

PUBLIC SERVICES NEWS!

AWICS

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



**June and July
2004**

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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.

Fenland Tenants' Forum appoints 'AWICS' as Independent Tenants' Advisors

Council house tenants in Fenland have appointed 'AWICS' as their Independent Tenants' Adviser (ITA) to champion their cause as options for the future of housing in the area are considered over the next year.

Adrian Waite's role between now and April 2005 is to work with tenants and their representatives to make sure they have access to all the information necessary so that decisions for the future of housing in Fenland are made with their needs and interests as the overriding priority.

On his appointment he pledged to ensure that all tenants have the access to the information they need to make decisions about the future of their homes and neighbourhoods. Adrian said:

"The job that I have to do is very clear. I must use my expertise to make sure that tenants can analyse, question and challenge every fact and figure that is produced about the options for the future of council homes in Fenland.

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Director: Adrian Waite MA CPFA ACIH FIPSM.
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“The option appraisal for housing in Fenland must be open, honest, and transparent – and it must deliver results that improve homes whilst protecting tenants.”



George Hawkins and Jean Key of the Tenants' Forum with Adrian Waite

The Options Appraisal process is a requirement from government for areas across the country to look at the best ways to develop and improve public rented accommodation. Between now and October tenants will be consulted extensively about the improvements they would like to see. The results of this consultation will form the Fenland Standard – setting out the vision for tenants, their homes and estates across the district as well as the ability to access affordable housing in the future. Proposals will then be developed on how the Fenland Standard will be funded and managed.

Tenants' representatives will recommend from various management and ownership options. One of the key tasks is to explain what is meant by each of the options and what the advantages and disadvantages of each option are to stakeholders. .

Chair of the Tenants' Forum, George Hawkins, said:

“Over the next few months we have a golden opportunity to secure the future of our homes for generations to come. The decision we make together will improve environments, build new homes, tackle anti social behaviour, and renovate properties in every community in Fenland.

“That is why Adrian's appointment is so important. With his help we will be able to interpret complex information and make informed choices that do one essential thing – PUT TENANTS FIRST.”

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Dubbed 'Tenants' Champion' by the local media, Adrian Waite, is planning a campaign to engage with council tenants across the district as he launches a new free phone hotline for advice and information for Options Fenland.

The unique free phone hotline gives everyone access to expert advice and information on Options Fenland and what it means for council tenants across the area. It comes as Adrian plans a series of meetings with Tenants Associations through July and August to explain Options Fenland and answer questions. These will be held as follows:

- Manea – July 5th at 7pm – Manea Village Hall
- Wisbech – July 12th at 10am – Onyx Court, West Street
- Whittlesey and District – July 14th at 3pm – St Mary' House
- Chatteris – July 20th at 7pm – Chatteris Parish Council offices
- Ivy Leaf (March) – August 9th at 7pm – Fleming Court

Adrian said:

“Options Fenland is all about council tenants deciding what they want to see for their homes and neighbourhoods. My job is to provide the information people need to make choices that are right for them and their area. This free phone hotline will be staffed during working hours by experts who will answer questions and provide information that tenants need.”

He added:

“I want this process to be open to everyone – that’s why I am taking Options Fenland out to tenants in every town in the district. Any question or comment that people have will be answered accurately and quickly – so ring the hotline or come to a Tenants’ Association meeting.”

The appointment of 'AWICS' as Independent Tenants Advisors at Fenland means that the consultancy now has experience of all aspects of stock options appraisals – from acting as technical advisor to the Council to acting as 'tenant's champion' in areas as diverse as Fenland, Halton and Hammersmith & Fulham.

Adrian said:

“Whatever role we have in a stock options appraisal – the ultimate objective is the same: the best possible outcome for tenants, based on a robust analysis of all the options and clear understanding on the part of all stakeholders – especially tenants.

“I am looking forward to working with Fenland tenants throughout this process, and I am sure that at the end we will reach a successful outcome.”

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Annual Report for 2003/2004 Published

Adrian Waite has published his annual report as Director of 'AWICS'. The full version is available on the website at www.awics.co.uk/page6.html. Extracts are shown below:

"We are 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.

"We are able to offer outstanding value for money because we operate with low overheads and make maximum use of modern technology to deliver services to our clients. Our highly competitive fees do not have to contribute to a large corporate overhead – because a large corporate overhead does not exist!

"We now have over eighty clients, mainly public organisations that take advantage of our services. And we made a real contribution to improving public services in many areas. We are big enough to make a difference – but small enough to care! The following illustrate just a few of the projects to which we have contributed during the year:

"Hammersmith & Fulham Borough Council have been named as the most 'excellent' housing authority in England, and they chose 'AWICS' to assist them with their review of housing stock options in 2002/2003. Following this they commissioned 'AWICS' to assist them with their successful bid for a place in the fourth round of Arms Length Management Organisations. 'Good' Halton Borough Council also chose us to do their housing stock options appraisal, as did Doncaster Borough Council. We have been able to help those authorities and their tenants to take decisions on the future of their housing stocks that will result in improved housing and housing services for thousands of tenants.

"Doncaster Borough Council also requested assistance with improving their repairs and maintenance programmes in response to an adverse Best Value inspection; and High Peak Borough Council requested advice with benchmarking and restructuring of their 'Building Solutions' service as part of making preparations to establish an Arms Length Management Organisation. We assisted Canterbury City Council with the implementation of rent restructuring; and Preston City Council with Housing Revenue Account Business Planning. The analysis that 'AWICS' carried out has enabled those councils to improve their services to the benefit of their tenants. Training courses on housing finance and the implications of rent restructuring were provided to hundreds of councillors, officers and tenants of local authorities – sometimes in association with the Housing Quality Network.

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“We carried out Best Value and service reviews for a number of authorities. These included the Information Technology service at Charnwood Borough Council, Leisure Services at Chelmsford Borough Council and Direct Works at Christchurch Borough Council.

“South Derbyshire District Council requested assistance with evaluating the potential for achieving savings through the early repayment of debt, and with analysis of the housing revenue account.

“During the year seminars were presented, in association with the Northern Housing Consortium on the Comprehensive Performance Assessment. Workshops were also presented on financial management for Town and Parish Councils in association with the Cumbria Association of Local Councils. Training courses were also provided to the Board of the Arms Length Management Organisation for Kensington & Chelsea; and Members of Congleton Borough Council.

“I was pleased to accept invitations to speak on the role of local government in helping to start the community economy at a conference organised by the Institute of Public Services Management; and at a conference on seeking sustainable funding organised by the National Council of Voluntary Organisations.

“I was also pleased to accept an Honorary Fellowship of the Institute of Public Services Management.

“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 therefore sat on the board of Calico Housing where I was able to make a contribution to their important work in managing social housing in a challenging part of the country. ‘AWICS’ is based in Cumbria, and is a member of the Local Strategic Partnership for Carlisle & Eden and of the Appleby in Westmorland Chamber of Trade on which I am a committee member.

“This annual report is designed to give you a flavour of what ‘AWICS’ is about. We also have a website and welcome enquiries at our office. Both addresses are shown below.”

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New Framework for the Review of Housing Inspection

The Housing Inspectorate issued a consultation paper in November 2003 that proposed a new approach to the inspection of housing associations to move the sector closer to the 'comprehensive performance assessment' approach that is already in place in local authorities. Consultation has now finished and an announcement is anticipated from the housing inspectorate soon.

The Audit Commission states that:

"While there are obvious differences between local authorities and housing associations in structure, legal powers and duties, when looked at from the point of view of service outcomes there are many more similarities than differences. There is no rationale for continuing with some of the differences that exist in their respective methodologies and where any differences in approach are continued the reason for this has to be absolutely clear."

The main elements of the new approach are:

- Accountability and Outcomes following an inspection
- The inspection process
- The coverage and type of inspection activity
- Prioritisation of Inspection resources

The proposals for reformed regulation are being introduced in stages. The Deputy Prime Minister transferred the inspection function to the Audit Commission's Housing Inspectorate in April 2003. The new methodology has been in place since 1st May 2004 with most of the remaining proposals being implemented in July 2004. The inspection of governance arrangements proposals, however, are still under consideration and a decision is expected on them later.

From 1st May 2004 the former Housing Corporation inspectors will be fully integrated into Audit Commission teams. However, it is anticipated that it will take twelve months before the Former Housing Corporation inspectors and the Audit Commission inspectors are fully interchangeable.

The Housing Corporation remains the statutory regulatory body. The Audit Commission is seen as having a distinct role as an independent body set up to ensure that public money is spent economically, efficiently and effectively. The Housing Inspectorate is a division of the Audit Commission that inspects performance of local authority housing departments, housing associations and other social landlords.

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Inspection feeds into the Housing Corporation's regulatory framework, including financial appraisal, lead regulation and inspection. It includes 'reality checking' and is customer focused. The principle of 'tri-angulation' is adopted whereby a conclusion is not sustained unless it is supported by three independent pieces of evidence.

The aim of inspection is to ask two questions:

- How good is the service being delivered to tenants?
- Is the Housing Association working towards continuous improvement?

An inspection team will typically be on site for ten days. Its work will start with a contextual presentation with the management team. Following this, they will talk to and meet with residents through focus groups, telephone calls, tenant groups and home visits to tenants and leaseholders. Meetings with staff, contractors, the local authority and board members follow this.

While welcoming many of the changes, the National Housing Federation has expressed the view that differences between housing associations and local authorities may mean that a different approach to inspection may continue to be appropriate.

"Associations are independent bodies rather than state bodies. They have legitimate commercial interests. They, and the sector, depend on the confidence of private lenders. The inspection regime must recognise, respect and be sensitive to these differences... Too close an involvement in matters of governance cuts directly across the Housing Corporation's regulatory role; it also conflicts with the commitment to focus on outcomes rather than processes."

The Audit Commission's wish to bring about greater consistency to their approaches to inspection of local authorities and housing associations is understandable. However, the focus of the Comprehensive Performance Assessment is on processes, especially issues of governance, rather than on outcomes. While the operational aspects of managing social housing are similar in the two sectors, the governance arrangements in a multi-purpose elected local authority and a housing association are quite different making a consistent approach potentially difficult to achieve.

The government view that local authorities should separate strategic and landlord housing functions, especially through the creation of Arms Length Management Organisations may reduce the differences. The Board of a Housing Association and that of an Arms Length Management Company could both have their effectiveness assessed in a similar manner.

A full briefing paper is available on the website at: www.awics.co.uk/page24.html.

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Enlargement of the European Union and Public Administration

On 1st May 2004 the European Union admitted ten new states as members, bringing the total in membership to 25. Of the ten new members, eight are former members of the 'Soviet Bloc': The Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia. The other two are Cyprus and Malta. Two other Eastern European countries, Bulgaria and Romania are also poised to join soon.

While the accession states have celebrated their entry into the 'European family', comment in the British press has centred on fears of immigration to Britain from these countries. This is despite the fact that to date, more Britons have migrated to Eastern Europe than Eastern Europeans have migrated to Britain. Britain has also sent management consultants to Eastern Europe, among them Peter Sutcliffe, an associate consultant with 'AWICS'.

However, the purpose of this article is to consider the impact of enlargement of the European Union on public administration in Britain and Europe.

This accession has the potential to have a greater impact than earlier accessions – not only because of the number of countries involved, but because of important differences between the accession and existing states:

- Between 1945 and 1990 most of the accession states were part of the 'Soviet bloc'. They are the first such states to join the European Union (other than East Germany, following German unification).
- The accession states have significantly lower incomes than existing member states – with the sole exception of Cyprus.
- The accession states have generally adopted a market-led approach to their economic development that is often seen to be in contrast to the approach in many Western European countries (such as France and Germany) where there are well developed welfare states.

The experience of admitting countries such as Greece, Ireland and Portugal suggests that harmonising the economies of member states and reducing the inequality in income will require huge and sustained structural and agricultural programmes. The scale of the task with the accession states is huge, with Poland in particular having a large number of small farmers on low incomes. Consequently lengthy transitional arrangements have been put in place, ten years in the case of agriculture, but nonetheless resources will need to be transferred from existing member states to the accession states. This will result in reduced European programmes in Britain. It will also result in even more inconsistencies in the European programmes for the commission to manage.

Programmes in the accession states will be built on the existing PHARE programmes that were initiated in 1989. These mainly include ISPA for infrastructure and SAPARD for agriculture. These have shown that the administrative infrastructure and management capacity in the accession states means that they struggle to absorb and manage aid effectively. At the Copenhagen summit in 2002, the European Union agreed to provide 41 billion Euro to the accession states from 2004-2006. This means that in 2006 the accession states will be receiving European Union programmes that are 3.5 times as great as the PHARE programme in 2003.

Following criticism of the PHARE programmes, reforms were made to them in 1998. In over 500 projects, administration in the accession states was decentralised and 'twinning' arrangements made between these decentralised administrations and administrations in existing member states. In 2003 the European Court of Auditors criticised these arrangements. Management shortcomings were identified at the Commission and in existing states, and using different models, while 'ownership' had not been secured in the accession states had created complexity. There had been a neglect of the need to improve the general framework for public administration in the accession states.

It is now likely that public administration in the accession countries will develop in accordance with the legally driven continental model of public administration embodied by the European Union institutions, rather than in accordance with the demands of the Organisation of Economic Co-operation and Development and the World Bank for reform of audit and financial control systems.

Until the new European constitution is agreed, the European Union will continue to be governed by the 2003 Treaty of Nice. This is generally regarded as cumbersome and an obstacle to progressive reform of the European Union. The effective administration of the European Union will become increasingly dependent on the effectiveness of the European Commission.

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Capacity Building with Financial Skills

Capacity Building with Financial Skills is being increasingly recognised as important in all parts of the public sector. Adrian Waite has recently completed training courses in financial management for groups as diverse as parish clerks, board members of arms length management companies and housing officers. He has recently provided training in financial management and budgeting to housing managers at Portsmouth City Council – the need for which was identified as part of a skills audit at the Council.

According to Suzanne Hill, Training & Development Manager at Portsmouth City Council:

“If you want to look after your customers, then you need to take a look at the way you look after your staff.

“Three years ago, Portsmouth City Council’s housing department embarked on a complete review of its appraisal, training and human resource functions in order to improve customer service. We needed our team to understand that the priority is always the customer. The fact that those coming to the housing service generally have no alternative does not mean they should not be treated as customers with choices and priorities. Our first step was to overhaul the way in which staff are assessed. In a move away from the traditional examination of qualifications, we turned the spotlight on what the organisation needs from its staff. We then created a framework of values as a basis for the measurement of staff performance and customer care. The nine areas in which staff are now evaluated include customer service, business management, self-management and team working.

“We then looked at our training needs and the best way to deliver them... We closely monitor the development of our staff, with six monthly appraisals making us better equipped to spot poor performance and deal with it quickly. Those that do well are rewarded with promotion and pay rises. Some 60% of staff has been promoted in the last year. No longer using qualifications as a way of assessing new recruits has removed obstacles and as a result we now have a far more diverse team, offering a range of different skills. One particular benefit has been the increase in numbers of ethnic minority staff, so the workforce better reflects the community it serves and allows us to relate to more customers.

“The induction process has dramatically changed. We have introduced offline training, which enables us to take raw talent and develop their skills in a more responsive way. Over eight weeks, new staff undertakes a mixture of formal training, shadowing, group activities and buddy coaching to ensure new starters are able to grasp and run with the core values of the department. Our strategy of putting people first is used to consolidate and reinforce staff understanding and commitment to customer service.

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“Retaining the culture we have created over the past three years is now a high priority and it’s important to remind existing staff of our values and their importance. The council’s annual staff conference provides a forum for information sharing and team building, with news about Portsmouth City Council as well as national issues and trends being discussed. It acts as another opportunity to build on training, giving staff the chance to commit themselves to their training and development and get up to date with what’s happening in the council. Inviting external speakers to the conference makes the experience fresh and relevant.

“The housing department sees itself as having two types of customers – the external, who come to use the service; and the internal, the staff who work there. It has strived to create an environment through which customer care is the central theme and it continues to work towards ensuring each customer receives the highest standard of service. We believe we are achieving this goal by encouraging staff to improve through training, so they can pass on their new expertise and confidence to their clients. Customer satisfaction rates stood at 80% in 2002-03 and 71% of staff in the housing service reported overall job satisfaction. In the end, while the whole exercise seemed huge at the start, it has actually been pretty straightforward because it is based on common sense and a simple credo – the customer is our priority.”

I am pleased to have been able to help Portsmouth City Council with this process.

Adrian Waite

Points of View

Party Politics and Local Elections - This letter appeared in the ‘Times’ on 11th May 2004

Sir,

“When writing about local government the media rarely addresses what matters most locally: that voters deserve good local people to look after local affairs.

“National party politics, or even consideration of electoral systems, should not be dominating local elections. I think it inappropriate for national newspapers to present local elections as simply a trial run for the next Westminster election campaign, and as a dogfight between two big national party personalities. The habitual media treatment of the subject reinforces the huge tendency for local government to be seen as merely a sad imitation of what goes on in London.

“Yours sincerely,

Professor Richard Wilson, Beverley, Humberside.”

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Congratulations to 'AWICS' customers

- **Halton** Borough Council's bid for a Housing Transfer has been accepted. Their stock options appraisal was carried out by Adrian Waite who recommended that a large scale voluntary transfer should take place. 6,150 homes will be transferred and brought up to the decent homes standard.
- **Hammersmith & Fulham** Borough Council's bid for an Arms Length Management Organisation has been accepted. Adrian Waite, who recommended that an Arms Length Management Organisation should be established and subsequently assisted the authority in the preparation of their successful bid, carried out their stock options appraisal. £90million of additional funding will be made available to improve 18,500 homes.
- **High Peak** Borough Council has been assessed as an 'excellent authority'. Adrian Waite has assisted the authority with financial management, housing revenue account business planning, and management information systems. He is currently advising the authority on responsive repairs and building solutions.
- **Slough** Borough Council's bid for an Arms Length Management Organisation has been accepted. Adrian Waite has provided assistance to Slough Borough Council in housing revenue account business planning and training of council staff. £32million of additional funding will be made available to improve 7,500 homes.

Services Available

'AWICS' also offers a wide range of management consultancy and training courses in management and financial topics. These include: Business and Best Value Reviews, Financial Advice on Procurement, Housing Finance, Public Authority accounting, Performance Management, Lecturing and Training. For further information, please contact Adrian Waite on Adrian.waite@awics.co.uk or 017683-52347.

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