

Future Delivery of Public Services

Introduction

The Scottish Government established the Commission on the Future Delivery of Public Services, chaired by Campbell Christie, former General Secretary of the STUC. The commission had a broad remit to look at the long term pattern of public service delivery in Scotland.

The report's key conclusions are that Scotland's public services require comprehensive reform by empowering communities, integrating service provision, preventing negative social outcomes and becoming more efficient.

This briefing summarises the key points in the report and UNISON Scotland's initial response.

Challenges

The report starkly sets out the financial challenges facing Scotland's public services. Firstly, as a consequence of the ConDem UK cuts, spending will fall by over 11% in real terms by 2015. Spending levels are unlikely to return to 2010 levels for 16 years, taking £36bn out of Scottish budgets. Secondly, the demand for services will rise due to the economic downturn and a growing elderly population, estimated as another £27bn. For local government alone a £3.5bn spending gap will develop by 2016, half of this driven by demand growth.

Equally important is growing inequality between the top and the bottom 20% in outcomes such as income, employment and health. The consequences of disadvantage impose financial costs on public services, estimated at 40%+ of local public service spending. UK welfare reforms will drive up devolved costs even further.

The report recognises the crucial contribution public services make to the Scottish economy and tackles the myth that public services are a drag on economic progress. Nearly a third of the Scottish budget goes in procurement to the private and third sectors and public services play a key role in improving the business environment.

The Case for Reform

The report analyses how Scotland's public services are placed to respond to these challenges. It identifies problems including fragmented authority and operational duplication, coupled with a top down approach that designs services for individuals rather than with them. Accountability and transparency is often unclear with services tackling short term symptoms rather than the underlying causes.

KEY POINTS:

- **The Commission sets out the principles of public service reform over the medium to long term.**
- **The financial and equality challenges facing public services are massive.**
- **The report recommends major reform by:**
 - Empowering communities
 - Integrating services
 - Tackling inequality
 - Improving efficiency
- **It sets out a criteria for assessing specific reforms**
- **UNISON broadly welcomes the report whilst recognising the challenges facing public services due to unnecessary cuts in public spending**



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Services built around people and communities

The report's recommended solutions start with positive approaches that allow services and communities to work together to decide what needs to be done making best use of all the resources available - taking a long term, preventative approach. Staff should be empowered by leaders to actively seek innovative solutions with a 'can-do' attitude.

Several case studies illustrate positive approaches in action. These include personalising services to individuals, including personal control of a budget (self-directed support), although the report states that other options must remain available and it is not appropriate for all care services.

Building services around communities is a key feature of the report, defining 'community' as place based and interest based. Again, positive approaches are illustrated through case studies that support the view that more sustainable outcomes are achieved for users and staff. Communities need to be empowered and incentivised to develop these approaches, including through legislation.

The section on workforce recognises the key role of all staff in the transformation of public service delivery. This should be built on a strengthened public service ethos based on enabling and empowering the lives of people and communities. This should be a core competency for all staff delivering public services. Staff engagement should lead to staff doing work that is understandable, manageable and meaningful. Bottom up systems thinking is an approach highlighted in the report, illustrated with a case study that highlights the dangers in splitting front and back office delivery.

Working together

The second key solution is that public service organisations work together effectively to achieve outcomes. Outcome-based approaches have been hampered by different accountability frameworks, statutory duties, performance management, different funding arrangements and short term objectives.

The report recommends a new approach that requires and incentivises organisations to deliver an integrated pattern of service provision for an area. This involves agreed common local outcomes at the community planning partnership level and in each locality. These outcomes will be influenced by national outcomes, but developed locally with people and communities. To ensure this happens there should be common powers and duties on all organisations, plus budgetary flexibility and sharing to reflect the totality of spending in an area (Total Place approach).

National policy direction needs to reflect this new approach dealing with the tensions between national targets and local outcomes that have constrained this approach at present. The overall aim is that all public service organisations operating in a local authority area should view themselves as part of a common framework for public services, developing a common identity and branding e.g. 'Public Services South Lanarkshire'. These organisations will then be judged on how they contribute to achieving the common outcomes for the area.

Promoting Equality

The next solution in the report is that public services should prioritise prevention, reduce inequalities and promote equality. The key to this is adopting preventative approaches like early interventions that prevents the negative outcomes and take demand out of the system over the longer term. Inequality is the biggest barrier to the aspiration that public services act as a force for social justice and human rights.

The approaches include the reforms set out above including pooling budgets and shifting spending from 'reactive' expenditure. The new powers and duties should include a specific presumption in favour of prioritising preventative action and reducing inequalities. Public services should also be targeted on the needs of deprived communities using highly localised data, bringing together all resources.

Other specific actions include interventions that enhance employability. The report highlights different policy approaches between the reserved and devolved services in this field and recommends the devolution of job search and employment support services to achieve integration.

Promoting equality is also about tackling discrimination and that includes taking seriously the public sector equality duty to address equality gaps in Scotland.

Improving performance and reducing cost

The last key objective requires that all public services seek to improve performance and reduce costs, and are open, transparent and accountable.

This is to be achieved through greater transparency surrounding budget decisions, showing how money is spent to achieve better outcomes. Plus better comparable data and wider use of benchmarking. Oversight should be strengthened by giving Audit Scotland a stronger and more proactive role. This includes certifying information, initiating reviews and identifying opportunities for improvement including changes to organisational structures and boundaries. The government should also replicate the OBR's independent fiscal sustainability analysis, publishing annual statistics.

Procurement should be rebalanced from cost efficiency towards effectiveness and outcomes. The same standards of transparency should be expected from all providers and competitive neutrality should apply when competition takes place. There is support for the STUC/SCVO statement on fair funding and 5 year contracts.

The report examines the reasons for the slow development of shared services and the difficulty in verifying success with a balanced range of views. Specific examples like 'myjobscotland' recruitment portal are promoted.

Organisational structures can be improved although the report makes no specific recommendations. Whilst Scotland has a complexity of organisations at a local level, it also has the lowest number of councils for its population of any European country. Government is encouraged to develop the 'single public authority' model and a rolling programme of bottom up reviews to improve performance and reduce costs.

Reform Programme

The final chapter calls for an urgent, sustained and coherent programme to reform Scotland's public services, summarising the key reform objectives set out above. It does not make recommendations on current reform initiatives including police, fire and care integration. Instead the report says that proposals for reform must be assessed against a criteria including; achievement of outcomes, affordability, democratic accountability, built around communities, locally integrated and empowering front-line staff.

UNISON Scotland initial response

UNISON's approach to public service reform is based on public service principles of democratic accountability, fairness, investment, excellence and partnership. We recognise the importance of developing this approach in light of the new challenges facing Scotland's public services. Our approach has always put the service user at the heart of delivery as a partner not simply a consumer of services.

The challenges set out in the report reflect our own analysis of the impact of the Con-Dem cuts and future demands. We welcome the recognition that public service reform is part of the solution, but it is not a panacea to cuts in spending. The emphasis on the importance of tackling inequality is very welcome. Not just because of the cost, but because we know from international evidence that more equal societies do better on all counts.

The report emphasises engagement with people and communities in the delivery of services and again this is approach chimes with our evidence. However, we should recognise the limitations of this approach to particular services and the willingness and capacity of people and communities to participate. As the report recognises this approach is not a replacement for mainstream services. We also need to avoid undue fragmentation of service delivery that will weaken service integration. Taxpayer funding also demands effective governance.

Service integration is probably the biggest idea in the report and we welcome the recognition that this should be developed around democratically elected councils with greater community engagement. It will be challenging to achieve the degree of integration envisaged in the report and the tensions between national and local priorities will remain.

We welcome the emphasis on workforce development and enabling staff to develop bottom up solutions to better service delivery with users. This was central to our approach and should be heard clearly by those public service organisations promoting top down solutions without engaging with staff.

UNISON has always recognised that public services should be effective and efficient and that was reflected in our evidence. Greater transparency and information is welcome, particularly as it includes all providers of services, including those who seek to hide behind commercial confidentiality. Long term funding and budgeting is also welcome. A strengthened role for Audit Scotland will need to be carefully defined if it is not to conflict with democratic accountability and the organisation will need to strengthen its expertise outside finance.

The criteria for reform are broadly welcomed. In particular, it will be challenging for those who favour greater centralisation of public services. Importantly, the report retains Scotland's partnership approach to public services in contrast to the marketisation of services in England.

Further information

The report and key messages document can be viewed at:

<http://www.scotland.gov.uk/About/publicservicescommission/>

UNISON Scotland evidence

<http://www.unison-scotland.org.uk/response/UNISONChristieFeb11.pdf>

UNISON Scotland public service reform briefing

[http://www.unison-scotland.org.uk/briefings/244\(243\)Public%20ServiceReformJan2011.pdf](http://www.unison-scotland.org.uk/briefings/244(243)Public%20ServiceReformJan2011.pdf)



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