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Government confirms council stock options

The government has confirmed councils in England will have to set up arm's length management if they want to keep their stock and access extra funding.

ODPM Head of Local Authority Housing Wendy Jarvis told the National Federation of ALMOs that councils must separate their strategic and management roles to gain the benefits on offer. That, as housing minister Keith Hill told parliament recently, means choosing stock transfer, PFI or ALMO.

Authorities that do not pursue these options cannot expect increased investment over the Housing Investment Programme.

Ms Jarvis said she was concerned about recent press coverage on the issue which appeared to suggest the 'stay as you are' option was still available. She told the NFA: "There has been no change in policy. Ministers remain committed to the three options." She added that the choice of option must follow robust option appraisal.

NFA chair Gordon Perry welcomed the statement from Ms Jarvis. He said: "Tenants, staff and councillors can be clear that if you want to keep the stock with the council and gain extra funding, arm's length management is the only option. ALM puts residents in the driving seat. It is an excellent way to reach the Decent Homes standard and provide top quality services."