

# NEWSLETTER ISSUE NUMBER TEN

CIPFA LOCAL AUTHORITY  
HOUSING PANEL

**June 2005**

AT THE HEART OF  
PUBLIC SERVICES



## INTRODUCTION

Welcome to the tenth edition for finance practitioners and CIPFA members working in local authority housing. This newsletter has been prepared by CIPFA's Local Authority Housing Panel. This month's issue contains synopses of sessions from a recent seminar on *Recent Developments in Housing Finance* – covering a wide range of issues - and some information on the forthcoming events in the PMPA.

## CIPFA SEMINAR EVENTS

CIPFA's second Housing seminar this year will take place on **6 July** at the St Ermins Hotel, in London. This important seminar will bring delegates up to date on the development of Supporting People programme and will highlight the issues likely to arise in the future. The course will give an overview of key changes in recent times and will provide delegates with practical advice and useful tips to develop new ways of achieving value for money.

The seminar will be chaired by Paul Cook and will feature the following topics:

- Key Note Opening Speech: The Future of Supporting People. Government Overview and Future Policy
- Five Year Supporting People Strategies – Getting the Finance Dimension Right
- Value for Money and Service Reviews
- Partnership & Commissioning
- Practical Finance Issues for Supporting People – Local Authorities
- Practical Finance Issues for Supporting People – Working with RSLs
- Supporting People Inspection – achieving excellence.

For further information or to book a place, please contact Juliette Sabatini at: [juliette.sabatini@cipfa.org](mailto:juliette.sabatini@cipfa.org) or tel 020 7543 5750.

CIPFA's recent seminar event on *Current Developments in Housing Finance* was attended by some 70 delegates. Speakers included: Subroto Duttaroy, Head of Branch, HRA Subsidy; Alison Brown, Efficiency Project Coordinator, Audit Commission; Julie Pearce, Housing PFI team and Mike Wilkinson, ALMO team, ODPM; David Gleave, ODPM; Peter Morton, Chief Executive, Sheffield Homes; Steve Morris, Finance Director, City of Bradford Metropolitan District Council; Mick Lear, Head of Housing Benefits, London Borough of Lewisham; there's Angell, Nottingham City Council.

## Housing Policy Overview

Subroto introduced his overview with a quick roundup of the current policy scene, post-election. The government's intentions are:

- to provide quality housing for millions
- to ensure that all social rented homes meet a decent standard by 2010
- to drive toward reducing homelessness through new provision
- to work as partners in achieving efficiency savings – reinvested

## *Three Year HRA settlements*

A general consultation paper has been issued and feedback to date suggests that the proposals on the HRA settlements are receiving a mixed response. The main issues raised are those of fairness and robustness. Two options are being discussed: fixed formulae and fixed allocations. The next stages will include dialogue with the Housing Finance Group, continuation of negotiations with the Treasury, the possible introduction in 2006/7 determination and exploring the issues around a move to capital grants from supported borrowing.

### *Rent Restructuring*

The stated aims of the policy on rent restructuring are:

- to provide a fair and transparent system of rent setting
- to ensure that similar rents are charged for similar properties irrespective of social landlord
- to ensure affordability.

The proposals set out for the original three-year review were deferred in November 2004 for 12 months. Discussions are ongoing with the steering group and the ODPM will be taking options to the Department's new ministers.

### *Gershon Efficiency Reviews*

The review is **not** about cuts, but rather it is about achieving better services for tenants by getting the most out of resources. There are four work streams aimed at delivering efficiency gains of £835 million a year by 2007/8:

- Procurement of new housing supply: the Housing Corporation is delivering major changes to funding allocations.
- Procurement of housing capital works: National Change Agents have been appointed to administer the £33 million Efficiency Loan Fund.
- Delivery of Housing Management and Maintenance Services: research has been commissioned into *Systems Thinking* and *Innovation*.
- Procurement of commodity goods and services: Procurement for Housing.

The Local Authorities' Forward Look Annual Efficiency Statements were received on 15 April and the Backward Look AESs due on 15 June. For RSLs, AESs are due on 31 July. The next stages are:

- to get the National Change Agents up and running
- to publish the Systems Thinking report (expected July)
- the Audit Commission innovation project to produce efficiency packs
- efficiency case studies will be made available through the Audit Commission website and the Regional Centres of Excellence website
- the Social Housing Measurement Group is to be reconvened.

### *Increased Homeownership*

The consultation paper for this was issued in March and a draft CIPFA response has been circulated to the Housing and RSLs panels. The paper reflects the government's commitment to assisting increased homeownership. The capital sums released will be reinvested into new affordable housing provision and there will be a mixture of schemes to provide flexibility for housing providers.

### *Devolving Housing Policy*

Regional Housing Boards were set up in 2003 and the Regional funding allocations for the next two years have been announced. The government has consulted on merging Regional Housing Boards and the Regional Partnership Board. Regional strategies were due by the end of May.

### *The Future*

ODPM sees the future in terms of an exciting agenda in the *Sustainable Communities Plan* and in *Homes for All*.

### **Efficiency and Inspection: An Audit Commission Perspective**

Alison Brown introduced her session with her intention that it be a fairly interactive session as she was seeking feedback on practitioners' progress on the efficiency agenda. Her first question was to ask how

many in the audience knew about the social housing efficiency technical note. Quite a few hands went up.

Social housing efficiency gains made in the local authority sector are to contribute to the wider local government efficiency target of £6.45 billion a year by 2007/08. At least 50% of these must be “cashable.” The RSLs sector will contribute to the wider ODPM efficiency target to achieve efficiency gains worth at least £620 million a year by 2007/08. For social housing as a whole the expected efficiency gains are £835 million by 2007/08. Each housing organisation needs to determine its own contribution to the overall target.

The four key areas for efficiency gains – and Alison stressed that these are to be gains, not cuts – are:

- new supply – £160 million
- capital works – £340 million
- commodity goods – £55 million
- management and maintenance – £280 million.

These work streams should not be seen as reflecting the only areas of value for money. The Regional Centre of Excellence will help ensure links between housing and other procurement initiatives. Consideration is being given to an RSL Centre of excellence.

Provisions in the Housing Bill will allow the Housing Corporation to pay grants to private companies for new supply. More use of supply chain partnering, should generate efficiencies throughout the whole construction process. Research commissioned from the Housing Forum shows that its demonstrations projects have reduced new build project costs by up to 8% through partnering. Turning to Capital works, Alison said that *Davis Langdon* had been appointed in March. A network of local procurement consortia was being set up, to maximise efficiencies

throughout the supply chain & reduce the cost of housing capital works projects. A £33 million Efficiency Challenge Fund will provide loans to fund the set-up of local procurement consortia (The Fusion 21 model).

For Commodity Goods, authorities need to look at what can be achieved through collective purchasing. Procurement for Housing offer savings through joint procurement of commodity goods and services (eg, telecoms, gas, office supplies etc.). There are plans to expanding into repair materials this summer.

ODPM are piloting a range of innovative approaches for Management & Maintenance to help social landlords deliver more efficient housing services – such as ‘systems-thinking’ which is to be launched in the summer. The Audit commission has been commissioned by ODPM to identify efficiencies in the management and maintenance practices of LAs and HAs. It will:

- evaluate existing projects and share positive practice
- seek new ideas still in development
- consideration of the impact of the implementation of efficiency measures upon tangible outcomes/ improvements for customers
- building improved capacity and knowledge within the sector to practically implement efficiency gains
- develop a detailed range of ‘efficiency packs’.

In its inspection process, the Audit Commission will be considering schemes aimed at improving property condition and the responsiveness & cost of services; evaluating approaches to partnering (excluding consortia) across response maintenance & void repairs; considering the improved use of performance management information techniques to identify & address repairs trends &

specific sources of high demand for services; and discussing on the costs & benefits of undertaking an annual property check for repairs & general adherence to tenancy conditions. There will be a thorough review of the value for money impact of incentive schemes for residents, especially those aimed at maintaining properties in good condition.

Before efficiency can be demonstrated, the definition of what is and what is not efficiency needs considering. The Treasury has defined four methods for achieving efficiency:

- (E1) reduced inputs (such as people or assets) produce same level of output
- (E2) reduced prices for same level of output
- (E3) additional or improved outputs for same level of input
- (E4) improved ratios of output per unit cost of input.

Activities which will **not** count as efficiencies are:

- Re-labelling activity (e.g. reclassifying housing management overheads as corporate overheads)
- Making cuts that result in poorer quality services and outcomes for customers
- Transferring costs from one area to another without a net reduction in costs and without an increase in the quality of outcomes
- Increased income by charging customers higher rents and service charges.

Efficiency gains can be a combination of cashable and non-cashable gains. Cashable gains involve the Treasury's methods E1 & E2 and they transparently release resources which can be reallocated elsewhere.

Non-cashable gains involve method E3 and increase the quality and/or quantity of

service outputs or outcomes at same level of cost or resource input.

Examples of the kind of supporting evidence for an authority's Annual Efficiency Statement would include:

- service costs analysis year by year
- service outcomes analysis year by year
- efficiencies achieved in 2004/5 can only be claimed if they recur over the period 2005 to 2008
- benchmarking comparison with peers, in cost, resource inputs, performance
- efficiency action plan

There are still many uncertainties about the AES including measuring efficiency gains, what happens to the information on the returns, people awareness & understanding.

Achieving value for money is **not** about outsourcing in all cases. It is about establishing a level playing field for existing or potential providers and knowing what the market can potentially deliver. Risks should be managed out of the process. Lead in times for efficiency gains will vary and there should be quantifiable/ non-quantifiable gains – even with set up costs. It will of course be easier for some areas of work than others.

Last summer the Commission consulted on proposals to change service inspection methods. The first public outcome from this consultation exercise is the 'Approach to Service Inspections' (published in early May 2005). A Code of Inspection Practice will be produced in June and the new methodology will become operative for inspections on site in second half of the year. VFM will be a key element and there are two key considerations:

- How do the organisation's costs compare to others, allowing for local context, performance and policy choices?

- How well does the organisation manage and improve value for money?

Alison's key messages for authorities are:

- demonstrate self awareness
- be clear about strengths – evidence customer outcomes
- be clear what you intend to improve – including how
- demonstrate how services are tailored to take account of local context and priorities
- hyperlink where possible to supporting evidence
- make good use of space – don't describe process, focus on impact for users
- remember..... judgement → evidence → impact
- quality and realism of the self assessment is reflected in J2
- don't forget the KLOEs (Key Lines of Enquiry)!

To find out more, visit the Audit Commission website: <http://www.audit-commission.gov.uk/housingefficiency> – or contact the Project Team by email at: [efficiency-project@audit-commission.gov.uk](mailto:efficiency-project@audit-commission.gov.uk) – or contact Alison Brown on 07876 217698.

### Current Issues for the Decent Homes Programme

Mike Wilkinson opened this joint presentation by emphasising that the ODPM believes that the separation of strategy from delivery *does* result in better delivery. The decent homes target is to bring, by 2010, all social housing into a decent condition, with most of this improvement taking place in deprived areas and for vulnerable households in the private sector, including families with children, to increase the proportion who live in homes that are in a decent condition. While there were no Decent

Homes policy changes set out in the Labour Party manifesto, and no specific policy changes are expected, ODPM's new Ministers were currently undertaking a “stock-take” of policies.

There are three options for attracting additional resources to achieve Decent Homes:

- to transfer homes to a housing association
- to use PFI to support private sector management
- to create an Arms Length Management Organisation (ALMO).

Mike stressed that despite any rumours there is to be *no* fourth option.

ALMOs so far have qualified for £1.7 billion in funding and are delivering nearly 5000 decent homes per month. 34 ALMOs, managing over 400,000 homes, have scored as excellent or good. 715,000 homes, or one in three of all council stock, are covered by ALMOs on rounds 1-4. Round five could add 145,000 more.

The assessment criteria for ALMOs are:

- separation of strategy and management: genuine freedom for the ALMO
- work needed to meet the decent homes target: the contribution that ALMO funding will make
- sustainability – of demand for stock and of improvements: 5% allowance for “liveability”.
- efficiency gains and value for money
- readiness to proceed.

An ALMO review will define the longer-term role of ALMOs and their operational and financial freedoms. A consultation paper is currently being prepared.

Julie Pearce set out the objectives for housing PFI s as:

- To provide an affordable and effective way for the public sector to deliver investment in social housing, providing satisfactory outcomes in terms of significant and sustainable improvement in housing conditions, high-quality housing services and giving tenants the opportunity to participate in setting and monitoring performance standards.
- To maximise the value of public investment by ensuring that the risks attached housing investment in services are handled by the party best able to understand manage them, and by encouraging innovation in investment planning, service delivery and tenant involvement.

The two types of housing PFI are the HRA PFI and the non-HRA PFI. The HRA PFI is for the refurbishment or re-provision of existing council housing. It is open to RSLs and private sector contractors and comparable to conventional procurement. The non-HRA PFI is for new build or refurbishment outside the HRA, traditionally a provision by RSLs and is also comparable to conventional procurement. Some £1.4 billion is available for schemes to date.

Housing PFI schemes will involve long-term contracts, outcome-driven specifications, and payment by performance. Tenants will remain the tenants of local authority.

Four HRA PFI schemes have been signed: in Manchester, Islington, Reading and Leeds. 10 schemes are currently in procurement (four Pathfinders and six second round projects) and four schemes are currently developing an outline business case. The schemes involved are diverse, for example tackling estates, street properties, non-traditional archetypes and

regeneration. More than one billion credits been allocated so far.

For non-HRA PFIs, five schemes have been signed: Northeast Derbyshire, Derby, at Warrington, Selby, Hammersmith and Fulham. Three schemes are in procurement and five schemes are developing outline business cases. These schemes tend to be smaller than HRA PFIs and more joined up with other departments. A total of £160 million has so far been allocated.

The Spending Review 2004 gave more money for the PFI option (£1.22 billion). It also committed to improving the PFI process and increasing the emphasis on building new social rented Housing and facilitating homes for sales.

The government will be aiming for 18 - 24 months to deliver projects. Bids from authorities will be assessed on the basis of them demonstrating the ability to deliver and marketability. There is a Procurement Pack publication and a new ODPM financial model.

ODPM's tips for what works best are:

- consult and listen to all stakeholders, especially your tenants and leaseholders
- know your stock
- be realistic – on costs and timescale
- focus on quality and service delivery
- motivate staff
- start early – there are only 1415 working days to the end of 2010!

### **Supporting People: an Update**

David Gleave's session covered:

- changes in funding regime for 2005/06 and beyond
- planning ahead – the five-year strategies

- managing change – service reviews, capacity building programme, partnership and mainstreaming
- Audit Commission inspections – what have we learnt?
- looking for outcomes – the performance monitoring framework
- what lies ahead?

David ran through some distribution formula issues. For each client group:

- *Population at risk* measures the relative numbers of people in need of Supporting People help
- *Deprivation Index* measures the level of deprivation in each area - its impact in the formula may be varied by cluster group
- *Cost Index* reflects the differing costs in each region
- *Standard distribution per head* is an allocation per head for this client group, currently based on legacy patterns but may move to current expenditure
- *Cross Authority Adjustment* is for cross authority payments.

The current distribution formula, model v 2.0 is used to inform allocations on 2005/06 at the margins. It can be interpreted as giving likely change of direction but not of extent. There are 5% and 10% limits to change in 2006/07 and 2007/08. The formula model is being developed and will be consulted on later this year.

For the future the ODPM sees the emphasis on value for money continuing. Local Area Agreements are being piloted as are Individual Budgets. Mainstreaming also lies ahead.

The Supporting People helpline telephone number is: 020 7944 2556. The Supporting People website can be found at: [www.spkweb.org.uk](http://www.spkweb.org.uk)

## **ALMO Accounting Arrangements: Delivering an Improved Service at an Affordable Price**

Peter Morton's presentation was based on Sheffield Homes' experience of the financial challenges in running an ALMO. Sheffield Homes manages 53,600 tenancies and the main financial challenges arise from it being a company not a local authority:

- Corporation Tax & VAT - ALMOs can't afford to give £s back to the exchequer
- Company accounts and HRA accounts are very different & both need priority in an ALMO environment
- Systems designed for the HRA and not to deliver needs of a company
- Additional skills are needed particularly commercial rather than local government accounting

Challenges on the revenue side include efficiency, value for money and SLAs. ALMOs are intrinsically revenue poor so ALMOs need to produce efficiencies to ensure excellent services are delivered at affordable levels. Following the efficiency agenda is at the core of the business and not an optional extra. It is real. It is not in the interests of LAs to have wasteful or poor quality SLA services. LAs should use ALMOs to crank up quality and efficiency in corporate services by robust best value challenges.

ALMOs are relatively capital rich (not as rich as RSLs though). Capital management involves managing a step change in increase in resources for systems, programmes, partnering, inflation, construction capacity and asset management. This is a once in a generation opportunity for every authority and we all have a duty to make the most of it. It is much better than managing decline!

There are inevitable tensions with local authorities over the fee, client-side costs, the General Fund /HRA divide and SLAs. The key is to develop trusting positive relationships to manage these tensions. And for ALMOs to recognise the local authority is the key stakeholder and there is mutuality of interest in developing a common agenda. Our futures are inextricably bound together.

Internal tensions included actually knowing what things cost and recovering those costs.

Peter's words of advice for those considering going down the same route were:

- Establish a separate financial function; don't buy it in from the council on a SLA
- Supplement CIPFA accountants with quality accountants with commercial experience
- Recruit board members with commercial experience
- Use the board expertise - the board adds value and should not be seen as a burden
- Monitor budgets SMARTly
- Act when things go wrong
- Use other ALMOs and the National Federation of ALMOs for advice
- Manage relationships
- Work positively with your LA .

### **Stock transfer: Process and Financial Consequences**

Steve Morris presented the finance perspective of stock transfer from Bradford Metropolitan District Council. For Bradford, it had been a long and complex process. The fallout on the General Fund affects the whole authority and requires a concentrated effort from all departments - it's not just council housing, other services will transfer (homelessness,

some aspects of Anti-Social Behaviour Orders etc).

Steve warned that throughout the process figures will change and therefore contingencies need to be built in. Good advice is essential to look after the authority's interests. It clear that, for comprehensive and robust transfer agreement is essential. A clear comprehensive and robust transfer agreement is essential.

For the Finance Department, full involvement is vital. Finance must be involved at an early stage and the Finance Department should not rely on the housing department to guide the process. In Bradford's experience the Housing Department's original prospectus was optimistic. Once erroneous assumptions made in the internal approval process, they become entrenched and difficult to change.

The key financial equation in Bradford was:

- The capital receipt (stock value) net of the set-up costs must be sufficient to cover any costs of debt premia on early repayment of the overhanging debt.
- Any excess capital receipt after covering debt premia must be used to repay debt.
- The ODPM pays off the balance of overhanging debt.

On Corporation Tax, the Inland Revenue has now taken the view that development agreement works cannot be offset against income in the calculation of Corporation tax. This treatment increases the tax liability of the trust - a factor not included in their original business plans. A move to charitable or industrial and provident status was required.

Steve's suggested that some other issues to consider are:

- The effect on tenants of moving from rent allowances to rent rebates.
- Clawback from post-transfer Right to Buy sales.
- Clawback from other land sales

Finally, Steve had a number of suggestions on residual costs. These costs include the retained housing strategy function and this role is difficult to manage in a post-transfer environment. At least 24 other service areas were directly affected in Bradford across the authority. Debt charges savings were used to manage the gap and the process of driving out savings needs to continue. SLAs are for one year only - managing the future loss of these remains a potential problem. Keeping the profile high and all services engaged in the process will minimise the risk of more problems post-transfer.

### **Housing Benefits: Current and Future Issues**

Mick Lear's session covered Lewisham's experience in piloting the new local housing allowance. The new allowances are paid direct to the tenant and the amounts are assessed by need rather than by the amount of rent paid. Lewisham had been chosen because it was a typical London Borough with an average private tenant caseload of 3800. Of these, 55% had their housing benefit paid direct to the landlord and over 1000 different landlords were receiving payments. Lewisham had seen it as an opportunity to influence the scheme as well as to contribute to the evaluation and had considered that there could be improved opportunities in conditions that tenants.

The way the new allowance works is that if the rent is less than the allowance the tenant keeps the difference and likewise if the rent is more, the tenant needs to make up the shortfall. Calculation of the local housing allowance is based on the number

of people living in the accommodation and their ages. The calculation no longer takes account of the quality or size of accommodation though the postcode is still relevant. The profile of the family make-up therefore determines number of rooms needed and the allowance rate is that the appropriate number of rooms in the correct postal area.

There are protections and exemptions for landlords where there are rent arrears of eight weeks or more, or where there is a high risk of non-payment or vulnerability meaning that the tenant is unable to manage their own affairs. There was however anecdotal evidence that some landlords were being creative eg requiring an eight weeks deposit so that the tenant is already in eight weeks arrears on application. There are protections and exemptions for the tenants also in the case of tenancies started prior to 1989, or where the tenant has had a bereavement. The new allowance is not applicable in the public sector – yet.

Lewisham's experience has been one of 3848 cases awarded the local housing allowance under the new rules. Of the 1862 converted from existing caseload, 85% of tenants were gainers and the average weekly gain was just under £39. 3% experienced no change and 12% were worse off (but protected). There were 398 cases of tenants better off by at least £50 per week. Overall the number of gainers will increase Housing Benefits payments by about £10 million per year.

Mick listed a number of issues which Lewisham's experience had thrown up:

- The definition of vulnerable is too vague and the onus is on presenting evidence of vulnerability.
- Should the excess allowance enjoyed by gainers be made part of a means test for their other benefits?

- Should excess awards be paid to vulnerable tenants, e.g. drug dependents?
- Will a result of the allowance be overcrowding and what about the authority's duty of care?
- What about backdating?
- Overpayments are more difficult to recover – Lewisham experienced a £355,000 shortfall in the first year

The national rollout in the private sector is to take place between now and March 2008. There will be no compensation for pilot local authorities.

Mick's conclusions were that performance has improved, but not conclusively just because of the local housing allowance. Claimants do have more choice but there is no evidence of this being exercised. There is no evidence that tenants are - or are not - paying their rent but anecdotally there appear to be a large number of disgruntled landlords. Many people are better off - but should they be? Overall it is not clear that the evaluation of the pilot schemes will support the national rollout and it is possible that a large number of landlords may stop renting altogether.

### **New Legislation and Professional Accounting Requirements**

Bev Angell's session covered a wide range of accounting and new legislation requirements. The main accounting issues were:

- Accounts and Audit Regulations
- Capital Receipts Pooling
- FRS 17
- Leaseholders.

Many issues will require careful consideration with regard to their effect on the Housing Revenue Account and the General Fund. These include:

- Local Government and Housing Act 1989 part 6, scheduled 4
- Transfers
- Wider Community Benefit
- Overhead Costs
- Housing Benefit.

Efficiency and procurement considerations, and especially efficiency gains, will become more important with the establishment of ALMOs. With stock transfer issues, Bev stressed that whatever option is favoured, finance professionals should remember that ODPM expect tenants to be consulted.

### **CALL FOR PAPERS ON FINANCIAL EXCLUSION**

#### **Volume 26, Number 5 (October 2006): Financial Exclusion**

*Guest Editors: Dr John Wilson and Professor Donal McKillop*

Submissions of empirical research on areas relating to financial exclusion are invited for possible inclusion. Papers are invited from academics and practitioners on policy-orientated research relating to financial exclusion including the following areas:

- The availability of credit to low-income households.
- Public policy responses and initiatives to tackling financial exclusion utilized in the UK and elsewhere.
- Private market (solutions<sup>1</sup> to combating financial exclusion.
- The role of not-for-profit organizations as a public policy tool in tackling financial exclusion.
- The impact of financial exclusion on low-income households.

Detailed abstracts not exceeding 1,000 words should be submitted by 30 October 2005. From these five authors will be

invited to submit articles of 5,000 words each. Abstracts should be submitted to either:

Dr John Wilson, School of Management,  
The Gateway, University of St. Andrews,  
St. Andrews, KY16 9SS

or

Professor Donal McKillop, School of  
Management and Economics, Queen's  
University of Belfast, Belfast BT7 1NN.

#### PUBLIC MANAGEMENT AND POLICY ASSOCIATION (PMPA)

The PMPA offers managers and policy makers a range of opportunities to keep in touch with and understand the wider cross-cutting developments in public policy making that affect the governance, general and financial management of public services.

A recent event, for example, was a talk by Professor Colin Talbot *Director: Nottingham Policy Centre, University of Nottingham* on the future of the Civil Service. Professor Colin Talbot looked in this lecture at the possibility of breaking up the existing civil service into a small policy service and a larger delivery-focused 'National Public Service'.

Opportunities coming up (there is no charge) include:

#### **22 September: Rise and Fall of the NHS**

*David Hunter*

#### **18 October 2005: Are we being served appropriately? Citizens, Clients and Customers as Service Beneficiaries**

*Andrew Gray*

With the increasing variety of public service delivery, there is a concomitant variety and complexity of user relationships with services. However, for more than a decade we have been exhorted by Conservative and Labour reformers to express the user as the universal 'customer'. Public servants may find the customer service metaphor valuable in drawing attention to and remedying an admitted and culpable neglect of the public in the history of public service provision. Yet the indiscriminate use of the term to embrace the service relationship with consumers shows a lack of understanding of its meaning and implications.

By overlooking our predominant relationships as citizens and clients, it discourages rather than encourages appropriate relationships between service providers and beneficiaries. It thus puts at risk the very advance of a consumer emphasis that is sought. We can and must do better to ensure that we are served appropriately.

#### **PMPA Annual Conference – 8 December 2005**

*Venue: Institute of Public Finance, Queen Anne's Gate, London*

Taking as its theme the developing trend to devolved and decentralised government and service delivery, the day will feature a thoughtful, reflective and stimulating range of speakers drawn from leading organisations in public service management and policy. Please make a note of this date in your diary now and register your interest with Rikki Ellsmore, by emailing her at [rikki.ellsmore@cipfa.org](mailto:rikki.ellsmore@cipfa.org).

#### **To find out more:**

The PMPA is a national membership organisation managed and supported by

CIPFA. Members of CIPFA, ACCA and CIMA are entitled to join at a discounted annual rate. Further information on joining the PMPA is available from the PMPA website [www.pmpa.co.uk](http://www.pmpa.co.uk) or from Sandra Harper at CIPFA, 3 Robert Street, London WC2N 6RL. Tel: 020 7543 5679; Fax 020 7543 5695; email: [sandra.harper@cipfa.org](mailto:sandra.harper@cipfa.org)

## THE HOUSING PANEL

CIPFA's Local Authority Housing Panel meets three times a year and is responsible for all financial management and policy issues that affect housing finance. The Panel:

- develops Institute responses to Government, professional bodies' and other bodies' consultation/ discussion papers and exposure drafts
- develops, promotes and maintains best practice, standards and guidelines
- produces and disseminates relevant advice and material for members and employers in local authority housing
- establishes positive and productive professional relationships with Government, government departments and agencies, the national audit bodies, professional regulators and other bodies falling within the Panel's defined areas of responsibility.

The current Panel members are:

Ken Lee (Chairman)	<i>Flyde Borough Council</i>
Bev Angell	<i>Nottingham City Council</i>
Paul Cook	<i>Consultant</i>
Subroto Duttaroy	<i>ODPM</i>
Mike Groom	<i>LGA</i>
John Hawes	<i>Sedgefield Borough Council</i>
Sukvinder Kalsi	<i>Birmingham City Council</i>
John Kettlewell	<i>Independent</i>
Rhys Makinson	<i>LB Camden</i>
Anne Phillips	<i>Powys County Council</i>
Adrian Waite	<i>Consultant</i>
Tony Wardrobe	<i>National Assembly for Wales</i>
Simon Wiles	<i>City of York Council</i>
Lindsey Wishart	<i>Kingston upon Thames</i>

Members by Invitation:

Stephen Nisbet	<i>Perth and Kinross Council</i>
Ron Potts	<i>Consultant</i>
David Thomas	<i>Consultant</i>

Further information about the Panel's activities, publications and seminar events is available on the panel website at: <http://www.cipfa.org.uk/panels/housing/> or from the Secretary, Suzanne Dowse by emailing [suzanne.dowse@cipfa.org](mailto:suzanne.dowse@cipfa.org) Tel: 020 7543 5795.