

# **PUBLIC SERVICES NEWS!**

# **AWICS**

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



**December 2007**

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**'AWICS' provides a full range of ethical management consultancy and training services, principally to those who provide public services such as local authorities, schools, colleges, housing associations, health authorities, voluntary bodies and many more.**

## **'AWICS' Annual Report for 2006/07 published**

The 'AWICS' annual report for 2006/07 was published in October 2007. The text is reproduced below:

'AWICS' is passionate about public services. That is why I decided to enter local government service in 1981. That is why I founded 'AWICS' as an ethical management consultancy to provide support to those who provide public services – in all parts of Britain and also abroad! We want to make a real contribution to improving public services because they are so important to the fabric of our society.

Our mission statement is 'Independence, Integrity, Value'. We approach our work from an independent standpoint – not burdened with our own preconceptions and objectives – but with a genuine wish to help the client to achieve their objective. Our consultants are of the highest calibre. We observe the highest standards of integrity that should be expected of any consultant working with public services. We offer both 'quality' and 'value for money'. We are not the largest management consultancy. However, we are big enough to make a difference – but small enough to care!

This report covers the year 2006/07, the eighth year of trading and another very successful one. Turnover during the year was the second highest level ever achieved. It is now clear that 'AWICS' has been able to increase this level of turnover and profitability in 2007/08. During the year we had one full-time and four part-time employees. We also had six associate consultants.

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**Managing Director: Adrian Waite MA CPFA ACIH FIPSM**  
Company Number: 3713554. VAT Registration Number: 721 9669 13

# **AWICS** *Independence.....Integrity.....Value*

## **Adrian Waite (Independent Consultancy Services) Limited**

Our increasing numbers of clients include national government departments, local authorities, housing associations, arms length management organisations, professional bodies and others who provide public services. The services that we provide include:

- Regional Seminars
- In-House Training
- Management Consultancy
- Independent Tenants Advice
- Publications

And we made a real contribution to improving public services in many areas. The following illustrate just a few of the projects to which we have contributed during the year:

### Regional Seminars

Our programme of regional seminars was launched in February 2006 with a series of five sessions of 'All You Want to Know about Local Authority Housing Finance' that were held in various venues around England during February and March 2006. This course is an introduction and overview of the important and complex subject of local authority housing finance that is designed for the non-specialist. This proved a popular series and it was repeated in 2007 with a series of nine sessions held between February and November. Another series is planned for 2008.

During the autumn our series of seminars on 'Sustainable Housing Business Plans and the Efficiency Agenda' were held at various venues around England. These were presented with assistance from senior staff of Derby Homes and considered how local authorities and arms length management organisations could construct robust and sustainable housing business plans in the context of the government's efficiency agenda.

Our programme of regional seminars has been further developed during 2007/08 with additional seminars on:

- All You Want to Know about Housing Association Finance
- All You Want to Know about Local Authority Housing Finance in Wales
- All You Want to Know about Local Authority Housing Finance in Scotland
- All You Want to Know about Local Authority Finance
- Arms Length Management Organisations – Freedoms, Flexibilities and the Future
- Comprehensive Spending Review 2007 – Implications for Local Authorities and Housing

Our regional seminars are well received by the delegates who attend who find that the training and information provided enables them to become more effective in their roles. Organisations attending our regional seminars include central government, local government, housing associations, academic institutions and others.

### In-House Training

In-House Training courses were provided to Government Regional Offices, Local Authorities and Arms Length Management Organisations on:

- All You Want to Know about Local Authority Housing Finance
- All You Want to Know about Housing Association Finance
- Sustainable Housing Business Plans and the Efficiency Agenda

Clients included:

- Bristol City Council
- Cambridge City Council
- Derby Homes
- Government Office Southwest
- Government Office West Midlands
- Harrow Borough Council
- New Prospect Housing (Salford)
- Northwest Leicestershire District Council
- Oldham Borough Council
- Redbridge Borough Council
- Sheffield Homes
- Stoke on Trent City Council

As a result of this, Councillors, Board Members, Civil Servants, Housing Staff, Finance Staff, Tenant representatives and others have been empowered to carry out their roles to greater effect. We are continuing to expand the range of in-house training available.

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**Managing Director: Adrian Waite MA CPFA ACIH FIPSM. Company Secretary: Elaine Waite.**  
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## Management Consultancy

We offer a wide range of consultancy services to local authorities and others principally on management, financial and housing issues. For example, we assisted Birmingham City Council with a Value for Money Procurement Strategy for the Housing Services; Carlisle City Council with the development and delivery of training strategies and programmes for Members and managers; Enfield Borough Council with the development of their Housing Revenue Account Business Plan; South Derbyshire District Council with housing revenue account business planning; and Warrington Borough Council with a 'health check' of their housing revenue account and with housing revenue account business planning.

Carlisle City Council has recently received a series of awards for good practice in its management training programmes.

We are continuing to work with local authorities on housing and other issues during 2007/08.

## Independent Tenants' Advice

We were successful in tendering for the position of Independent Tenants' Adviser at Fenland District Council during their Housing Stock Options Appraisal that was completed in June 2005. The Council subsequently developed its stock transfer option and we were re-engaged as Independent Tenants' Advisor by the Tenants' Forum in October 2005. Our role was to ensure that the tenants of Fenland were empowered to take a decision on the future of their homes and neighbourhoods and were able to do so from a position of knowledge. We worked with the Tenants' Forum, Tenants' Associations and the tenant body at large to ensure that everyone understood all the issues and participates in all the decisions. We did this through holding meetings, visiting housing estates and sheltered housing schemes, issuing newsletters, working through the press and other media and providing a freephone service for tenants with questions and issues to discuss. We advised the tenant-led Transfer Options Development Group that managed the whole process on matters including the selection of the housing association partner. We also advised tenant members of the Shadow Board of the new Roddons Housing Association.

Fenland District Council balloted its tenants on stock transfer in November 2006. The result was that 54% of tenants supported the transfer. The transfer is expected to be made in November 2007.

## Professional Bodies

During the year Adrian Waite was invited to speak at conferences organised by the Association of Chartered Certified Accountants; Chartered Institute of Public Finance and Accountancy and the Northern Housing Consortium.

We also publish the electronic newsletter the 'Public Services News'.

Our contribution to making improvements in public services has therefore been significant. Our potential to do even more in the future is even greater.

I also believe in the importance of making a voluntary contribution where appropriate. I am a member of the Housing and European Panels of the Chartered Institute of Public Finance and Accountancy; and an Honorary Fellow and National Council Member of the Institute of Public Sector Management.

This annual report is designed to give you a flavour of what 'AWICS' is about. We also have two websites and welcome enquiries by e-mail, telephone or at our office. Addresses are shown below.

*Adrian Waite*

## **Developments in Social Housing Finance in Scotland**

A new Scottish Parliament was elected in May 2007 that led to the formation of a new Scottish Government. The local authority elections also resulted in the election of new administrations in many Scottish local authorities. Nicola Sturgeon, the new Cabinet Secretary for Health and Well-being said:

*"We... want to reverse years of decline that local authorities have suffered as social landlords. We believe that they have a vital role to play in working alongside registered social landlords to meet demand for social housing. To support them in the development of this role, we propose offering incentives to them to build new council houses. And we propose safeguarding all new social housing by ending the right to buy for new properties built by local authorities and registered social landlords."*

The Scottish Government's vision for the future of housing in Scotland has four elements:

- Increased supply of housing across all tenures all of which is delivered on the basis of higher environmental and design standards
- More choice of housing that those on lower incomes can afford
- Housing developments that contribute to the creation of sustainable, mixed communities
- Social housing that provides better value for public expenditure

It is widely agreed that there are a range of difficult housing issues in Scotland. These include the need to ensure that there is sufficient new affordable housing and to tackle homelessness; the need to achieve the Scottish Housing Quality Standard in all social housing; the failure of some local authorities to persuade their tenants to accept a stock transfer; and the need to find efficiencies in delivering ongoing services to tenants, improvements to existing housing and new affordable housing.

The Scottish Government published its housing green paper 'Firm Foundations: The Future of Housing in Scotland' in October 2007. It included a number of radical proposals for the future finance of social housing in Scotland. These included:

- Challenging Scotland's local authorities, developers and builders to increase the rate of new housing supply to at least 35,000 a year
- A new positive role for local authorities as social landlords by offering them incentives to build new council houses
- Safeguarding the future of all new social housing by ending the right to buy for new properties
- Improving the supply of new housing association houses by awarding subsidies to associations on a strategic and competitive basis
- Monitoring progress in complying with the Scottish Housing Quality Standard and being prepared to consider support for local authorities that choose to retain their stock and create Arms Length Management Organisations to achieve compliance with the standard

Speaking of the proposal to offer local authorities incentives to build new council houses, Ms Sturgeon said:

*"We intend to reverse the thirty year run-down of the local authority landlord role. This reflects our belief that local authorities have a continuing and developing role to play in the provision of social rented housing. Local authorities see little point in building new houses for rent if they are lost through the Right to Buy. Many housing associations share this view. I can therefore confirm that we propose to end the right to buy for all new social housing built by local authorities and housing associations - with an exception for existing tenants already eligible to buy their houses who are forced to move, for example because of demolition programmes. In short, this government will ensure that new social housing is safeguarded as a public asset for the benefit of current and future generations of tenants."*

The Green Paper proposes further restrictions on the right to buy scheme and an ending of the right to buy for new homes built by local authorities or housing associations. The Right to Buy was introduced in 1980 and around 487,000 sales took place from 1980 to 2006 (the most recent year available). Over this period, owner-occupation increased from 35 per cent in 1980 to around 67 per cent. There were around 9,000 sales in 2006. Although sales are declining year on year, around 8,000 sales are expected every year for the foreseeable future.

The Scottish Government's proposed changes would end the Right to buy for new build properties, with the suggested exception of properties being occupied by tenants forced to move permanently as a result of demolition or refurbishment. Initial estimates suggest that there may be around 10,000-15,000 tenants in this position in future years.

The proposals for Arms Length Management Organisations and awarding subsidies to Housing Associations on a strategic and competitive basis appear to be based on existing practice in England. In England half of Council housing is managed by Arms Length Management Organisations with the government offering Councils that adopt this approach and achieve high standards of housing management additional capital resources. Housing Associations, however, have to compete with each other for Social Housing Grant with the result that grant rates have fallen to an average of 44% in England compared with average rates of over 60% in Scotland. This has led to English Housing Associations increasing the level of their commercial activity and their borrowing from the private sector.

The green paper also recognises the central role that home ownership plays in the housing system - and in society - by offering help for more people to buy their homes. But it also takes full account of the need for a thriving social sector that can adapt to changing demand and offer more choice to those who cannot afford to, or do not wish to buy. And it envisages a greater role for the private rented sector and its ability to offer choice and flexibility to particular groups during key points in their lives.

Ms Sturgeon also confirmed the Scottish Government's intention to abolish Communities Scotland. She added:

*"I have decided to abolish Communities Scotland as a separate agency and bring its main non-regulatory functions into the core Scottish Government."*

She confirmed that its regulatory functions would be reformed to operate outside the Government and independently of Ministers. Ms Sturgeon said:

*"In reviewing its functions we have looked at the most effective structures to respond to the policy challenges we have inherited, alongside our aim of simplifying the public sector."*

Communities, councils, social landlords, developers, tenants and lenders are being invited to comment on the proposals. The consultation runs for twelve weeks and responses are welcome by 25<sup>th</sup> January 2008.

'AWICS' is holding a major seminar in Edinburgh on 30<sup>th</sup> January 2008 that will consider developments in social housing finance in Scotland and the implications of the Housing Green Paper. This seminar is designed for people who are involved in social housing in Scotland. It is suitable for housing managers, finance staff in local authorities or housing associations, councillors, members of boards of housing associations, staff of government bodies with a role in social housing, tenant representatives and others with an interest in developments in housing finance in Scotland.

Details of the course can be found on our website at:  
[www.awics.co.uk/regionalseminars/scottishcourse.asp](http://www.awics.co.uk/regionalseminars/scottishcourse.asp)

*Adrian Waite*

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## **The Housing Subsidy system in England**

The draft Housing Revenue Account Subsidy determination for 2008/09 was published in November 2007. It had been expected that it would be a three year settlement, consistent with the period covered by the 2007 Comprehensive Spending Review, but in the event it was for a single year only. This is because Ministers wish to review the working of the Housing Revenue Account subsidy system, in particular the future of the rent restructuring regime and the future of the subsidy system itself.

The main changes included in the 2008/09 draft determination are:

- ◆ Guideline Rent (up 5-6%)
  - Rent convergence put back to 2016/17 for purposes of determining guideline rents
  - End to Rental Constraint Allowance
- ◆ Management & Maintenance Allowances
  - ‘cash’ protection rather than inflation increases
  - Additional £4 per dwelling for Energy Performance Certificate
- ◆ Major Repairs Allowance
  - Changes to archetype weightings and regional cost weightings

One effect of these changes has been to worsen the subsidy position of most London Borough Councils.

Ministers are concerned that the rent restructuring regime is leading to excessive rent increases, especially in areas with high property values and earnings. As a first step to addressing this issue, they have extended the period during which rent restructuring is expected to take place from 2012 to 2017. However, more fundamental changes to rent setting policy may be proposed before the 2009/10 determination is issued.

Communities & Local Government have also issued a paper that proposes allowing Local Authorities to leave the housing revenue account subsidy system during the 2008/11 period. The paper says:

*“Ministers may wish to allow some authorities to become self-financing over the Comprehensive Spending Review 2007 period.”*

In ‘Decent Homes to Sustainable Communities’ the government said that they were looking at the costs and benefits of allowing some excellent councils and councils with excellent arms length management organisations the freedom to operate their finances outside the Housing Revenue Account Subsidy system.

A pilot study, started in 2006, reported in 2007. The Government has concluded that the business plans that have been developed during this study demonstrate considerable benefits from self financing. In particular:

- Long-term financial planning that could be carried out with the ending of the uncertainties of the housing subsidy determination.
- Efficiency savings that could be gained principally through the letting of longer-term contracts. This has already been demonstrated by arms length management organisations that have achieved efficiency gains by letting longer term contracts
- Ability for Councils to make additional investment and to attract private finance to match half of it. The additional investment would be for new build and estate re-modelling and would be delivered through joint ventures that would involve local authority land, private developers and mixed tenure developments

The ending of the housing subsidy system and introduction of self financing housing revenue accounts would mean that councils could have the ability to develop new affordable housing within the housing revenue account without the additional units resulting in a loss of housing subsidy as a result of guideline rents exceeding the management, maintenance and major repairs allowances.

It is understood that ministers are 'enthusiastic' about the conclusions of the study and it is expected that the government will wish to take the proposals further. However, ministers also have reservations. In particular, the Treasury would like an assurance that self financing authorities would not borrow excessively. It is proposed to provide this assurance for the Treasury by using performance indicators and bilateral agreements with individual authorities as a way of demonstrating to the Treasury that Councils would be prudent.

The capital sums that authorities would either pay or receive when they left the housing subsidy system would be based on a twenty year projection of future housing subsidy entitlements or liabilities discounted to current values. The size of the capital sum therefore depends on the assumptions that are made about future eligibility for subsidy and the discount rate that is chosen. The exact methodology is still under discussion.

The business plan modelling suggests that some authorities would not have viable business plans after they withdrew from the housing subsidy system. The authorities concerned believe that this is because the housing subsidy calculation (on which the capital sums are based) contains insufficient resources. It is understood that the government concedes that this may be symptomatic of a problem with funding the housing revenue account subsidy system.

Eligibility is still under discussion, but it is understood that it is likely to be confined to high performing authorities. The reason for this is to give the Treasury assurance that new flexibilities would only be given to authorities with a record of prudent management of housing finance and of risk. The definition of 'high performing' has yet to be determined, as has the matter of whether authorities would have to apply to become self financing or whether certain categories of authority would be identified by government.

The Housing Green Paper notes that a viable new build scheme needs to retain the rental income and capital value from the investment. At present if new social homes are built within the housing revenue account around one quarter of the rent – after allowances are made for the costs of managing and maintaining the homes – is recycled nationally through the housing revenue account subsidy system. If the homes are subsequently sold under 'right to buy', 75% of the receipt is also pooled and redistributed nationally.

The government believes that further work is needed to establish the affordability of self-financing schemes both to the councils and to government. This work should establish the viability of a self-financing business plan with a level of resources that reflects the transfer of risk, but also maintains fairness for those councils that remain within the housing revenue account subsidy system. Subject to this being demonstrated, the government sees the next stage as a pilot of the self-financing approach. It is expected that authorities may be invited to bid to join the pilot as early as January 2008.

The government believes that the self-financing work will help them to understand the potential benefits and risks of wider reform of the housing revenue account subsidy system. The government believes that the case for more local control over income and investment decisions has been strongly made. But dismantling a redistributive system would risk creating winners and losers. The government considers that this is a sensitive issue and they will need to understand how changes could protect those who depend on subsidies generated by the surpluses of others within the current system.

Our popular annual series of regional seminars 'All You Want to Know about Local Authority Housing Finance' will be held between February and July 2008 in venues in all English regions. These seminars provide an introduction and overview of local authority housing finance and include reference to rents, housing subsidy and self financing. Further details can be found on the website at: [www.awics.co.uk/services/housingfinancecourse.asp](http://www.awics.co.uk/services/housingfinancecourse.asp)

*Adrian Waite*

## **The Economy and Public Services**

Coverage of the Comprehensive Spending Review has tended to focus on tax changes and public sector budgets. However, examination of the small print reveals some worrying trends.

First, economic growth has recently averaged 2.75% a year. Of this, 2.25% is driven by increased consumer spending, 0.75% by increased public spending and only 0.25% by business investment. The effect of foreign trade is negative, causing an annual decline of 0.5% in the economy as increases in imports exceed increases in exports. Much of the increased consumer expenditure is financed by consumer credit. We therefore have a private sector that is dependent on government expenditure and consumer credit and is failing to compete internationally or to invest.

Second, the financial sector does not look as strong as it used to following the 'run' on the Northern Rock and rumours about the financial strength of some other banks. The government has apparently already loaned about £29billion to Northern Rock and it seems increasingly likely that this will not be repaid soon leaving the government obliged to nationalise the bank. The fact that more money has been allocated to supporting Northern Rock than is provided to local government in a year through the Revenue Support Grant suggests where the government's relative priorities lie.

Third, the government plans to spend £456billion on social security during the comprehensive spending review period. This is the largest single government budget, dwarfing those for Education and Communities & Local Government (at £168billion and £112billion respectively) and comprises 23% of total public expenditure. It is also notoriously difficult to control. The economy is therefore providing insufficient employment, inadequate salaries or wages and inadequate pensions to millions of people whose income therefore needs to be supplemented by the benefits system.

Fourth, examination of public services including housing, health, education and local government reveals levels of need increasing more rapidly than inflation. This results in part from increases in population (especially the elderly population) but also from the condition of the economy. For example, 1.6million people are currently on social housing waiting lists and newly arising need for social housing is 40,000 a year. Rising property values, fuelled by increased borrowing, are putting home ownership out of the reach of increasing numbers of people. The government has provided £8billion for new affordable homes compared to the £11.6billion that the sector calculated was required. The economy is therefore failing to provide housing to an increasing proportion of the population and despite increased budgets the public sector is failing to make up the difference.

Fifth, there is a worrying increase in the number of people experiencing problems with debt or becoming bankrupt. The levels of credit that have fuelled the economy and the housing market appear to be creating financial hardship and therefore putting increased pressure on public budgets. The prospect of a downturn in the housing market is likely to exacerbate these problems as people who are already struggling with mortgage payments will increasingly face the problem of negative equity.

Sixth, only a month after the announcement of the Comprehensive Spending Review it appears that the government has already reached its borrowing limits for the 2007/08 financial year!

Perhaps the underlying cause of problems in the public finances is the condition of the private sector. Perhaps the time has come for the government to address the reform of the private sector – in particular the need to ensure appropriate investment to maintain competitiveness, the operation of the financial sector and housing markets, and the need to ensure wider access to employment with decent remuneration including pensions.

**Adrian Waite**

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### **Community Interest Companies**

Community Interest Companies (CICs) are limited companies, with special additional features, created for the use of people who want to conduct a business or other activity for community benefit, and not purely for private advantage. This is achieved by a "community interest test" and "asset lock" that ensures that the Community Interest Company is established for community purposes and the assets and profits are dedicated to these purposes. Registration of a company as a Community Interest Company has to be approved by the Regulator who also has a continuing monitoring and enforcement role.

A Community Interest Company is a new type of company, introduced by the United Kingdom government in 2005. A Community Interest Company is a new type of company, designed for social enterprises that want to use their profits and assets for the public good. It is intended that Community Interest Companies will be easy to set up, with all the flexibility and certainty of the company form, but with some special features to ensure they are working for the benefit of the community.

Numerous 'Community Interest Companies' have been registered since part two of the Companies (Audit, Investigations and Community Enterprise) Act 2004 was passed and the Community Interest Company Regulations 2005 came into force on 1st July 2005. The hundredth Community Interest Company – 'Social Enterprise London' was registered on 27th January 2006 and by March 2007 a total of 845 Community Interest Companies had been registered in Great Britain. Of these, 694 were new registrations and 151 were conversions of existing companies. In April 2007 it also became possible to register a Community Interest Company in Northern Ireland.

Community Interest Companies are commercial companies that operate for the good of society in general or a specific section of the community. Any surpluses are used for the benefit of that community rather than the directors or shareholders. They can be a company limited by guarantee or shares or a public limited company. In practice most are companies limited by guarantee – 603 of the total of 845 in March 2007.

A Community Interest Company is seen as a suitable form of organisation for a Social Enterprise. A Social Enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven by the need to maximise profit for shareholders and owners. Social enterprises tackle a wide range of social and environmental issues and operate in all parts of the economy. By using business solutions to achieve public good, the Government believes that social enterprises have a distinct and valuable role to play in helping create a strong, sustainable and socially inclusive economy.

Currently companies that do not have charitable status find it difficult to ensure that their assets are dedicated to public benefit. There is no simple, clear way of locking assets to a public benefit purpose other than applying for charitable status. The Community Interest Company will help to meet the need for a transparent, flexible model, clearly defined and easily recognised.

Community Interest Companies operate in many market sectors, the main ones at March 2007 being: Social and Personal Services (291); Real Estate, Renting and Business (174); Education (170); and Health & Social Work (126).

Community Interest Companies are organisations pursuing social objectives, such as environmental improvement, community transport or fair trade. Social enterprises are playing an increasing role in regenerating disadvantaged areas, empowering local communities and delivering new, innovative services at local level.

A survey of Community Interest Companies carried out by the regulator in 2006 showed that 48% of them had been established to demonstrate community benefit and 15% had been established because the structure was suitable. 52% of Community Interest Companies felt that their status presented them with an opportunity to access increased funding.

Community Interest Companies are seen as a way of unlocking entrepreneurial potential and directing it towards social and community goals. A Community Interest Company enjoys the freedoms and flexibilities of a private company but has to demonstrate a real commitment to social goals. The test will not be how many Community Interest Companies register, but how many are still trading in the future. To date almost all the Community Interest Companies that have been established are still trading.

The sort of organisations that will want to set up a Community Interest Company will typically be entrepreneurs who want to do good in a form other than charity. This may be because:

- They are looking to work for community benefit with the relative freedom of the non-charitable company form to identify and adapt to circumstances, but with a clear assurance of not-for-profit distribution status.
- Members of the board of a charity may only be paid where the constitution contains such a power and it can be considered to be in the best interests of the charity. It means that, in general, the founder of a social enterprise who wishes to be paid cannot be on the board and must give up strategic control of the organisation to a volunteer board, which is often unacceptable.
- The definition of community interest that will apply to Community Interest Companies will be wider than the public interest test for charity.
- Community Interest Companies will be specifically identified with social enterprise. Some organisations may feel that consequently this is a more suitable than charitable status.

Community Interest Companies can issue shares to raise investment. Community Interest Companies limited by shares have the option of issuing shares that pay a dividend to investors. To protect the asset lock, the dividend on these shares is subject to a cap set by the Secretary of State.

Like other social enterprises, Community Interest Companies find funds from a variety of sources, including grants and donations, loans from high street banks and other institutions. Only limited access to equity finance is permitted.

The Government is supporting finance for social enterprises, through community development finance institutions and the Community Investment Tax Relief. As the concept of social enterprise becomes more widely understood by the finance community, social entrepreneurs should find it easier to explain what they are doing and to get a competitive price for finance.

The Government is supporting social enterprises through the tax system. The Community Investment Tax Relief (CITR) gives tax benefits to investors who back businesses in less advantaged areas through Community Development Finance Institutions (CDFIs). Community Investment Tax Relief provides tax relief of 5% per annum to investors who invest in an accredited Community Development Finance Institution, which then in turn lends to or invests in a qualifying profit-distributing enterprise or community project. Accredited Community Development Finance Institutions may invest in qualifying Community Interest Companies.

The Community Interest Company is a form of company that has been found popular and appropriate by organisations that wish to pursue community benefits without necessarily becoming a charity. Many organisations have become Community Interest Companies.

Further information on Community Interest Companies can be found in a briefing paper that can be freely downloaded from the website at:  
[www.awics.co.uk/briefing/economicdevelopment.asp](http://www.awics.co.uk/briefing/economicdevelopment.asp)

*Adrian Waite*

**Adrian Waite elected Vice President of Institute of Public Sector Management**

The Annual General Meeting of the Institute of Public Sector Management, meeting in London on 9<sup>th</sup> November 2007 unanimously elected Adrian Waite, Managing Director of 'AWICS' as Vice-President for the coming year.

Derek Wolfe was re-elected as President and Honorary Secretary, Maurice Condie was elected Honorary Treasurer, Stephen Guile was confirmed as immediate past President and Julie Price, Martin Harvey, Peter Nourse and Rodger Lawrence were elected to the Council.

After the meeting Adrian Waite said that he was grateful for the support of members of the Institute of Public Sector Management and looked forward to making a contribution towards the continued success of the Institute of Public Sector Management in the capacity of Vice President.

The Institute of Public Sector Management exists to cater for the needs of all managers working in the public, voluntary and not-for-profit sectors. We offer mentoring, training, career advice, conferences, seminars and occasional by-invitation events. Members are entitled to use the designatory letters IPSP after their names, have access to a frequently updated web site, have exclusive access to an internal discussion forum, receive the Institute's quarterly journal E-TOPICS, and much, much more.

Annual membership in 2007 costs just £63, as the IPSP celebrates its 25<sup>th</sup> anniversary. The standard joining fee of £25 charged to new members is being waived.

**Stephen Harriott joins 'AWICS' as an Associate Consultant**

Stephen Harriott has joined 'AWICS' as an Associate consultant. He was formerly Chief Executive of Amicus Housing Association. He will be one of the speakers at the spring series of regional seminars on 'Achieving Value for Money and Efficiency in Social Housing'.

After graduating from Oxford University with an Honours degree in Philosophy, Politics and Economics, Steve trained as a teacher and taught economics and politics. In 1985 he joined CDS Co-operative Housing Services in London as a Housing Manager. He then worked at Hartlepool Borough Council as Assistant Borough Housing Officer, Middlesbrough Borough Council as Assistant Chief Housing Officer (with responsibility for the management of 17,000 homes). A short spell lecturing at Northumbria University in Housing Studies was followed by appointments as Operations Director at Phoenix Housing Association and Director of Housing and New Initiatives at Tees Valley Housing Association.

He then moved back down south to become Managing Director of English Churches Housing Group. He joined St Pancras & Humanist Housing Association in 2000 as Chief Executive and created the Origin Housing Group with Griffin Housing Association and became its first Group Chief Executive. He moved to Amicus Group in 2004 as Group Chief Executive and became the first Group Chief Executive of the merged Amicus-Horizon Group. He left Amicus-Horizon in 2007 for a new career in training and consultancy with 'AWICS'.

He has a Masters degree in Strategy and Resource Management and is a Fellow of the Chartered Institute of Housing, a member of the direct final entry selection panel for the CIH and a former Chair of the CIH Northern Counties Branch. He was a non-executive Director at Heritage Care; chaired the Swale Local Strategic Partnership, chaired the North Kent Advisory Committee for Common Purpose and has served on a Housing Association Board. He has co-written two books "Social Housing; an Introduction" published by Longmans and "An introduction to Social Housing" published by the CIH. He also co-wrote the UNISON distance learning materials for their Housing courses. He is an external examiner in housing at the University of Greenwich.

## **Services on offer!**

'AWICS' offers a wide range of management consultancy and training courses in management and financial topics. These include:

- Regional Seminars
- In-House Training
- Management Consultancy (including Business and Best Value Reviews, Advice on Procurement, Housing Finance, Housing Stock Options Appraisals, Housing Association finance, Public Authority accounting, Advice to voluntary bodies and Performance Management)
- Independent Tenants' Advice

For further information, please contact Adrian Waite on: [Adrian.Waite@awics.co.uk](mailto:Adrian.Waite@awics.co.uk) or 017683-52347 or 52165.

## **'AWICS' 2007/08 Programme of Regional Seminars**

Our 2007/08 programme of regional seminars has now been arranged as follows:

- Developments in Scottish Housing Finance (January 2008)
- All You Want to Know about Local Authority Housing Finance (separate English, Scottish and Welsh versions – February to July 2008)
- Achieving Efficiencies and Value for Money in Social Housing (March to May 2008)
- All You Want to Know about Local Authority Finance (separate English, Scottish and Welsh versions – April to July 2008)
- All You Want to Know about Housing Association Finance (separate English, Scottish and Welsh versions – March to July 2008)

Details will be placed on our website: [www.awics.co.uk/services/trainingandlectures.asp](http://www.awics.co.uk/services/trainingandlectures.asp)

## **Opportunities with 'AWICS'**

'AWICS' are looking for people who would like to become Associate Consultants. The role requires not only appropriate qualifications and significant relevant experience, but also a strong commitment to public services to working with independence, integrity and value.

We are especially interested in appointing Associate consultants with expertise in the following fields:

- Local Government Finance
- Housing Management
- Arms Length Management Organisations
- National Health Service Finance
- Finance of Voluntary Bodies

Applicants should send a copy of their curriculum vitae to Adrian Waite at AWICS Limited, Appleby Business Centre, Bridge Street, Appleby in Westmorland, Cumbria. CA16 6QH. Or e-mail [Adrian.waite@awics.co.uk](mailto:Adrian.waite@awics.co.uk). Further details will be made available on our website: at [www.awics.co.uk/opportunities.asp](http://www.awics.co.uk/opportunities.asp).

Note: Any views that are expressed in this newsletter are those of the author of the article and do not necessarily reflect the views of 'AWICS' or of Adrian Waite.

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