

Public Services News

July 2017



Camden Borough Council's offices at Pancras Square.

Contents:

The General Election, the Economy and Public Finances	2
AWICS is Passionate about Public Services	4
The Prospects for Adult Social Care	6
About Business Planning	8
Scottish Local Government Funding Settlement	9
Local Government Reform in Wales	10
Globalisation and Empowering Citizens	12
Management Consulting for Trade Unions	13
AWICS Website, AWICS Survey, Editorial Note, AWICS Seminars	14
Advertisement – Infobase Cymru	15
About AWICS	16

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

The General Election, the Economy and Public Finances

The General Election of 8th June 2017 resulted in the Conservatives being the largest party in Parliament, but short of a majority. They lost seats, as did the Scottish National Party, while Labour and the Liberal-Democrats gained seats. The outcome is a minority Conservative government supported by the Democratic Unionist Party.

Many politicians and commentators have suggested that this may mean ‘an end to austerity’; pointing out that many voters appear to be disillusioned with austerity; Labour’s plans for higher expenditure were popular with many voters; that the Democratic Unionists campaigned for retention of the triple-lock on state pensions and winter fuel allowances; and that many Conservatives would like to see increased expenditure in specific areas. Even before the election the government had abandoned its objective of balancing the public finances by 2020.

However, Philip Hammond remains as Chancellor and is known to want to adopt a cautious approach. His comment during the election campaign that the Conservatives may increase taxes if re-elected, came as no surprise. In view of the level of public debt, the size of the government’s deficit, projected low levels of growth and uncertainty caused by ‘Brexit’ it was inevitable that, whatever party formed the government, they would have to keep their options open on taxation. Maintaining current levels of expenditure will require either increased borrowing or increased taxation and both are likely.

The independent Institute for Fiscal Studies published an interesting analysis of the two main political parties’ manifestos during the election campaign. Their Deputy Director, Carl Emmer-son, summarised the conclusion by saying that:

“Neither sets out an honest set of choices”.

The Institute of Fiscal Studies argued that the Conservatives’ aim of getting the budget to balance by the mid-2020s would require more spending cuts or tax rises even beyond the end of the next parliament. It also stated that there is a lot of uncertainty about whether Labour would be able to raise the amount of additional taxation laid out in its manifesto, due to ‘mistakes’ in costing and over optimistic expectations.

During the election, none of the parties addressed the fundamental weaknesses in the United Kingdom economy – including low growth, low productivity and a sizeable trading deficit - or what Chancellor Phillip Hammond has described as the ‘eye-watering’ levels of public debt that are still increasing. All of the parties have economic policies that are based on using public borrowing to maintain demand in the economy.

Tony Travers, Director of the London School of Economics, argues in the ‘Local Government Chronicle’ that if there is any increase in expenditure, the National Health Service and schools, along with state pensions, will get the first tranche of any cash from a ‘post austerity’ spending spree. It is becoming clear that Northern Ireland will have to be given extra cash, whatever happens; and that Scotland is also in a good bargaining position. This raises the question of whether the ‘Barnett formula’ that has determined the allocation of public expenditure between England, Northern Ireland, Scotland and Wales since the 1970s will be revised – in favour of Northern Ireland and Scotland rather than in favour of England!

Since 2010, Local Government in England has had to reduce expenditure by between 30% and 40%. Entitlement to social care has been rationed, refuse is being collected less frequently and potholes are being filled less frequently.

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

Tony Travers considers that there is no chance whatsoever that the government could reverse cuts made so far; and that for services other than adult social care, council spending is heading downwards at least until 2020; and that unless the sector's lobbyists can articulate a case for their share of any additional resources, there is a risk that austerity is softened for central but not local government services.

Attention is always focused on whether public expenditure should be increased or reduced but I also wonder whether we have the right priorities when it comes to spending public money. In particular, are politicians too keen on prestige projects such as HS2, garden bridges and Buckingham Palace; and less keen on 'bread and butter' services such as adult social care and housing maintenance. However, I can think of other examples.

An interesting statistic that I came across recently is from Oliver Moody who is the science correspondent at the 'Times'. He wrote that in 2015 'the average farm made £2,100 from agriculture and £28,300 from subsidies' and that farmers in Britain received £2.1 billion in direct payments under the Common Agricultural Policy. It appears to me that 'Brexit' should provide an opportunity to address this situation to create a position where farmers make a living from selling agricultural products rather than by claiming grants; and to divert these resources into essential public services such as health, social care and housing.

Another example is provided by Historic England that has announced ten 'Heritage Action Zones'. The purpose of these schemes is to 'unleash the power in England's historic environment to create economic growth and improve quality of life in villages, towns and cities'. One of the Action Zones is Appleby-in-Westmorland where I live. A budget of £1.6 million has been allocated to deliver 22 projects over five years. According to the 'Cumberland & Westmorland Herald':

"Projects including repairs to key buildings and assets will see money put into repairing the recently boarded up White Hart Hotel. Grants will also be given for work on the Appleby Castle."

I would question whether these priorities are appropriate. The White Hart Hotel and Appleby Castle are both privately owned businesses. Should public money be used to subsidise private businesses that fail to maintain their assets properly? Or should public money be used to fund public services? The County Council has recently closed Appleby's only residential care home because of lack of funds. Do we need to re-think our priorities?

Following the outcome of the general election, Rob Whiteman, Chief Executive of the Chartered Institute of Public Finance and Accountancy, commented on the general election result as follows:

"Theresa May had called this election intending to create a solid mandate for the Brexit negotiations, but as campaigning progressed, attention also then centred on domestic issues such as the affordability of social care, education funding and, following the atrocities in Manchester and London, national security."

"Local government is now facing a greater period of uncertainty after the inconclusive result of the general election... Indeed, we may now have a period of uncertainty, does the fair funding formula go ahead? Does rate retention go ahead in the way we expected? "I think this government is going to get really bogged down in Brexit."

“There is a question mark about austerity now. Can a minority government put through more measures of austerity? I think the answer to that is probably 'no'... I don't necessarily mean that is good news for local government, I'm afraid... It could be that there is movement on pay, particularly with inflation rearing itself a little bit but actually your resources don't budge so you could potentially be in a more difficult position.”

“While the new government's fate and tenure will feel uncertain, we need a strong focus on sustainable solutions for public service pressures. As importantly, public services must be a central consideration as we negotiate our future relationship with Europe.”

During the 1959 election campaign, the then Prime Minister, Harold Macmillan said ‘You’ve never had it so good’; while the economist JK Galbraith coined the phrase ‘private affluence and public squalor’. This issue is just as relevant today. The United Kingdom is one of the world’s wealthiest countries and many people are prosperous. However, many of our public services are starved of funds. Is this a situation that we should allow to continue?

AWICS is Passionate about Public Services

Adrian Waite entered local government service in 1981 because he was convinced of the importance of public services in our society. Local authorities and other public services such as the National Health Service, Housing Associations and voluntary bodies; provide the infrastructure that we all need; services that are essential to protect the vulnerable; and services that have the potential to unlock opportunities for everyone.

To achieve this, public services need to have good governance, be focused on customers and outcomes, have good financial management and deliver value for money.

As a senior officer in local government, Adrian became convinced of the need for management consultants and advisors who support public services to develop a new approach. That is why he originally decided to establish a new 'ethical' management consultancy. With the advent of 'austerity' in 2010 the need for such an ethical approach has become even greater.

Adrian is passionate about helping clients to deliver excellent public services.

AWICS Business Philosophy

Our mission statement is ‘Independence, Integrity, Value’. We therefore provide training from an independent standpoint that is designed to help the client to achieve their objectives. We are passionate about working with the utmost integrity. We believe that we offer the best value for money that is available today! We are big enough to make a difference – but are small enough to care!

Ethical Management includes addressing the ‘four Ps’ of Purpose, People, Planet and Probity. Purpose is about balancing profitability with offering great value for money to clients and their complex objectives. People is about our obligations to all individuals who work with us as clients, staff or suppliers. Planet is about environmental sustainability. Probity is about upholding our standards as expected in the best public service organisations. This is not to say that 'AWICS' is a not-for-profit organisation. 'AWICS' is a commercial company but it is a commercial company that puts principles first.

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

Good Governance

'AWICS' is a well-run Private Limited Company that observes high standards of governance and treats all clients, staff, suppliers and other business contacts with respect.

In 1995, the Government adopted the seven principles of public life as drafted by Lord Nolan. These seven principles of public life apply to anyone who works as a public office-holder and are also embraced by 'AWICS' as appropriate as an ethical management consultancy. They are:

- Selflessness.
- Integrity.
- Objectivity.
- Accountability.
- Openness.
- Honesty.
- Leadership.

'AWICS' is pleased to support clients in achieving good governance.

Focus on Customers and Outcomes

The 'AWICS' business philosophy is based on a focus on customers and outcomes. We look to develop and maintain long-term relationships with customers that add real value to the customer's business as well as to ours. Our focus when working with a client is on helping them to achieve their own objectives and outcomes for their own customers. Our own resources are organised in an efficient and effective way to support this.

As Management Consultants, we often support clients with Business Planning. Business Plans are important as a way of identifying strategic objectives that are focused on customers and outcomes; and then organising all the resources of the organisation to achieve them. Whether our role is in facilitating the identification of strategic objectives or preparing detailed financial projections we are pleased to assist the process of achieving excellent outcomes for customers.

'AWICS' is passionate about empowering people. That is why we are passionate about providing information through our newsletters, briefing papers and other elements of our information service. That is why we are passionate about providing training through our seminars, in-house training and webinars. That is why we are pleased to offer an independent tenants' and residents' advice service. We believe that if people – whether they are Councillors, Board Members, Managers, Accountants, Front Line Staff, Residents or whoever - are more informed and better trained they will take better decisions and provide better services.

Good Financial Management and Value for Money

The Chartered Institute of Finance & Accountancy has said that:

“Good financial management is the foundation of every good organisation,”

'AWICS' certainly agrees that good financial management is one of the foundations of a good organisation. Even with the best of intentions, an organisation will fall short of its potential if it has inadequate financial management.

Value for Money was defined by the Audit Commission as securing the optimum balance between the three Es:

- Economy – acquiring inputs of a good quality at a reasonable price.
- Efficiency – organising resources to achieve a high level of productivity.

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

- Effectiveness – achieving the tangible and intangible outcomes that are required for customers.

We are passionate about practising and promoting good financial management and Value for Money. We do this by providing management consulting advice and assistance and by empowering people through providing information and training. Good financial management involves prudence but it also involves ‘thinking outside the box’ and organising resources effectively to enable an organisation to achieve its objectives.

At ‘AWICS’ we also practice the principles of good financial management and value for money internally so that we can offer our clients the best value for money that is available today.

Further information about the AWICS approach to business is on our website at: <http://awics.co.uk/about>

Biographical details for AWICS Director, Adrian Waite, is available on our website at: <http://awics.co.uk/company-info-director-adrian-waite>

The Prospects for Adult Social Care

It is generally recognised that there is a crisis in adult social care. However, significant anxiety exists over whether the new minority government will be willing or able to act decisively on social care.

The party’s handling of the issue in its manifesto was criticised during the general election campaign. In particular, the specific manifesto proposals for a £100,000 capital floor on care costs, initially presented without a cap were proved to be unpopular leading to doubts about their implementation. Under the heading ‘A Long-term Plan for Elderly Care’ the manifesto stated that:

“Our system of care for the elderly is not working for the hundreds of thousands currently not getting the dignified and careful attention they deserve, nor for the people and organisations providing that care, nor is it sustainable for today’s younger people who will potentially one day face care costs themselves. It is not fair that the quality of care you receive and how much you pay for it depends in large part on where you live and whether you own your own home.

“Where others have failed to lead, we will act. We have already taken immediate action, putting £2 billion into the social care system and allowing councils to raise more money for care themselves from Council Tax. We are now proposing medium and long-term solutions to put elderly care in our country on a strong and stable footing.

“Under the current system, care costs deplete an individual’s assets, including in some cases the family home, down to £23,250 or even less. These costs can be catastrophic for those with modest or medium wealth. One purpose of long-term saving is to cover needs in old age; those who can should rightly contribute to their care from savings and accumulated wealth, rather than expecting current and future taxpayers to carry the cost on their behalf. Moreover, many older people have built considerable property assets due to rising property prices. Reconciling these competing pressures fairly and in a sustainable way has challenged many governments of the past. We intend to tackle this with three connected measures.

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

“First, we will align the future basis for means-testing for domiciliary care with that for residential care, so that people are looked after in the place that is best for them. This will mean that the value of the family home will be taken into account along with other assets and income, whether care is provided at home, or in a residential or nursing care home.

“Second, to ensure this is fair, we will introduce a single capital floor, set at £100,000, more than four times the current means test threshold. This will ensure that, no matter how large the cost of care turns out to be, people will always retain at least £100,000 of their savings and assets, including value in the family home.

“Third, we will extend the current freedom to defer payments for residential care to those receiving care at home, so no-one will have to sell their home in their lifetime to pay for care.

“We believe this powerful combination maximises protection for pensioner households with modest assets, often invested in the family home, while remaining affordable for taxpayers. We consider it more equitable, within and across the generations, than the proposals following the Dilnot Report, which mostly benefited a small number of wealthier people.

“An efficient elderly care system which provides dignity is not merely a function of money. So our forthcoming green paper will also address system-wide issues to improve the quality of care and reduce variation in practice. This will ensure the care system works better with the NHS to reduce unnecessary and unhealthy hospital stays and delayed transfers of care, and provide better quality assurance within the care sector. We will reduce loneliness and promote technological solutions to prolong independent living, and invest in dementia research. As the majority of care is informally provided, mainly by families, we will give workers a new statutory entitlement to carer’s leave, as enjoyed in other countries.

“Creating a sustainable elderly care system means making decisions about how the rising budget devoted to pensioners is spent, so we will target help where it is needed most. So we will look at Winter Fuel Payments, the largest benefit paid to pensioners, in this context. The benefit is paid regardless of need, giving money to wealthier pensioners when working people on lower incomes do not get similar support. So we will meanstest Winter Fuel Payments, focusing assistance on the least well-off pensioners, who are most at risk of fuel poverty. The money released will be transferred directly to health and social care, helping to provide dignity and care to the most vulnerable pensioners and reassurance to their families. We will maintain all other pensioner benefits, including free bus passes, eye tests, prescriptions and TV licences, for the duration of this parliament.”

Following the election, Richard Humphries, Assistant Director for Policy, at The King’s Fund, told the ‘Local Government Chronicle’ there is a possibility that the principle of a floor could remain on the table, as opposition parties are unlikely to argue against protecting assets worth four times more than the current means test level of £23,250. However, he also said that he would be ‘amazed’ if the introduction of property value in the means test for domiciliary care for the first time was maintained, saying that:

“I imagine this is dead and buried, but it does not alter the fact we need a rational debate about how we use property to pay for care... I am worried local authorities will be left holding the baby and central government will say, ‘You’ve had £2bn... get on with it’.”

In view of the outcome of the general election, the controversial nature of these proposals and the government's preoccupation with 'Brexit' there are fears that reforming adult social care will not be a high priority and may be 'shelved'. Adult Social Care reformers are hoping that the Queen's speech will contain a continued commitment to a green paper on the future of social care that would focus on points of cross party agreement, such as a cap on care costs.

However, a cap in isolation would take money out of the adult social care system at exactly the time that more resources are required and offers no benefit to the poorest people who have limited assets and require local authority-funded care.

Councillor Colin Noble (Conservative), Leader of Suffolk County Council and County Council Network spokesman for health and social care, told the 'Local Government Chronicle' that the government should now initiate a national conversation about how social care can be funded to meet increasing demand for support as the population ages. However, he considers that this should be quite separate from the integration of local health and social care systems and independently devising new ways of working in order to improve services. He said:

"I don't think radical reform is needed. It is about local healthcare systems being given the freedoms to find a solution through new ways of working together. That's not done by national legislation or big levers in Whitehall, that's done at the local level."

The Conservatives' proposals to end the triple-lock on pensions and to means test winter fuel payments are likely to be abandoned due to the election result and as a result of the negotiations with the Democratic Unionist Party.

The management and funding of Adult Social Care is a major challenge for central and local government and has an impact on other services including health and housing. The service has been described as being 'in crisis' and there is an urgent need to address and resolve all the issues that have been identified.

About Business Planning

What is a Business Plan?

A business plan has been defined as a formal statement of business goals, reasons they are attainable, and plans for reaching them. It may also contain background information about the organisation or team attempting to reach those goals. Business Plans are prepared by private sector and public sector organisations.

How to write a Business Plan?

As part of our management consultancy offer, AWICS has experience in assisting local authorities and other organisations with writing business plans.

Business Planning is focused on two key processes. First, the strategic analysis that is required to identify the objectives of the business plan and what is required to achieve those objectives and Second, a long-term financial plan to realise those objectives.

The key to writing an effective business plan is to carry out sufficient robust analysis to underpin the strategy and the financial plan. It is also important to stress test the financial model by carrying out sensitivity and risk analysis. There are a number of templates that can be used.

Business Plan Templates

There are various business plan templates available.

A generic business plan template would be based around:

- Setting the Mission and Objectives
- External analysis: Political, Economic, Social & Technological (PEST) analysis; Marketing analysis - Review of Customers and Competitors.
- Internal analysis: Strengths, Weaknesses, Opportunities & Threats (SWOT) analysis; Value for Money review.
- Preparing plans: Marketing Plan, Financial Plan, Asset Management Plan, Risk Management Plan, Performance Plan, Action Plan.

Marketing Plan

The Marketing Plan is a key part of the business plan. Marketing is more than just advertising. It requires a good understanding of the environment in which the business operates and a robust analysis of the market including potential and actual customers and competitors. This leads to decisions about the products and services that are to be offered and how they are to be provided. All this comes before thinking about advertising. This approach is as important in the public sector as it is in the private sector.

Business Cases

While preparing a business plan, various options will be considered. It will often be necessary to prepare a business case. For example, a housing business plan will often require preparing a business case for a new build scheme or regeneration scheme or even a merger. Similarly, a business plan for a fleet management service may require considering a business case for an in-house or external provision of maintenance services. AWICS has experience of providing assistance with business cases in many contexts.

Further Information about Business Plans

There is further information about Business Planning on our website at: <http://awics.co.uk/business-planning>

To discuss management advice and assistance and training that AWICS can provide in business planning, please contact Adrian Waite at Adrian.waite@awics.co.uk or 017683-51498.

Scottish Local Government Funding Settlement

The Scottish Local Government Funding Settlement was announced by Derek Mackay MSP, the Scottish Finance Secretary, in March 2017. It includes £10.426billion for local government in 2017/18.

The Scottish Government considers that the overall funding settlement and package of measures will enable local authorities to maintain, and increase, the pace of reform needed to improve the vital services on which the people of Scotland depend and value.

The 2017/18 funding package consists of:

- The local government finance settlement, including an additional £160million announced in February 2017 and £120million directly to support schools to close the attainment gap

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

- Other sources of support available through the actual and discretionary increases in council tax income; and
- Support through Integration Authorities for Health and Social Care.

Together this package of funding provides local government with an overall potential increase in support for local services of over £400 million or 3.9%.

Local authorities have finalised their budgets, and as 11 councils chose not to increase their council tax levels by the maximum allowable (3%) the overall additional support for services in 2017/18 will amount to £383 million or 3.7%.

Derek Mackay said that:

“My priority has been to deliver a financial settlement that councils can accept in order that we can pursue shared priorities which will improve outcomes for local people. This settlement supports the delivery of education in our schools and efforts to close the attainment gap, it supports local investment in roads and improving our infrastructure, backs community services and helps support social care services.

“Alongside additional funding for health and social care integration, including payment of the living wage, this Government has given local authorities a fair deal by providing a potential increase in services of more than £400 million.

“I welcome the acceptance of Scotland’s local authorities to this financial settlement, which is firmly focused on our joint priorities to deliver sustainable economic growth, protect front-line services such as education and social care, and continued support the most vulnerable in our society.”

The Councils with the largest increases in funding are: North Ayrshire (9.6%), Dundee (6.3%), East Lothian (5.3%), Perth & Kinross (5.1%) and Stirling (5.1%).

Local Government Reform in Wales

The Welsh Government considers that Local Government Reform is essential if local authorities are to be financially resilient and able to maintain and improve the quality of services during this period of austerity. They consider that this is important because Local Government plays a vitally important part in the lives of every person in Wales. Councils provide the services which educate children, look after the elderly, dispose of waste and light streets.

Challenges remain in local government and the Welsh Government considers that there is more to be done to achieve greater consistency and excellence, whilst at the same time there continues to be less money for public services.

The purpose of local government reform is to build resilience and to support renewal in local government so that local authorities are more representative, prudent, efficient, effective, resilient and integrated.

Mark Drakeford, the Cabinet Secretary for Finance and Local Government has met with all local authority Leaders and Chief Executives, also the Welsh Local Government Association and other stakeholders, to invite their views on the challenges faced and how they can be addressed. Following these discussions, the Cabinet Secretary made an oral statement in plenary in October 2016 setting out the broad proposals for the new approach based on enhanced levels of systematic and mandatory regional working.

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

The wider reform proposals set out in the previous Draft Local Government Bill are being progressed, subject to further discussion and development working with local authorities:

- The retention of the existing 22 local authorities, subject to any voluntary mergers, to act as the democratic tier to which councillors are elected and the 'front-door' for people to access services.
- Renewed scope for voluntary mergers enabled by Welsh Government support.
- Enhanced systematic and mandatory regional working. Systematic means functions would be organised on a consistent footprint and done at that level.
- The possibility that there might need to be more than one systematic footprint. In particular, one based around the City Regions covering strategic transport, land-use planning and economic development; and the other, probably the Health Board footprint, for areas like social services, education and public protection.

There are six themes to the reforms around building resilience and supporting renewal in local government so that it is:

- **Representative:** It is the role of councillors to support people's understanding and engagement in decision-making; shape the places they live in and enable people to do so also; and help people to determine local priorities. Encourage participation and greater diversity.
- **Efficient:** Remove duplication, simplify activity, and secure economies of scale. Use digital to enable efficiency and targeting of services.
- **Effective:** Be ambitious and focus on improving performance and outcomes for people. Transform and refocus services to provide better outcomes. Provide flexibility for local priorities to be determined. Take a preventative approach. Effectively balance current and future needs.
- **Prudent:** recognise the assets and skills in communities, not just focus on deficits. Take a co-production approach. Enable people to manage on their own and bring down the levels of intervention in people's lives. Welcome challenge and own the responsibility for improvement.
- **Resilient:** Finances are on a sound footing. Able to access the expertise, capability and capacity needed to deliver. Provide stability and long-term planning.
- **Integrated:** Work as part of one public service across services and boundaries. Value the contribution of all partners. Be a broker, not just a commissioner or deliverer.

The finance system for local government will need to change to support the reforms that the Welsh Government are considering to make councils more sustainable and self-sufficient. Previous Welsh Government consultations on reforming the finance system have identified broad support for a phased approach.

The Welsh Government are engaging with local authorities and other stakeholders to identify a viable way forward by early 2017. They will narrow down what the footprint for regional working would look like, the functions to be delivered through regional working and the related governance and accountability arrangements. They will also consider how the local government funding system should be aligned to support the change programme.

Globalisation and Empowering Citizens

The Organisation for Economic Co-operation and Development has concluded that governments should move towards a more 'empowering' role to combat the negative by-products of globalisation, and that urgent action is needed to address the backlash against the international, outward-facing economic model that has left many around the world behind in a pursuit for growth and prosperity.

The Organisation for Economic Co-operation and Development provides a forum in which governments can work together to share experiences and seek solutions to common problems. They work with governments to understand what drives economic, social and environmental change. They measure productivity and global flows of trade and investment. They analyse and compare data to predict future trends. They set international standards on a wide range of things, from agriculture and tax to the safety of chemicals. The mission of the Organisation for Economic Co-operation and Development is to promote policies that will improve the economic and social well-being of people around the world.

The report highlighted several measures that could be taken to tackle this in a paper that was published in June 2017 ahead of a meeting of key ministers from across Organisation for Economic Co-operation and Development countries. These included a shift towards a state that 'serves its citizens by empowering them' and that 'Social protection systems must become social enabling systems'.

The Organisation for Economic Co-operation and Development stressed the importance of high quality and universal health and education services. This should include increased attention on early childhood, opportunities to learn socio-economic skills in school and better support for disadvantaged students.

Social protection and training and work support should be designed in conjunction to maximise individuals' chances of re-employment and minimise disincentives to work. The 'traditional approach', where temporary support, education, training and incentives for those out of work to look for a new job, appears to have not, in practice, been sufficient', it said, adding that both benefits and tax systems have tended to get less progressive.

It suggested that entitlements should be linked to individuals rather than to jobs, called for locally tailored skills policies and emphasised the need to ensure access to life-long learning to help people to learn new skills when theirs become insufficient or outdated.

More radical approaches could include the introduction of a universal basic income; which is less prone to leaving gaps in coverage and could reduce the need for complex administration. However, a major disadvantage of a universal basic income is its high costs and the risk of leaving some vulnerable groups at risk of poverty.

The Organisation for Economic Co-operation and Development concluded that another tool that national governments could use to deliver inclusive growth is the tax system, if its progressivity is restored. One way to do this would be to shift the tax burden away from labour. Others include better gender policies and efforts to improve the integration of immigrants.

Sub-national governments should also have a role to play, especially in light of the fact that discontent is unevenly distributed geographically and can be particularly concentrated in certain areas.

Regional policies should focus on building on a place's advantages and reducing its dependency on other successful regions, improving how cities function and are linked to surrounding areas and encouraging better governance based on cooperation within and across levels of government and different sectors.

Management Consulting for Trade Unions

AWICS offers management consulting for trade unions.

Trade unions often find themselves in discussions or negotiations with employers where financial issues are important. For example, management will argue that changes to staffing levels or conditions of employment are required for financial reasons; or that externalisation of services would result in financial advantages. In these cases, it is important that the trade union can mount a robust challenge to the business case. However, this can be difficult without the support of a management consultant with business and financial expertise.

Adrian Waite has had experience in management / staff negotiations in local government and in housing associations both as part of the management team and as part of the trade union team. He is therefore well placed to provide this assistance.

Examples of assistance that AWICS has provided follow:

Fleet Management

A local authority reviewed its fleet management arrangements and proposed that the vehicle maintenance service should be externalised. The trade unions involved commissioned AWICS to assist. We reviewed the Council's business case for the externalisation and identified that it had significant weaknesses. We also prepared an outline business plan for the in-house vehicle maintenance unit that demonstrated that it was financially viable (with some changes) and had the capacity to expand. The trade unions used the AWICS report to argue that the in-house vehicle maintenance unit should be retained and expanded. As a result, the Council abandoned its externalisation proposals for fleet management and reviewed its entire approach to in-house and external provision.

Adult Social Care

A trade union made a significant claim for minimum wages and holiday pay against a private provider of adult social care. The provider argued that they would not be able to afford to settle the claim for cash flow reasons. The trade union commissioned AWICS to analyse the company's accounts and to advise on whether the company could afford to pay. AWICS established the company's financial position and demonstrated that it could afford to meet the claim. The union's full-time official commented that our report was:

"Very much appreciated and by the way I've used extracts from your report and they are flumuxed as to how we have - you - found out their operations."

Among our trade union clients are UNISON and UNITE.

For more information about Management Consulting for Trade Unions - please click here: <http://awics.co.uk/management-consulting-for-trade-unions>

To discuss the assistance that we can provide trade-unions please contact Adrian Waite at adrian.waite@awics.co.uk or 017683-51498.

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

AWICS Website

We have recently updated our website including the following new and revised pages:
Home Page – Welcome to AWICS, Our Products and Services: <http://awics.co.uk/>
International Services: <http://awics.co.uk/international>
In-House Training Opportunities: <http://awics.co.uk/inhousecourses>
Management Consulting – Local Government: <http://awics.co.uk/localauthorities2>
Management Consulting – Other organisations: <http://awics.co.uk/othermanagementconsultancy-services>
Local Government Association Peer Reviews: <http://awics.co.uk/local-government-association-peer-reviews>
AWICS Information Service: <http://awics.co.uk/aboutus>

AWICS Survey

We would be grateful if you could take part in our survey of our clients, website users, newsletter readers or others with an interest in local government or housing. If you would like to please visit <http://form.jotform.me/form/50612526489459>

Editorial Note

The Public Services News is published by AWICS Limited. This edition was edited by Adrian Waite. Articles are written by Adrian Waite unless otherwise stated. However, the views expressed are not necessarily those of Adrian Waite or AWICS unless expressly stated.

AWICS Seminars:

Our next seminars are as follows:

- All You Want to Know about Service Charges in Social Housing.
- All You Want to Know about Housing Association Finance.
- All You Want to Know about Service Charges in Social Housing in Wales.
- All You Want to Know about Local Authority Housing Finance.

Information about all our seminars can be found at: <http://awics.co.uk/seminars2017>

ADVERTISEMENT

InfoBaseCymru

Data for an intelligent Wales

Do you need to find data about Wales? Do you get confused with all the different sources of data out there?

InfoBaseCymru brings together statistics for Wales in an easy to use data website for you!

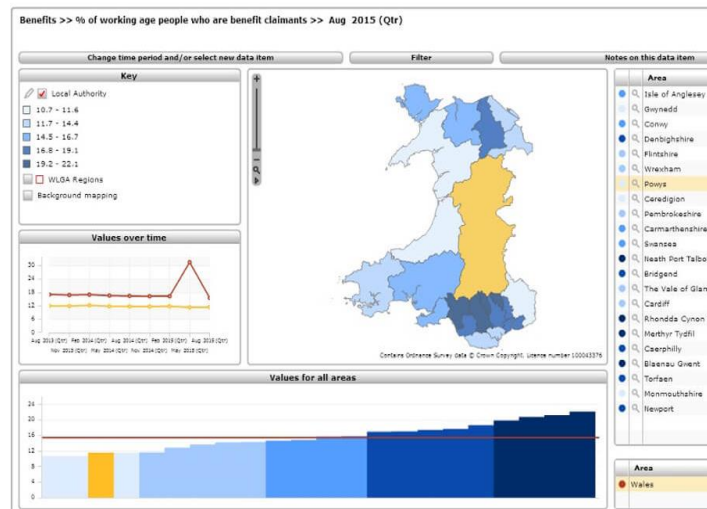
InfoBaseCymru




- is a freely available, national information system displaying publically available data about Wales from local authority level to a local area (lower super output area) level
- provides easy access to a wide range of data for Wales. The data covers a range of themes including: people; employment; business; education; health; housing; environment; transport; and community safety
- presents data in reports, tables and maps which are all easy to export

Extremely useful for providing the data you need for profiling your area, to underpin evidence based policy decisions and for funding bids.

Please contact us and we will do our best to help you find the data you are looking for.

InfoBaseCymru is accessed via the internet for public use, we can provide restricted shared access to specific data sets where necessary.



 www.infobasecymru.net
 InfoBaseCymru@dataunitwales.gov.uk
 @DataUnitWales

IF YOU WOULD LIKE TO PLACE AN ADVERTISEMENT IN THE PUBLIC SERVICES NEWS PLEASE CONTACT Adrian.waite@awics.co.uk

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.

About 'AWICS'

'AWICS' is a management consultancy and training company. We specialise in providing support in finance and management to clients in local government and housing in England, Scotland and Wales. We are well known for our ability to analyse and explain complex financial and management issues clearly.

Our mission statement is 'Independence, Integrity, Value'. We therefore provide support to clients from an independent standpoint that is designed to help the client to achieve their objectives. We are passionate about working with the utmost integrity. We believe that we offer the best value for money that is available today!

For more information about our services and us please visit our website at www.awics.co.uk or contact Adrian Waite at Adrian.waite@awics.co.uk. Services that we offer include:

- Management Consultancy – <http://www.awics.co.uk/ManagementConsultancy.asp>
- Interim Management – <http://www.awics.co.uk/interimmanagement.asp>
- Regional Seminars - <http://www.awics.co.uk/seminars2017.asp>
- In-House Training - <http://www.awics.co.uk/inHouseCourses.asp>
- Webinars - <http://www.awics.co.uk/webinars.asp>
- Independent Residents' Advice – <http://www.awics.co.uk/IndependentTenantAdvice.asp>
- Technical Books - <http://www.awics.co.uk/publications.asp>
- Information Service - <http://www.awics.co.uk/aboutUs.asp>

**AWICS Ltd., PO Box 17, Appleby in Westmorland, Cumbria. CA16 6YL. Tel: 017683-51498.
Mobile: 07502-142658. Twitter @AdrianWaite. E-Mail: adrian.waite@awics.co.uk. Web: www.awics.co.uk**

Managing Director: Adrian Waite MA CPFA CIHM FInstLM. Registered office: c/o Butterworths Solicitors, 3 Walker Terrace, Gateshead, Tyne & Wear, NE8 1EB. Company Number: 3713554. VAT Registration Number: 721 9669 13.