

Taunton Deane Borough Council

Corporate Governance Committee – 8th December 2014

Voluntary code for a self-financing Housing Revenue Account

Report of Stephen Boland – Housing Services Lead

(This matter is the responsibility of Executive Councillor Mrs J Adkins)

1. Executive Summary

This report presents the Voluntary Code for a self-financed Housing Revenue Account published in October 2013 by the Chartered Institute of Public Finance and Accountancy (CIPFA) in collaboration with the Chartered Institute of Housing (CIH).

The code is voluntary and there are therefore no sanctions for not following it. The principles of the code are designed to be self-regulatory and represent a key tool in assisting Taunton Deane Borough Council (TDBC) to account for the management of its Housing Revenue Account (HRA) to members, tenants and government.

This report provides members with a description of the code and a summary of the key findings of a self-assessment of our performance to date against the code principles.

We will continue to review our performance against the code as part of an annual review and refresh of the HRA Business Plan and our progress against improvement activities will be monitored and reported.

2. Background

- 2.1 The introduction of HRA self-financing in April 2012 gave local authorities the freedom to develop and deliver a more positive, less constrained, vision for council housing. The change to self-financing also meant that councils had to take on greater responsibility for ensuring that their housing operations are run on sound financial principles.
- 2.2 In 2012, we undertook extensive preparations in the lead up to taking on new HRA debt and making a payment to the Treasury. We produced a detailed HRA Business Plan factoring in loan repayments alongside our income and expenditure plans.
- 2.3 The change to self-financing has allowed significant additional investment in our housing stock, housing services, and new build/acquisitions. We have adopted a more business-like approach to budgeting and asset management; risk assessment

and financial modelling to ensure that our business plan remains relevant, up to date, and optimises opportunity.

2.4 The Chartered Institute of Public Finance and Accountancy and the Chartered Institute of Housing believe it is vital that local authorities have effective governance and financial management frameworks in place in order for self-financing to be a success. In order to support local authorities in assessing and developing these frameworks the two institutions have worked together to produce a voluntary code of practice for the housing sector.

2.5 The principles and provisions of the voluntary code aim to:

- Assist housing authorities in ensuring effective governance, finance and business planning;
- Provide transparency to tenants, members and officers on how the housing business is being managed. The code gives tenants and members a framework against which to hold the authority to account; and
- Allow housing authorities to assess where they may need further support and assistance.

2.6 A meeting of our Tenant Services Management Board (TSMB) in January 2014 recommended to adopt the use of the voluntary code i.e. that we adhere to the principles and provisions in the management of our HRA to keep our business plan strong and focused on good asset management, housing and community services that our tenants value.

2.7 A meeting of the Community Scrutiny Committee on the 7th January 2014 considered and recommended to the Executive that the adoption and use of the code be approved.

2.8 A meeting of the Executive on the 15th January 2014 approved the adoption and use of the code.

3. Voluntary code for a self-financed Housing Revenue Account

3.1 The need for effective and sensible management, effective governance and financial and business planning is not new and TDBC has had these in place before self-financing was introduced. However, the code provides a useful checklist for ensuring that all these things are in place.

3.2 The code is based on the following six principles:

- a) Co-regulation – The housing authority complies with the principles of co-regulation as set out in The Regulatory Framework for Social Housing in England from April 2012;

- b) Financial viability – The housing authority has put in place arrangements to monitor the viability of the housing business and takes appropriate actions to maintain viability;
- c) Communication and governance – The housing authority keeps under review the communications and governance arrangements with regards to the operating environment and adopts governance arrangements appropriate to supporting viability and accountability of the housing business;
- d) Risk management – The housing authority has in place an effective system for the on-going management, monitoring and reporting of risks to the HRA;
- e) Asset management – The housing authority has in place arrangements to maintain its assets to maximise their value into the future. The housing authority complies with the principles of good asset management as they apply to HRA assets; and
- f) Financial and treasury management – The housing authority complies with proper accounting practices including CIPFA’s Code of Practice on Local Authority Accounting in the United Kingdom and CIPFA’s Treasury Management in the Public Services Code of Practice.

3.3 Each of the six principles contains provisions, and there are a total of twenty-seven provisions, as set out in Appendix 1: Voluntary Code for a self-financed Housing Revenue Account.

4. TDBC Housing Revenue Account Self-Assessment

4.1 Since January 2014 we have undertaken a self-assessment of our performance against the codes principles and provisions. To assist us in this work we acquired the CIPFA self-assessment toolkit. The toolkit has provided us with an analysis of our performance, giving us an indication of where our strengths and weaknesses lie, and where any major risks need better management or further support and assistance.

4.2 Self-assessment – The key findings

4.2.1 A summary of the key findings of our self-assessment with the code is set out below and we have tried to relay the positive findings i.e. where we are doing things already, but also where we have further work to do:

4.2.2 Co-regulation

- The service has a proactive approach to co-regulation with ambitions for housing and the wider community which are devised in collaboration with tenants, residents and stakeholders;

- The service has a genuine commitment to empowering tenants which is supported by appropriate resources; and
- The service is open to change and seeks to continuously improve upon the range and extent of tenant engagement and involvement.

4.2.3 Financial viability

- The service has taken ownership of its HRA business plan; and
- As part of the work the service currently undertakes in reviewing its business plan, consideration will also need to be given to modelling a range of detailed options scenarios for the 30 year plan. For example: Modelling variations to the plans assumed inflation rates i.e. Consumer Price Index inflation and repairs and maintenance costs. Such work will help to provide added assurance and evidence that the plan is being robustly managed.

4.2.4 Communications and governance

- The service can demonstrate accountability at all levels, transparency and strong performance in the way it manages risk; and
- To fully comply with the principles of the self-financing code the service needs to undertake further work involving a review of internal control procedures (standing orders; financial regulations; contract procedures) and implement any recommended changes.

4.2.5 Risk management

- The service has taken action to ensure risks (and opportunities) that self-financing presents are well governed; and
- To fully comply with the principles of the self-financing code the service should undertake a full review of its resourcing of risk management, processes and protocols.

4.2.6 Asset management

- To fully comply with the principles of the self-financing code the service needs to continue in its work to develop an asset management framework that supports the delivery of effective housing asset management planning;
- The service has effective communications between its housing and asset management officers; and
- The service has a modern proactive approach to environmental improvements.

4.2.7 Treasury and financial management

- The service meets the requirements of the latest CIPFA Prudential Code which is linked up with its business plan and asset management strategy;
- The service is advised to undertake a review of its service charges to ensure that they cover the cost of services; and
- The service needs to continue its work in moving towards using a componentised basis for depreciation in its accounting systems, as set out in CIPFA guidance 'Calculation of the depreciation charge to be applied to the Housing Revenue Account'.

4.2.8 Value for money

- The service is committed to delivering 'Value for Money'; and
- The service needs to ensure it has good practices in place to cost benchmark its performance across all service areas and engage tenants in 'Value for Money' issues.

4.2.9 Stakeholder management

- The service is committed to engaging with stakeholders and believes that it uses that engagement to drive decisions; and
- The service is committed to equality and transparency in the way it manages communications with its tenants and residents and needs to continue in its work to address issues of importance to stakeholders.

4.2.10 Housing strategy

- The service has a clear linked up strategy between its business plan, its rent policy and its wider tenancy strategy, asset management strategy and allocations policy.

4.3 **Key findings action plan**

4.3.1 Based on the self-assessment findings, at Appendix 2, we have created an activities plan that sets out what needs to happen to further the services compliance with the code. The service will continue to review its performance against the code as part of an annual review and refresh of the HRA Business Plan and progress against improvement actions will be monitored and reported.

5.0 **Finance comments**

5.1 The move to HRA self-financing has been significant to the Council. Under self-financing responsibility for the long term business planning and debt financing moved from central to local government, representing a significant shift in risk.

5.2 TDBC Finance supports the principles of the voluntary code in providing a framework to help the HRA remain viable. The finance team continues to work with

senior management under the councils normal reporting and budgeting arrangements. Any costs as a result of our work in relation to the voluntary code would come under existing budgets.

6. Legal comments

6.1 The legal requirements are referred to in the CIPFA/CIH guidance which accompanies this report.

7. Links to Corporate Aims

7.1 HRA services aim to support the delivery of the Council's corporate priorities and wider housing and community objectives as follows:

- Housing and Communities provides a service that assists the council in delivering Corporate Aim 1: Quality sustainable growth and development i.e. Facilitate a significant increase in the number, quality and range of available houses within the Borough, including the highest achievable proportion of affordable housing.
- Housing and Communities provides a service that assists the council in delivering Corporate Aim 3: A vibrant social, cultural and leisure environment i.e. Working with partners to improve the lives of our most vulnerable households.

8. Environmental implications

Not appropriate.

9. Community safety implications

Not appropriate.

10. Equalities impact

Not appropriate.

11. Risk management

11.1 The risks associated with HRA services are monitored effectively through the Senior Management Team that monitors performance at their regular meetings.

12. Partnership implications

Not appropriate.

13. Recommendations

- 13.1 The Corporate Governance Committee is invited to make any comments on the voluntary code and our self-assessed performance to date.

Contact: Stephen Boland
Housing Services Lead – Housing and Communities
01823 356446
Ext: 2608
s.boland@tauntondeane.gov.uk

Appendix A – CIPFA Voluntary Code for Self-Financing HRA

Appendix B – Voluntary Code for Self-Financing HRA Activities Plan

Appendix 1

Appendix 2

Voluntary code for a

self-financed housing revenue account



CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance. Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed.

As the world's only professional accountancy body to specialise in public services, CIPFA's qualifications are the foundation for a career in public finance. We also champion high performance in public services, translating our experience and insight into clear advice and practical services. Globally, CIPFA shows the way in public finance by standing up for sound public financial management and good governance.

CIPFA values all feedback it receives on any aspects of its publications and publishing programme. Please send your comments to publications@cipfa.org

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple – to provide housing professionals with the advice, support and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing industry. We have a diverse and growing membership of more than 22,000 people who work in both the public and private sectors, in 20 countries on five continents across the world. Find out more at www.cih.org

Contact us

T: 024 7685 1700

E: customer.services@cih.org

Published by:

CIPFA \ The Chartered Institute of Public Finance and Accountancy

3 Robert Street, London WC2N 6RL

020 7543 5600 \ publications@cipfa.org \ www.cipfa.org

Copyright October 2013 CIPFA / Chartered Institute of Housing

No responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication can be accepted by the authors or publisher.

While every care has been taken in the preparation of this publication, it may contain errors for which the publisher and authors cannot be held responsible.

Apart from any fair dealing for the purposes of research or private study, or criticism or review, as permitted under the Copyright, Designs and Patents Act, 1988, this publication may be reproduced, stored or transmitted, in any form or by any means, only with the prior permission in writing of the publishers, or in the case of reprographic reproduction in accordance with the terms of licences issued by the Copyright Licensing Agency Ltd. Enquiries concerning reproduction outside those terms should be sent to the publishers at the above mentioned address.

Foreword

The introduction of Housing Revenue Account (HRA) self-financing has given local authorities the freedom to develop and deliver a more positive, less constrained, vision for council housing. The Chartered Institute of Public Finance and Accountancy and the Chartered Institute of Housing believe that it is vital that local authorities have effective governance and financial management frameworks in place in order for self-financing to be a success.

In order to support local authorities in assessing and developing these frameworks the two institutes have worked together to produce a voluntary code of practice for the sector. The principles and provisions of this voluntary code will:

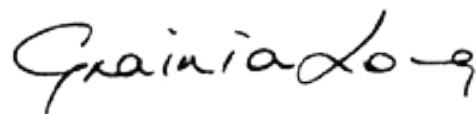
- assist housing authorities in ensuring effective governance, finance and business planning
- provide transparency to tenants, members and officers on how the housing business is being managed. The code will give tenants and members a framework against which to hold the authority to account
- allow housing authorities to assess where they may need further support and assistance.

In some cases, these principles are already covered through other regulatory or professional guidance. These are highlighted along with any specific provisions relating to a self-financed HRA.

These principles are designed to be self-regulatory and we believe that they represent a key tool in assisting local authorities to account for the management of the HRA to tenants and residents and those charged with governance.



Ken Lee
Chair, CIPFA Housing Panel



Grania Long
Chief Executive, Chartered Institute of Housing

Acknowledgements

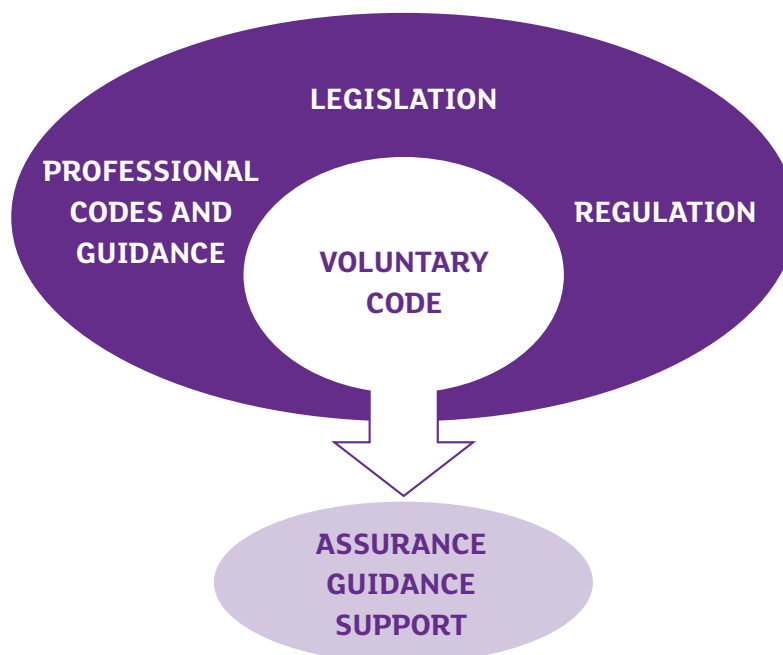
The Chartered Institute of Public Finance and Accountancy (CIPFA) and the Chartered Institute of Housing (CIH) are grateful to the authors, Louise Dunne and Ben Taylor, and to the members of the project team who undertook the background research:

Julie Crook	<i>St Leger Homes of Doncaster</i>
Louise Dunne	<i>CIPFA</i>
Steve Partridge	<i>Chartered Institute of Housing</i>
Peter Pennekett	<i>Portsmouth City Council</i>
Ben Taylor	<i>Chartered Institute of Housing</i>

Introduction

Housing Revenue Account (HRA) self-financing commenced in April 2012. For the first time in generations, local housing authorities are able to fully retain the money they receive in rent in order to plan and provide services to their current and future tenants. This represents a monumental shift in outlook from the previous financial system, replacing an annual short-term focus with a longer term planning horizon with the freedom to develop and deliver a more positive, less constrained, vision for council housing.

With freedom and flexibility comes responsibility. Councils are keen to make the most of this opportunity and do so in a prudent, viable and measured way. There are already a number of checks and balances in the system, including formal regulation of consumer standards in housing by the Homes and Communities Agency and the financial and accounting framework operating for local government. This document is designed to support councils in their aim to ensure effective and sensible management of the housing business and to be consistent with existing frameworks.



Viable and sustainable council housing relies upon effective governance, financial and business planning. Decisions about appropriate arrangements for effective management of long-term housing business plans need to be decided and democratically accountable at the local level. However, there is an appetite within the sector for some guiding principles to assist in establishing those arrangements, and to demonstrate that councils are managing self-financing in a responsible and appropriate way.

Purposes

Councils have responded to the move to self-financing by putting in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their self-financed HRA.

To support this work CIPFA and the CIH have produced this voluntary code of practice and accompanying provisions to assist the local authority in its management of the HRA in the following ways:

- To assist councils in ensuring effective governance, finance and business planning.
- To provide transparency to tenants, members and officers on how housing business is being managed. The principles will give tenants and members a framework against which to hold the authority to account.
- To allow housing authorities to assess where they may need further support and assistance.

HOW THE CODE WORKS

This is a voluntary code of practice covering six principles. Along with these high level principles, the code comprises a series of supporting provisions which together describe what the sector considers as essential elements for the continued sustainability of a self-financed HRA. In some cases, these principles are already covered through other regulatory or professional guidance. In these cases, this is stated along with any specific provisions relating to a self-financed HRA.

The code is designed to be self-regulatory and compliance is not formally required. As such there are no formal entry level requirements and no formal sanctions for non-compliance. It will be for a housing authority to determine how it wishes to assess its compliance with the code on an on-going basis and this reflects our belief that this code is a tool to assist the authority to account for the management of the HRA to its stakeholders. One option available to housing authorities is to undertake reviews of compliance with the code and report these reviews to the appropriate scrutiny groups and include them within the authority's Annual Governance Statement. Where an authority does not feel it is complying with the code, it is a prompt to review its approach and question whether different things need to happen.

STATUS

The voluntary code has the support of a wide range of organisations, including those who work alongside tenants and residents – this set of principles and provisions is intended to support these groups and individuals to better challenge and scrutinise the performance of the HRA under self-financing.

Finally, it is not intended that any of the Principles or Provisions as set out in this code will override or countermand Statute.

The Principles

1. **Co-regulation.** The housing authority complies with the principles of co-regulation as set out in *The Regulatory Framework for Social Housing in England from April 2012*¹.
2. **Financial viability.** The housing authority has put in place arrangements to monitor the viability of the housing business and takes appropriate actions to maintain viability.
3. **Communications and governance.** The housing authority keeps under review the communications and governance arrangements with regards to the new operating environment and adopts governance arrangements appropriate to supporting viability and accountability of the housing business.
4. **Risk management.** The housing authority has in place an effective system for the on-going management, monitoring and reporting of risks to the HRA.
5. **Asset management.** The housing authority has in place arrangements to maintain its assets to maximise their value into the future. The authority complies with the principles of good asset management as they apply to HRA assets.
6. **Financial and treasury management.** The housing authority complies with proper accounting practices including CIPFA's *Code of Practice on Local Authority Accounting in the United Kingdom*² and CIPFA's *Treasury Management in the Public Services Code of Practice*³.

PRINCIPLE: CO-REGULATION

The housing authority complies with the principles of co-regulation as set out in *The Regulatory Framework for Social Housing in England from April 2012*.

Existing provisions:

There are six provisions outlined in the Regulatory Framework:

- Councillors and boards who govern providers are responsible and accountable for delivering their organisation's social housing objectives.
- Providers must meet the regulatory standards.
- Transparency and accountability is essential to co-regulation.
- Tenants should have opportunities to shape service delivery and to hold the responsible boards and councillors to account.

¹ *The Regulatory Framework for Social Housing in England from April 2012*, Homes and Communities Agency, March 2012

² *The Code of Practice on Local Authority Accounting in the United Kingdom*, CIPFA, annual

³ *Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes*, CIPFA, 2011

- Providers should demonstrate that they understand the particular needs of their tenants.
- Value for money goes to the heart of how providers ensure current and future delivery of their objectives.

Voluntary code provisions

Financial and other performance information is presented in a format that is inclusive to all.

PRINCIPLE: FINANCIAL VIABILITY

The housing authority has arrangements in place to monitor the viability of the housing business and takes appropriate actions to maintain viability.

Voluntary code provisions

Provision 1:

The housing authority has put in place a business planning process underpinned by appropriate financial modelling that allows the cash flows of the business to be forecast. The process incorporates an appropriate set of assumptions relating to forecast:

- rent levels
- general income and expenditure levels
- interest rates on investment and borrowing, and associated costs
- levels of void properties and bad debts.

Provision 2:

The housing authority tests the viability of proposed major capital expenditure projects against the resources generated in the business plan. This ensures that additional activity (for example the development of new housing) is fully integrated into the business planning process and does not introduce liabilities that are unable to be fully funded within an appropriate timescale.

Provision 3:

The housing authority ensures that sufficient resources are allocated for the long-term maintenance of the stock and other assets, adopting an appropriate mechanism to transfer resources from revenue to a reserve ensuring that the peaks and troughs of lifecycle investment needs are able to be met.

Provision 4:

Assumptions are kept under regular review and tested against actual financial performance. Alterations to underlying assumptions are made in direct relation to the impact on the overall plan.

Provision 5:

The housing authority maintains accurate data about the cost of its services, and regularly reviews these in relation to its procurement and commissioning strategies. The business plan allocates resources to ensure the continued viability of high quality management services.

PRINCIPLE: COMMUNICATIONS AND GOVERNANCE

The housing authority keeps under review the communication and governance arrangements with regards to the new operating environment and adopts governance arrangements appropriate to supporting viability of the housing business.

Voluntary code provisions

Provision 1:

The housing authority undertakes to achieve openness in communication and sharing of information, and expresses all internal and governance communications in clear language.

Provision 2:

The housing authority engages in appropriate levels of consultation with tenants, members, officers and other stakeholders in a way that ensures it delivers efficient management and control of its business plan.

Provision 3:

The housing authority reviews on a regular basis the quality, accuracy and utility of all information pertaining to the management of its housing business including financial and performance based sources.

Provision 4:

The housing authority has an appropriate mechanism to assess its on-going compliance with the key principles and accounts to residents on this compliance. One option could be to undertake to publish a commentary on its compliance as part of its Annual Governance Statement or through other appropriate channels.

Provision 5:

The housing authority has adopted suitable governance arrangements consistent with the effective operation of a housing business, paying attention to the long-term nature of the business: incorporating for example the need to plan maintenance and investment over the long term and the need to manage large levels of long-term housing debt.

Provision 6:

The housing authority ensures that resources are appropriately allocated between investment, maintenance and management priorities in line with business plan objectives and that the balance of priorities is agreed with tenants, members and other stakeholders as appropriate.

PRINCIPLE: RISK MANAGEMENT

The housing authority has in place an effective system for the on-going management, monitoring and reporting of risks to the HRA. A different set of risks have been transferred to the housing authority from central government within the self-financing system.

Voluntary code provisions

Provision 1:

The housing authority carries out appropriate sensitivity analysis across the business plan to identify potential high, medium and low level risks to the financial viability of the HRA. In particular, attention is given to evaluating risks arising from: changes in government policy; treasury management risks; inflation; income recovery rates; void levels; changes to rent policy; changes in the composition of the stock; investment return; right to buy; debt levels and grants.

Provision 2:

The housing authority has a risk management system in place which, as a minimum, includes the following processes:

- identification of risk
- quantification of risk
- management of risk
- reassessment of risk
- communication of risk to appropriate decision-makers.

Provision 3:

The housing authority identifies appropriate mitigating actions where higher level risks to the overall sustainability of the business plan are identified, to ensure the long term viability of the HRA. These may include:

- an active treasury management strategy and procedures to manage treasury management risks in accordance with CIPFA's *Treasury Management in the Public Services Code of Practice*
- a suitable level of balance of reserves maintained by the HRA as a contingency against risks on inflation and income, bad debt increases as well as investment risk
- performance management frameworks effectively enforced to manage the risks of poor performance in voids, income collection and investment scheme delivery.

PRINCIPLE: ASSET MANAGEMENT

The housing authority has in place arrangements to maintain its assets to maximise their value into the future. The authority complies with the principles of good asset management as they apply to HRA assets.

Voluntary code provisions

Provision 1:

The housing authority takes a strategic approach to asset management ensuring that the long-term strategic vision for the authority is underpinned by a thorough understanding of current and future needs.

Provision 2:

The housing authority's strategic asset management and business planning processes are fully integrated. The business plan supports the maintenance and development of the asset base which in turn provides value to the business plan.

Provision 3:

The housing authority has agreed asset management standards with tenants, members and other stakeholders having regard to the financial resources generated within the business plan.

Provision 4:

The housing authority maintains accurate information relating to the condition, maintenance and investment needs of its housing stock and other HRA assets.

Provision 5:

Asset management information forms the basis for the asset investment programme of the housing authority driven by the business plan and set out over an appropriate medium-term financial period.

PRINCIPLE: FINANCIAL AND TREASURY MANAGEMENT

Existing provisions:

The housing authority complies with proper accounting practices including CIPFA's *Code of Practice on Local Authority Accounting in the United Kingdom* and CIPFA's *Treasury Management in the Public Services Code of Practice*.

Voluntary code provisions

There are two specific provisions in relation to the operation of a self-financed HRA relating to accounting for interest charges and depreciation.

Provision 1:

Housing is a long-term investment and HRA borrowing policy needs long term stability to ensure long-term planning is undertaken on a reasonable and consistent basis. The housing authority has set out a policy stating how a reasonable charge for borrowing costs of the HRA will be calculated, set for the long-term such that it enables long-term planning of HRA resources and borrowing.

Provision 2:

The depreciation charge to the HRA is calculated on a componentised basis in line with proper accounting practices⁴. The housing authority is moving to a full depreciation accounting charge in line with the transitional arrangements set out by the Department for Communities and Local Government.

⁴ For more information see *Housing Finance under Self-financing*, CIPFA, 2013.

Glossary

Co-regulation: the principle that underpins the Homes and Communities Agency's regulatory approach. Councillors who govern providers' service delivery are responsible for meeting the regulatory standards and being transparent and accountable for their organisation's delivery of its social housing objectives.

Housing authority: the same meaning as in the Housing Act 1985.

Housing business: the housing activity that is accounted for in the Housing Revenue Account.

Housing Revenue Account (HRA): the Housing Revenue Account of the local housing authority as defined by the Local Government and Housing Act 1989 (as amended).

Proper accounting practices: in relation to the accounts of a local authority these are defined in accordance with section 21 of the Local Government Act 2003.

Self-financing: a system for financing council housing introduced in April 2012 that replaced the Housing Revenue Account subsidy system.



Registered office:

3 Robert Street, London WC2N 6RL

T: 020 7543 5600 F: 020 7543 5700

www.cipfa.org

CIPFA, registered with the Charity Commissioners of England and Wales No 231060.

CIPFA Business Limited, the trading arm of CIPFA that provides a range of services to public sector clients, registered in England and Wales No 2376684.

Registered with the Office of the Scottish Charity Regulator No SC037963.



Appendix 2

Voluntary Code for a self-financed Housing Revenue Account Activities Plan at 2014/15

Principle	Provision/Activity	By when	Lead Officer	Status/comments
Financial Viability	<ul style="list-style-type: none"> As part of the work the service currently undertakes in reviewing its business plan, consideration will need to be given to modelling a range of detailed options scenarios for the 30 year plan. 	2015/2016	Kerry Prisco Lucy Clothier	
Communications and Governance	<ul style="list-style-type: none"> Undertake a review of internal control procedures (standing orders; financial regulations; contract procedures) and implement any recommended changes. 	2015/2016	Bruce Lang	
Risk Management	<ul style="list-style-type: none"> The service to undertake a review of its resourcing of risk management, processes and protocols. 	2015/2016	James Barra	
Asset Management	<ul style="list-style-type: none"> The service to continue in its work to develop an asset management framework that supports the delivery of effective housing asset management planning. 	2015/2016 ongoing	Tim Child	
Treasury and Financial Management	<ul style="list-style-type: none"> The service to undertake a review of its service charges to ensure that they cover the cost of services. 	2015/2016	Stephen Boland	

	<ul style="list-style-type: none"> The service needs to continue its work in moving towards using a componentised basis for depreciation in its accounting systems 	2016/2017	Lucy Clothier Sue Williamson	
Value for Money	<ul style="list-style-type: none"> The service needs to ensure it has good practices in place to cost benchmark its performance across all service areas and engage tenants in 'Value for Money' issues. 	2015/2016	Sharri Hallet Martin Price	