority scheme providing a much needed new facility to help meet the needs of the ageing population within the district and also earning a margin on the loan that reflects current market conditions. The Council is also protected against interest rate movements throughout the period in which the loan facility is drawn down.

This was new ground for the Council. Concepts such as funder's due diligence, security requirements and step in rights all needed to be understood and provided for within the final contracts. Furthermore, the Council needed to be satisfied that it was not providing State Aid.

External advisers on the project included Bevan Brittan (legal), Arlingclose (financial due diligence) and Chris Kelsall (project management). These ensured that:

- The Council had the powers to undertake the transaction,
- That the deal was concluded on acceptable terms that avoided State Aid,
- The Council had the necessary reports, strategies and approvals in place and
- That all the necessary due diligence and conditions precedent were completed.

The transaction was further complicated in that security was ultimately to be provided by the completed facility and therefore, during the construction phase interim security arrangements were required that protected the council but that did not compromise the ongoing operations of the borrower. In addition, a potential group restructure by the borrower in 2016 further complicated matters.

Nevertheless, after some nine months of negotiations, the Loan Facility Agreement was successfully concluded in October 2015 on terms acceptable to the developer but also meeting all the Council's requirements.

Now that funding for the project is secured, the construction phase is well under way and the scheme is forecast to open in autumn next year.

Chris Kelsall, who acted as project manager on behalf of Huntingdon believes the project demonstrates that even relatively small loans of less than £10million can be concluded efficiently. He stated:

> *"The key driver for this project's success was the way the Council and Luminus worked together to make the development happen. Whilst there were technical challenges to overcome, a pragmatic approach by both parties meant that solutions could be achieved quickly and without incurring unnecessary expense.*
>
> *"I think we will see more of these types of transactions as Registered Providers seek more innovative types of funding and local authorities seek to encourage investment within their localities. The great thing about this type of arrangement is that both parties are seeking to achieve a common goal and hence have a real incentive to work together and focus on the bigger issues.*
>
> *"This project proves is that even when the contractual issues are complex and the loan relatively small at less than £10million, public sector loans can offer a real alternative to more traditional forms of finance."*

Chris Kelsall.

Chris Kelsall has just joined 'AWICS' as an associate consultant. His biography can be found on our website at: http://www.awics.co.uk/our_finance_associates.asp

Social housing developments in Wales hit target

At the last Welsh election, the Welsh government promised to provide a total of 10,000 homes until the next Welsh parliament's election in May 2016.

October 2015 development completion figures show that the Welsh government's housing development targets was nearing 91% fulfilment. Until October 2015, a total of 9,108 homes were delivered. In the past year. 89% of social home completions were achieved by social landlords.

Lesley Griffith, the minister for housing, said:

> *"Boosting housing supply not only creates much-needed homes, but also provides jobs and training opportunities in the construction industry. This is why, at the start of this term of government, we made a clear commitment to the people of Wales to increase affordable housing across the county. I am delighted today's statistics reveal we are well on course to deliver on this key commitment.*
>
> *"It is a huge achievement to have already reached 91% of our target of providing 10,000 additional affordable homes with a year still to go. However, we are not resting on our laurels. We will continue to work closely with our partners across the sector, who have shown such commitment and determination to increasing housing supply, to ensure the people of wales have access to the homes they need."*

Scotland — Perth and Kinross Council asks for suggestions for community improvement projects

In January 2015, the Housing and Health Committee of Perth and Kinross Council approved an investment scheme, known as Estate-based initiatives (EBI). The programme focuses on publicly-held land and buildings on the Housing Revenue Account. The EBI program encourages local residents to come up with ideas, suggestions, inspirations for funding propositions that might improve their neighbourhood.

The approved budget for the EBI program totalled £100,000. In the summer of 2015, panels comprising local resident representatives, local elected members, and housing staff identified potential investment projects based on a number of walkabouts. Walkabouts are a 'guided' tour through the target area in which participants experience the local context and can either come up with or refine investment proposals based on the experiences gained on their site visits.

Subsequently, the funds from the EBI have been allocated to the council's neighbourhood teams across the local authority. £24,000 were allocated to projects in the Perth City North area, £30,000 to the City Centre Area, £25,000 to the North area, and £21,000 to the South Area teams. The neighbourhood teams are now tasked with supporting the respective investment propositions.

Given the current economic and fiscal context to local government, programmes such as the EBI can provide a fitting participatory investment framework. The EBI can be seen as a form of participatory budgeting. Done well, it can help channel dwindling amounts of public funding into those projects with the greatest possible outcome for a local community. In doing so, it supports decision making officers in their decision where to spend money by finding a founding outlet for projects that find local community support.

However, it is important not to overestimate what estate-based initiatives may be able to do. Recently published research by the Centre for Local Economic Growth (CLEG) concluded that such initiatives rarely result on socio-economic improvements to tenants. Rather they are beneficial to achieve improvements to the public realm. In doing so, they may have an influence on house prices. Overall, the Centre for Local Economic Growth notes after a review of 1,050 cases, the evidence is still patchy and more substantial reviews should be undertaken. You can find the review of the CLEG review on their website at the following link.

Perth & Kinross Council is an 'AWICS' client to which we have provided in-house training in finance and welfare reform.

Reader's Question and Answers

Use of receipts from housing asset disposals

Question:

> *"I'm hoping you may be able to clarify something for me. At our training last week I asked a quick question regarding the use of receipts from housing asset disposals. I am still struggling to understand what we can / can't use receipts for. We are looking at the disposal of a couple of properties that are a drain on the housing revenue account. The plan is to sell the vacant properties on the open market and I am currently writing a report for our strategic management team. What I want to be clear about is how the receipts can be used as I was under the impression that the following would apply:*
>
> *"The receipt from sales of vacant land, disposals of vacant properties at market value and disposals of vacant stock at a discount to non-secure tenants may be retained by the local authority provided it is spent on affordable housing, regeneration or the paying off of Housing Revenue Account debt. Receipts from discounted sales to existing secure tenants will be subject to the same regulations governing the Right to Buy, the subject of the separate consultation" (DCLG publication from 2012)*
>
> *"However, conflicting advice seems to suggest the receipts could go to the general fund? Please could you advise? Is there some more recent legislation/policy I can refer to?"*

Answer:

> *"The use of capital receipts is rather complex but my understanding is as follows:*
>
> - *Councils are usually required to pay the Treasury 75% of RTB receipts and 50% of other housing receipts. The remaining receipts they can use to fund new capital expenditure either in the HRA or the general fund as they wish.*
> - *There are specific rules about the use of additional receipts that arise from the RTB initiative some of which are paid to the Treasury and some of which are retained by the local authority to repay debt or to fund new build. The most important rules about funding new build is that the receipts cannot be used to fund more than 30% of the cost of the new build and that they must be spent within a defined timescale.*
> - *Councils can keep ALL of non-RTB receipts if they resolve to use them for housing-related matters (as described in the DCLG publication that you quote). Therefore, if they use this exemption from the usual rules they must spend the receipts on housing. If they wanted to spend them in the general fund then they would have to give half of them to the Treasury."*

Policies relating to rent reduction exemptions

Question:

"Adrian Waite says in his most recent blogs that 'it appears that the government will agree to exempt sheltered accommodation from the rent policy' and 'the Welfare Reform and Work Bill as currently drafted would apply the policy of reducing social and affordable rents by 1% a year to fixed service charges also (although not to variable service charges). Apparently ministers have confirmed that this is not their intention and that the Bill will be amended'.

"I can't see anything in the various iterations of the Bill that supports these assertions; does anyone know where they come from? I'm not saying that he's wrong, just that I don't know how he's reached these conclusions. Thanks for any help."

Answer:

"It was widely reported in the housing press that supported housing may be exempted from the rent reduction although on 2nd October 'Inside Housing' reported that government now thinks that a blanket exemption for all supported housing would not be appropriate. My source for the information on service charges was a presentation at the National Housing Federation Service Charges conference last month by Sue Ramsden of the National Housing Federation."

Our reader commented:

"But looking for something more concrete - we need to work out whose rents will be cut, and what the impact on the housing revenue is. Not being sure whether 'rent' means 'rent' or 'rent and fixed service charges', and whether our sheltered housing tenants are covered, doesn't help. I suspect that because the Bill is being led by Department for Work & Pensions, even less thought is being given to local authority issues than when the Department for Communities & Local Government leads. Not even a consultation paper, and an impact assessment that doesn't even mention an impact on local authorities other than through the £½billion impact on local authorities of the housing benefit saving."

Exemption from rent reduction by London Housing association

Question:

"I've just seen the headlines in 'Inside Housing' saying that a London Housing association has been the first to formally apply for exemption from the rent reductions. Have you heard anything on what their basis for the application is?

Answer:

"It is reported that Poplar Harca have problems with their finances already and have applied for a waiver on the grounds that reducing rents would threaten their financial viability and their ability to meet the covenants agreed with their lenders. The article in Social Housing (see link) contains more information than was in the Inside Housing article.

"My thoughts are:

- *I'm not sure they will get a waiver easily. The government has said that housing associations ought to be seeking greater value for money and ought to be looking at mergers so it is possible that the government and the Homes & Communities Agency will expect them to look at these options before agreeing a waiver for them. It could even be argued that the rent reductions are designed in part to force housing associations into mergers.*

- *Waivers for local authorities are even more unlikely than waivers for housing associations as local authorities do not have to observe covenants on their loans."*

Upcoming Seminars

The seminars and workshops for 2015 retain the same high standards for which 'AWICS' is well known and include some new and topical subjects. The remaining seminar in the 2015 series of seminars and workshops is as follows. You can book on our website at www.awics.co.uk/TrainingCourses.asp.

Seminar subject	*Upcoming seminars*
Local authority new build — the financial implications	London — 1st Dec 2015

There is general agreement that England is facing a 'housing crisis' and that a lack of social and affordable housing is a significant part of this. There is therefore an appetite in many local authorities to build new council homes as part of their response to the crisis. Indeed, many local authorities have already embarked on new build programmes.

However, despite the introduction of self-financing in 2012 and government support for new build, councils still operate with financial and other constraints including the 'borrowing cap'. Furthermore, recent policy announcements regarding sale of high value council homes and rent reductions will reduce the capacity of local authorities to build new homes.

This seminar considers the financial implications for local authorities of building new council homes, the implications of government policies and options for building new homes.

The seminar will address the following questions:

- What is the context in which councils are developing new council housing?
- How can new council housing be financed?
- The costs and benefits of a new build scheme. How to appraise a new build project?
- What delivery vehicles can be used? What opportunities may exist in the future?

Who should attend?

All those in local authorities in England that are considering or embarking on a new build programme who would like to gain an overview of the financial implications, including Managers in Local Authorities and Arm's Length Management Organisations, Councillors, ALMO Board Members, Housing Accountants and Tenant Representatives.

Upcoming Webinars (online training)

The list below AWICS' current online training program. Our live webinars are about 2 hours in length and conveniently delivered online and accessible on your computer.

More information is accessible on our website at www.awics.co.uk/webinars.asp. You can book a webinar on our website or by emailing **enquiries@awics.co.uk**.

Webinar subject	*Upcoming Webinars*
Sale of high value council homes	Online — 24th Nov 2015, 2pm
Business Planning in the Housing Revenue Account	Online – 3rd Dec 2015, 12pm

Right to Buy for Housing Association tenants	Online — 10th Dec 2015, 2pm
Social Rent Reforms	Online — 14th Dec 2015, 2pm
Service Charges in Social Housing	Online – 8th Jan 2016, 10am
Scottish Social Housing Finance	Online – 13th Jan 2016, 2pm
Self-Financing in the Housing Revenue Account	Online – 14th Jan 2016, 2pm
New Build Council Housing	Online – 19th Jan 2016, 2pm
Introduction to the Housing Revenue Account	Online – 21st Jan 2016, 2pm
Welsh Social Housing Finance	Online – 29th Jan 2016, 2pm

New Publications and Briefing Papers

Our latest publication is on: 'Welfare Reform: The Implications for Housing and Local Government'. It considers the implications of the government's ongoing welfare reform programme including the provisions of the Welfare Reform and Work Bill. For further information or to buy a copy online, please click here: http://www.awics.co.uk/welfarebook15.asp

Our latest briefing paper is an 'Introduction to the Housing Revenue Account'. Copies can be freely downloaded from: http://www.awics.co.uk/dynamicdata/data/docs/introduction%20to%20the%20housing%20revenue%20account%20-%20briefing%20paper.pdf

Client and reader survey (please give us feedback)

Please consider to give us feedback on how we are doing through our client survey: link.

Editorial notes

This edition of the AWICS Housing News was edited by Sebastian Weise. Sebastian is a freelancer and recently completed a PhD at the Centre for Digital Innovation at Lancaster University. He is knowledgeable about participatory urban planning, local government, government reform, and geospatial services.

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

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
- Regional Seminars - http://www.awics.co.uk/seminars2015.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
- Free Information Service - http://www.awics.co.uk/informationservice.asp

Advertisements

Eden District Council

Solicitor

Fixed Term Contract for 12 months, 37 hours per week
Salary: - £32,778 - £34,746

To assist the Legal Services team to provide a comprehensive legal service across a range of District Council activities. You will be a qualified solicitor with excellent communication skills and a good general knowledge of the law affecting local government. You should have previous local government experience, be able to work independently and be able to provide high quality advice and assistance to Officers and Members of the Council. This post is deemed to be a Politically Restricted post.

The role is based in Penrith. To carry out the duties of the post, there will be an occasional requirement to travel around the District or to work in the evening to attend scheduled meetings.

For more information including the job description, person specification and an application form;

- visit our web site on www.eden.gov.uk/jobs
- email human.resources@eden.gov.uk
- telephone (01768) 212210
- write to Human Resources, Town Hall, Penrith, Cumbria, CA11 7QF

Please note all applications must be made on the Council's standard application form and CV's will not be considered. No agencies please.

The closing date for applications is 10am on Tuesday 17 November 2015.

Eden District Council

Housing Development Officer

Permanent contract; 37 hours per week

Salary £30,178 - £31,846

The need for housing that meets local needs and is affordable is a significant and high profile priority for Eden District Council. The Council is seeking to recruit a highly motivated officer to lead on the delivery of affordable housing and to play a key role in developing new mechanisms for accelerating the delivery of all types of housing in the district.

The successful candidate will have the vision to imagine and develop new mechanisms to enable the accelerated delivery of housing. They will also have the ability and experience to;

- understand and assess the need for affordable housing;
- provide high quality advice on planning issues relating to the delivery of housing and
- enable the delivery of affordable housing including working with private house builders

Eden District Council administers one of the most beautiful areas in England but with much of the area consisting of small rural locations, the delivery of affordable housing is challenging yet rewarding. The post holder will work with a wide range of partners and will need to ensure that they share a vision and that each contributes effectively. To ensure the efficient delivery, the post holder will also need to work closely with the rest of the small and supportive housing team together with Council Members, Parish Councils and the public.

If you think you have the vision and stamina to make a significant and positive impact on this key priority for the Council then this might be the job for you.

For further details of either post including the job description, person specification and an application form;

- visit our web site on www.eden.gov.uk/jobs
- email human.resources@eden.gov.uk
- Telephone (01768) 212210
- or apply in writing to Human Resources, Town Hall, Penrith, Cumbria, CA11 7QF

Please note all applications must be made on the Council's standard application form and CV's will not be considered. No agencies please.

The closing date for applications is 10am on Monday 16 November 2015
Interviews will take place on 25 or 26 November 2015

Adrian Waite will be speaking at this conference on 'Business planning post-election. How can you prepare?'.

For further information please visit the Chartered institute of Housing website at: http://www.cih.org/events/display/vpathDCR/templatedata/cih/events/data/Paddy/NE%2520Conf%25202015
