Bridging the gap: can demand management, behaviour change and co-production improve outcomes and reduce costs in public services?

Lecture delivered at the University of Illinois at Chicago
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Context

This paper focuses on public services in England. Within the UK, Wales, Scotland and Northern Ireland all have some form of devolved government and the approaches taken to public service reform and bridging the financial gap vary widely between the different areas. It is ironic that while ‘decentralisation is widely lauded as a key component of good governance and development’ (White, 2011), England, not exactly a volatile state, has the most centralised form of government in Western Europe. English public services, their history, finances, scale and scope and the degree of local or national political control are Byzantine in their complexity. Here are some key points to remember.

English local government is a patchwork both in terms of territory covered and functions. It includes some ‘two-tier’ areas, which is a misnomer as county councils are not ‘superior’ to the districts and borough councils within their county area – they just do different jobs, see Figure 1, below. For example, the districts collect household rubbish and the counties dispose of it, counties provide social care and districts provide social housing. The remainder of the country is made up of different types of unitary councils which provide the full range of local authority services such as social care for adults, including the elderly and disabled, and children, libraries and leisure and cultural services. Unitary councils vary enormously in size between a ‘Metropolitan’ council like Birmingham with a population of over 1 million, which is possibly too big and Rutland, which has about 30,000 people and is definitely too small.

In some areas, usually the more rural areas, there is another type of council at a more local area. Parish councils serve smaller communities and may provide a limited range of services. They often function as a means through which local people can engage with issues decided by unitary, district or county councils.
Figure 1: Roles and responsibilities of different types of English local government

Political leadership is provided through a number of mechanisms. Some areas have opted for elected mayors but most local authorities have an executive made up of a Leader and Cabinet of about 8 councillors (Wilson and Game, 2006) The Cabinet takes the day to day decisions about the council’s policies. Leaders are elected by the council (usually the Leader of the group with a majority if there is one) and the Cabinet members are usually appointed by the Leader.

Backbench councillors’ roles are more limited. They scrutinise the work of the Cabinet, take regulatory decisions through committees, and meet with the executive members as a full council where the overall policy and budget of the council is decided. All councillors also work with their own communities – often dealing with failure demand. Effectiveness in both those roles varies enormously. District councils usually have about 40 members, large unitaries, such as Cornwall and Birmingham City Council have over 100. This means there are often a lot of elected councillors (sometimes referred to as members) without a whole lot to do.
Funding is similarly complex – made up of Council Tax, a regressive property tax based on valuations made 22 years ago; income from fees, charges and trading; a share of nationally pooled business rates and various grants from central government. The element which comes from central government has been reduced by about 35% over the last three years. Councils cannot raise their Council Tax more than 2% without a referendum, which they have to pay for, so they have little room to manoeuvre. Many commentators predicted riots as result of these cuts but local authorities have become increasingly lean and effective and, as a consequence, public satisfaction with local authority services has held up remarkably well.

Figure 2: Local government income sources
The National Health Service (NHS) is funded nationally. It is divided into two broad parts. The first is primary care, delivered by doctors who are general practitioners and who are independent contractors. The second is and secondary or hospital services. Historically, most of the funding has been with the hospitals which are paid for the activity they undertake, not outcomes. Funding decisions are made nationally and implemented locally by hospital trust boards, apart from commissioning decisions which are devolved to consortia of local general practitioners. These consortia then commission services from the NHS hospitals or other providers, in consultation with local councils, the community and other partners. NHS services are free at the point of delivery and are almost always allocated according to clinical need. They are generally excellent, although there have been some recent, notable, service failures. Social care is run by councils and is means tested, so people must be very poor to qualify for a service otherwise they must pay all or part of the costs themselves. Cost pressures are being felt in all parts of the health and social care system (The Kings Fund 2013). Meanwhile, welfare benefits to the very poorest have been cut by central government, placing ever greater burdens on local authorities to respond to the fall-out, whether it is family breakdown or homelessness (Kober, The Guardian Wednesday 23rd October 2013).

Other services like the police and fire are funded through precepts which are part of the council tax and through some central government grants. They are sometimes coterminous with a county area and at other times operate at a bigger scale. Elected Police and Crime Commissioners are accountable to the public for the strategic side
of policing and they have a role in holding the police to account and setting the police budget. The policies which have most impact on health, police and fire services tend to be generated by central government but their main partners are local government. This creates a number of problems with collaboration and partnership working. It is to the credit of many leaders of local services and their staff that they do manage to make sense at a local level of those things which central government has failed to join up at a national level.

Navigating in a ‘perfect storm’

Councils in England are navigating within a ‘perfect storm’ of reducing funding and increasing demands from demographic change, public expectations and the rising cost of delivering services. A complex series of changes to the design and delivery of UK public services has been taking place over the past decade. Expectations of user choice or personalisation in some of the most expensive services have risen. There is a continuous tension between central and local government, as local councils and their partners respond to central government’s cuts in funding for public services as well as pressures on their own income created by demographic and economic pressures. Each of these changes brings new challenges to the traditional public service framework. One key factor underpins all of them: they require fundamental changes in the expectations of individuals, communities and service providers to make the most of diminishing resources and to secure the best possible public well-being.

The national Coalition Government, which came into power in May 2010, has pursued a determined neo-liberalist policy of cutting spending on public services and councils have been particularly badly hit (Grimshaw and Rubery, 2011). Cuts are likely to continue at least until 2017 and very possibly beyond. We know from the many detailed financial projections undertaken by English local authorities since the current period of austerity began in 2010/11, that there is an ever widening gap between demand for services and revenues, for example, Birmingham City Council’s ‘Jaws of Doom’, which will have some resonance in Chicago.

![The 'Jaws of Doom' - similar pressures, similar analysis, different causes](image)

Figure 3: The Jaws of Doom
A new model of public services

INLOGOV is working with a number of local authorities to explore the opportunities, as well as the threats posed by the current financial situation. We have posed the question ‘do we need a new model of public services?’ We suggest that a number of complex change processes are operating within public services simultaneously and that it is not possible to make sense of this complexity unless it is viewed as a whole picture.

Figure 4: INLOGOV’s ‘New Model’

INLOGOV’s ‘new model’ is a work in progress. It is being developed and refined with the help of our network of academics and practitioners. Currently, six chapters of our book (Staite et al, 2013) on the new model are available for download from our website (www.inlogov.bham.ac.uk).

This paper explores three aspects of the model; demand management, including reduction in failure demand and changing the behaviour which drives demand and using co-production to reduce dependency and improve outcomes (Staite et al, 2013). None of these approaches can be viewed or implemented in isolation. Together they may be able to help to bridge the gap between demand and resources.

Demand management

The ‘management of demand’ is a complex concept. It encompasses the drivers of demand- such as an ageing population, the need to increase demand for preventative services, the expectations of citizens of public services (RSA 2009) and how those expectations drive the behaviour of citizens and service users.
Relationships and transactions within public services do not operate in a vacuum. In order to be understood they must be explored in the context of changes in wider society. Changes include the paradigm shift, observed by several authors including (Aldridge and Stoker, 2002; Besley and Ghatak, 2003; and Brereton and Temple, 1999), from the paternalistic, government ‘knows best’ tradition of bureaucracy, held responsible by some for service failures and inefficiencies (Koumenta, 2009), to a consumerist view of the public, who can exercise choice about the services they use and who have a voice which can influence the design and development of services. The 1999 White Paper ‘Modernising Government’ illustrates the prevailing view of government as the responsive provider of excellent customer services (Cabinet Office, 1999).

Changing expectations about choice and personalisation, (RSA 2010) about access, including web-based self-service transactions and the move from 9 – 5 to 24/7, have all driven change in public services. However, these rising expectations, of ‘more’ and ‘better’ which helped to shape the transition from paternalism to consumerism, are now at odds with a climate of austerity. We may be moving into a ‘third era’ which is characterised by reduced expectations of public services and the need for an increased contribution from individuals and communities towards their own outcomes.

**Improving systems to reduce failure demand**

Demand is not only driven by the needs or actions of citizens requiring or requesting services from the state, it is also driven by the failure of services to meet those requirements and requests in an appropriate, timely and efficient way. ‘Failure demand’ absorbs resources and increases costs. In recent years there has been a great deal of interest in the application of systems thinking to reduce failure demand.

Systems thinking has its roots in manufacturing (Deming 1982) but has also been usefully applied in the public sector. It enables us to begin to understand how organisations and groups of organisations operate as systems and to see how decisions made and actions taken in one part of the system impact on others. By mapping the user journey through the system it is often possible to identify where failure in one part of the system results in problems becoming more serious and therefore more expensive, elsewhere in the system, creating poorer outcomes for the user and greater costs for the system. Figure 7, below, demonstrates how addressing that system failure can improve outcomes.

The introduction of more ‘commercial’ thinking into the public sector in the 1990’s created a legacy of systems, ways of working and management styles which aimed to meet need as cheaply and efficiently as possible, for example, by creating a standardised menu of transactions which are then delivered through a call centre or website. The disadvantages of these approaches are that they often takes no account of the differences in need and capacity between individuals, give staff very little autonomy to use their judgement to meet needs and resolve problems quickly
and often act as a barrier not only between users of services and professional expertise but also between the different professionals who may all be working to support the same person but whose work is governed by separate, silo-based systems. This creates waste through duplication of effort, re-working and multiple ‘outcome free’ interventions. Meanwhile a problem which could have been solved by a low cost intervention or by effective inter-agency collaboration (Agranoff and McGuire 2003) will now require a much more expensive response. (Seddon 2009).

Short term responses to increasing financial pressure have also driven failure demand. Many local authorities have raised their eligibility levels for services to try and reduce demand and balance their books. However, not only does this often result in an escalation of need within one service, it will also have a knock-on effect in other services. One obvious example of this phenomenon in the UK is the care of the elderly. Because social housing, social care and health services are fragmented, an older person’s health and well-being may deteriorate through self-neglect and social isolation. As a result, they may fall and injure themselves or suffer from an untreated infection and be admitted to hospital in an emergency. UK hospital Accident and Emergency departments are struggling to cope with rising demand which originates, in part, in the lack of the right service at the right time in the community. It is only by looking at the whole system and in this case, the elderly person as a whole person, that we can begin to identify the actions and interventions which will reduce ‘failure demand’.

Systems solutions range from collaboration between services and professionals in multi-agency teams to mechanisms like integrated ‘commissioning’ i.e. collective needs assessment across a range of services, like housing, social care and health, to a switch to digital services, for example, telehealth and telecare, not as a substitute for face to face care but as an adjunct to it.

Local authorities and their partners are increasingly applying systems thinking to allocate the right resources and expertise to the right part of the system, to give early help or to focus on re-ablement to reduce dependency. For example, Buckinghamshire’s ‘Prevention Matters’ early intervention and prevention programme aims to reduce demand for adult social care by 25% by 2015. In Bath and North Somerset, the focus is on ensuring people have warm homes, thereby reducing the costs to local health services, resulting from health problems caused by cold homes, of £3.8m each year.

Collaboration between agencies and professionals has become increasingly commonplace and is thought to be particularly important when taking whole systems approaches to complex or intractable social issues (Kickert, et al 1997), which cut across a number of agencies, sectors and professionals (Sullivan and Skelcher, 2002). Notable service failures have demonstrated that professionals cannot provide a coherent service, for example, for adults or children with complex needs, unless they are willing to pool their expertise in a common cause and share information (McInnes, 2007: Atkinson et al, 2007). However, the benefits of collaboration are not always easy to measure (Sullivan et al, 2013).
The focus of much of central government’s policies have been on structural and systemic approaches to enabling collaboration, for example, creating new organisations or developing new paperwork. However, it is important to note that the history of public service reforms is littered with wrecks of structural and systems solutions, often ideologically driven, including a re-organisation of the NHS every two years for the past twenty years, billions invested in computer systems which never worked such as the latest NHS failed IT project, which has wasted £10bn (The Guardian 17th September 2013) and the combining and outsourcing of services, which have not always delivered the benefits which were promised by their private sector providers. Not many of these structural or systems changes have enabled better collaboration in support of a reduction in failure demand. One important reason for this is failure to pay enough attention to what is driving the behaviour of professionals – what Torfing (2009) describes as the ‘regulative, normative and ideational features of institutionalised paths’ and to the values, beliefs and perceptions of citizens.

Changing the behaviour which drives demand

- Changing the behaviour of citizens

‘Behaviour change’ has been identified by policy makers, sometimes driven more by ideological belief than evidence, (Davies et al, 2000) as a cure-all for the widening gap between the demand for services and the resources to pay for them (Woodfield, 2012). There has been a significant level of consensus among policymakers (Defra 2008; Cabinet Office 2009, 2010, 2011; NICE 2011, and academics (Thaler and Sunstein 2008; Dolan et al. 2009) that a major objective of public policy is to change behaviour in order to achieve desired outcomes, particularly to reduce demand for public services. Politicians are increasingly attempting to discourage behaviour that creates user dependency and leads to increased demand and encourage behaviour which improves and maintains health and wellbeing, thereby leading to reduced demands on public services. Behaviour change is increasingly regarded as an essential component of any response to the current policy challenge of rising demand and reducing resources. The focus of behaviour change initiatives have tended to be on public health and environmental issues (De Young, 1999) and include reducing smoking, excessive alcohol consumption and unsafe sex as well as increasing recycling and reducing energy consumption.

Two key concepts underpin much of the discourse on behaviour change: libertarian paternalism (Jones et al, 2011) and choice architecture (Jones, 2001). Various approaches to altering the behaviour of citizens, which draw on libertarian paternalism and behavioural economics, have been outlined by a number of writers, including ‘Nudge’ (Thaler and Sustein) ‘Think’ (John et al) and MINDSPACE (Dolan et al) and a number have been tested, including the Volkswagen Fun Theory piano staircase (Thefuntheory.com, Volkswagen 2009). Proponents of these approaches argue that it is desirable for government to act as a ‘choice architect’ and make it is easier for people to make the ‘best’ decision.
Policymakers and legislators have several tools which they can use to do this, and these are commonly presented as a ‘spectrum’ or a ‘ladder’ of interventions that range from ‘hard’ levers, such as legislation and regulation, to ‘softer’ and less coercive techniques such as offering incentives, providing information and using sophisticated communications approaches.

<table>
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<th>Eliminate choice</th>
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<td>Restrict choice</td>
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<td>Guide choice by disincentives</td>
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<td>Guide choice by changing the default policy</td>
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<td>Enable choice</td>
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<td>Provide information</td>
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<td>Do nothing</td>
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**Figure 5: The Ladder of Intervention (from Nuffield Bioethics)**

These ideas lie somewhat uneasily between traditional ‘government knows best’ paternalism, and government in its combined role as a deliverer of customer services, responsive to the voice and choice of the individual and manager of demand in a time of austerity. The paradigm shift, from ‘government knows best’, to consumer choice, and latterly towards government, whether central or local, acting as a choice architect, has had an impact on which type of policy tool a government will favour to bring about behaviour change (Darnton 2008).

Not everyone is convinced of the benefits of this shift. For example, Amir and Lobel (2008) highlight the inconsistencies in libertarian paternalism, for example, that one of the key values of libertarianism is limited or small government which ‘allows individuals to naturally form self-governing rules, beliefs, norms, codes and contracts’. However, some behavioural economists argue that ‘people do not always respond in this perfectly rational way’ (Dolan et al., 2009) and challenge the traditional limitations of microeconomic theory which is predicated on the idea that ‘humans are innately rational and self-interest-maximising animals and therefore make the best choices by considering all possible information and options’ (Jung and Jeong, 2011). This would suggest that choice architecture is based on a fallacy – that people will respond predictably to incentives and penalties.
Choice architecture in action: the smoking ban
The smoking ban, introduced in 2006, might be described as a ‘hard’ instrument of change and its success may be judged by the fall in smoking rates and number of death from smoking-related diseases since that time. However, a closer examination of history shows that smoking was already declining before the ban was introduced and it was perhaps that changing circumstance which enabled a ‘hard’ behaviour lever to be implemented successfully.

In the 1950s the UK had one of the highest rates of smoking and consequently one of the worst rates of death from lung cancer in the world. However, smoking began to decline in the 1960s and death rates began to fall from 1965. In 1979, 45% of the population smoked but by the 1990s that number had fallen to 30%. Between the introduction of the smoking ban in 2007 and 2010 it fell a further 9%.

The smoking ban did change behaviour but it achieved it by building on and reinforcing longer running changes in behaviour and attitudes. It has also operated in tandem with another ‘hard’ lever, the very high levels of tax paid on cigarettes and ‘soft’ change levers, such as free smoking cessation services.

Behaviour change has become to be seen as a ‘quick fix’ for all sorts of perceived ills. The experience of the smoking ban shows that it is all much more subtle and complex than that. It also demonstrates that the right legislation, at the right time, can work with the grain of changing social attitudes (Cialdini and Bernstein 2007) and help both to change the behaviour of the unwilling and to embed that changed behaviour in new social norms - bringing widespread cost and health benefits
However, although ‘Nudge’ has been enthusiastically espoused by the Coalition Government as the solution for every problem from long-term worklessness and benefits dependency to late payment of taxes, there is limited evidence of its effectiveness. The need for evidence-based policy is being increasingly realised by policymakers in government. John et al. (2009) highlight the importance of understanding the direct link between a policy intervention and the corresponding outcome.

Dolan et al (2009) identify three critical factors that will increase policymakers’ understanding and reduce the likelihood of controversy around behaviour change: who the policy affects, for example, whether they are considered vulnerable, what type of behaviour is to be changed, for example whether it aims to reduce harm to self and others, or is about benefiting the self only, and how the change will be accomplished, for example whether the approach is overt or covert.

Mangan and Goodwin (2013) argue that behaviour change is a necessary but not sufficient approach to bridging the gap between resources and need, because it focuses too heavily on individuals and not on the system and community as a whole. They contend there is too much reliance on service users choosing to do something different when actually the need is for the individual and the community to think differently. What is needed is a better understanding of what drives demand – both good and bad demand - as well as the ways in which changed behaviour could deliver better outcomes and/or lower costs. That requires a long-term attitudinal or cultural change and not merely a short-term, individual, behavioural change. Rowson (2011) also argues that Nudge is not transformative, that it only changes the environment without changing attitudes, values and motivations. In order to achieve this longer term change, there is a need to re-negotiate the mutual expectations of citizens and the state.

- **Changing the behaviour of professionals**

Achieving sustainable behaviour and attitudinal change is not just about introducing effective choice architectures. It is about a new relationship between the citizen and the state, and to achieve this, the public sector itself needs to change fundamentally. Changing behaviour demands new ways of engaging with citizens – having conversations about how users of services and professionals can deliver change and improvement together, rather than the traditional ‘what are your needs and what can we afford to provide you with’ conversations, which don’t encourage real change.

Public servants need to understand the people who use their services much more fully, to understand what motivates behaviour. This calls for local/neighbourhood approaches to services, and for officers to get closer to the people they serve; to understand issues that affect them and what drives their behaviours and choices. They need to understand the story of the people and the place, perhaps through intensive techniques such as ethnographic research. And they need to become better at sharing information and communicating to their service users and residents the cost implications of unwanted behaviours and how this might impact directly on them.
These changes in roles and relationships require the public sector workforce to develop new skills and new ways of engaging with residents and users. It suggests a move towards more generic workforce where anyone who has contact with a resident is able to support them to understand their assets and reduce their dependency on the public sector. An example of this type of role might be the health trainer role, which provides one to one support for individuals in deprived areas to get them focused on their health and wellbeing and make constructive changes to their lifestyles.

The Birmingham Policy Commission (2011) identified the need to develop a new twenty first century public servant: ‘public services continue to be designed around professional specialisms even though the silo institutions they created have long since ceased to be useful in achieving local results’. The new roles they identified are;

- storyteller, communicating stories of how new worlds of local public support might be envisioned in the absence of existing blueprints;
- weaver, making creative use of existing resources to generate something new and useful for service users and citizens;
- architect, constructing coherent local systems of public support from the myriad of public, private, third sector and other resources; and
- navigator, guiding citizens and service users around the range of possibilities that might be available in a system of local public services.

Staff will need to let go of traditional professional paradigms where they ‘know best’ and take on a more supportive, ‘brokerage’ role, enabling and supporting people to make choices for themselves. This has been demonstrated clearly though the introduction of personal budgets, where the professionals are no longer the ones designing and delivering ‘packages’ of care.

**Building capacity and reducing costs through co-production**

One way for users of services and professional to increase their understanding of each other is by working together and ‘co-producing’ services and consequently better outcomes. Bovaird and Loeffler (2012) define user and community co-production of public services as ‘professionals and citizens making better use of each other’s assets, resources and contributions to achieve better outcomes and/or improved efficiency.’ Interest in co-production as a concept is being driven by the increasing realisation amongst policy makers and service providers that the production and consumption of many services are inseparable, as well as the need to build capacity and reduce dependency. Interest in the interaction of public servants and citizens and the way in which those interactions shape policy implementation, is not new. Lipsky (1980) highlights the significant role that ‘street-level bureaucrats’ play in the shaping of policy through its implementation.

A model of the interaction between public sector and citizen inputs has been developed in a joint research project with Birmingham City Council, is set out in Figure 6, below, (Bovaird and Kenny, 2012). This ‘cause-and-effect’ map shows how inputs from all parts of the public, private and third sectors are relevant to modelling the outcomes achieved for individuals and communities. This approach explores the key relationships and inter-dependencies between interventions, inputs, outputs and outcomes across the local area, as a whole system, using the best available evidence. By working backwards from outcomes it is
possible to achieve greater understanding of how those outcomes can be delivered, what alternative pathways to outcomes might be more cost-effective and what is the best available evidence to demonstrate the impact of current services and interventions.

Figure 6: An outcome based approach to prioritising resources

Outcomes can be co-produced in a variety of ways. Service users can be involved in co-governance, co-commissioning, co-design, co-delivery and co-assessment of services.

- **Co-governance**

Co-governance requires citizens to take active responsibility for their own wellbeing and that of their community (Newman, 2005). Roles range from the very formal, for example, a school governor or a trustee of a leisure trust, responsible for running a local leisure centre, to more informal membership of a user advisory group. Public services can support co-governance by empowering users and citizens as well as providing opportunities for them to have their voices heard (Barnes et al, 2007). In order to be successful co-governance must be underpinned by at least some degree of mutual respect and understanding between citizens and officers and elected members. The significance of these relationships and how they can be developed is explored in depth by Lawrence Pietroni in INLOGOV’s book on the ‘new model’ (Staite et al, 2013).

- **Co-commissioning**

Commissioning of services has become increasingly embedded in public services in the UK as the methods of deciding who needs what services and why. Questions about priorities, in
terms of which groups, and which outcomes should be the main priorities lie at the heart of commissioning. Bovaird and Loeffler (2012) argue that, in an era of austerity, service users and their communities should be involved from the very beginning of the commissioning process – co-commissioning what is needed, not just applying for the services that are available.

The UK government’s Localism Act 2011 has enabled a number of new approaches to giving the public more power over service decisions, including promoting independent provision, developing new rights for communities to buy and run services and public assets and developing a new ‘right to provide’ for public sector workers, for example, through mutuals and co-ops, all of which are aimed more at strengthening co-delivery than co-commissioning. The Act also gives communities the Right to Challenge local authorities, where they believe they could provide services differently or better (Bovaird, 2012). There is little evidence that communities are making any significant use of these rights.

Attempting to use ‘voice and choice’ through co-commissioning instead of traditional paternalism is not without its problems (Parkinson, 2003). It is argued that giving power to users will benefit those with a greater understanding of and access to information about services, which could risk leading to a ‘stratified’ service delivery model (Koumenta, 2009). Authors such as Besley and Ghatak (2003) have commented that although limiting user ‘voice’ may be perceived as paternalistic, it may prevent certain groups from making bad decisions. Indeed, the public service ethos was born out of the very aspiration to overcome problems of information asymmetry, inequity in service provision and unevenly distributed outcomes (Besley and Ghatak, 2003).

- **Co-design**

Bringing an "outside in" perspective to the design of public services leads to revealing insights. For example, what most elderly people want is not ‘independent living’? Most elderly people actually want contacts and friendships – they want 'interdependent' living (Willis and Bovaird, 2012). The way a service is delivered and the opportunities for personal interaction that it provides may be as important as the quality of life outcomes delivered.

The user and community perspective often triggers public service innovation. For example, user co-design can add value to council and public agency websites. Most public sector websites appear dull, daunting and difficult - designed for users but not by them. However, this can be changed, for example, the adult care website of Stockport Council has been designed with service users and the Council estimates that it has already saved £300,000 by cutting down avoidable contacts. This is an example of co-production helping to reduce failure demand.

A wide range of specific techniques are used in co-design, including tools such as storytelling, diary studies, personas, crowdsourcing, scenario building, etc. They often involve getting service users to ‘imagine’ situations in which the normal constraints on service design have been relaxed, so that more imaginative approaches are suggested and can be built on by other members of the co-design
group. Again, many co-design exercises involve letting service users experience a ‘prototype’ of the service and then critique it and discuss ways it might be improved.

- **Co-delivery**

This joint working between professionals and service users, building on each other’s assets, experiences and expertise, enables the service to be delivered more efficiently. Bringing service users and communities into the service delivery process has immediate direct benefits by bringing greater transparency to services, in line with the principles of open government, so that service users and communities understand more fully the role and value of public services as well as the constraints they face.

Providers need to be able to recognise the capacity of citizens, rather than viewing them as one dimensional, needy, consumers of services. We know that for instance, older people in receipt of social care packages may also be the best recyclers, provide care and support for other older people and potentially cross-generational stability for troubled youngsters. They may also keep a watchful eye on their neighbourhood and on anti social behaviour. Public services too readily think of them in only one box, as consumers rather than as co-producers. (Bovaird, 2007; Alford, 2009; nef, 2008; Loeffler, 2009; Department of Health, 2010).
Co-assessment

Citizen and user surveys have traditionally been used for co-assessment, often supplemented by focus groups and user forums. Co-assessment can make effective use of social media and community websites, as well as more traditional face-to-face encounters, all offering valuable opportunities for undertaking assessments together with citizens. A particularly popular tool for internet-based co-assessment is user on-line ratings, for example, of GP surgeries.

Co-assessment involves citizens working alongside professional staff and managers to help organisations to understand better how they experience and value services. It therefore offers a fresh perspective which is often lacking in formal assessment. A hospital’s performance data may look good but if patients feel they have not been treated with kindness and compassion, they will not value or trust the service.

Citizens don’t just care about the outcomes of services – it is also important how services are delivered, both in terms of the acceptability of the service process - access, suitability, responsiveness, reassurance and empathy and the open governance principles which underpin the service - transparency, participation and collaboration. People may not talk about these issues using academic language but they really care that local authorities act in an open and fair manner when making decisions that affect their lives. Consequently, it is important that co-assessment explores people’s views of local governance issues and customer care practices, as well as the outcomes which are achieved (Bovaird and Loeffler, 2008).

Conclusion

It is important to note the critical relationship between the concepts of co-production and behaviour change. Although it may be possible to change people’s behaviours in the short term through some combination of ‘carrot’ and ‘stick’, longer term sustainable attitudinal change requires some very different approaches, including public service providers understanding the potential of co-production.

Of course, co-production is not a panacea for all issues in the public sector. In particular, the roles of users and other citizens in co-production will often highlight some conflicting priorities, which only political decision makers can resolve. It is important to recognise that, while user and community co-production can achieve major improvements in outcomes, service quality, and service costs, there are likely to be resource consequences. Initiating such approaches is fundamentally an investment, often involving substantial set-up and
support costs. Co-production may harness resources from outside the public sector but it always requires some public inputs as well – it is not ‘free’.

None of the approaches to bridging the gap outlined in this article is easy. All require whole systems thinking, creativity and collaboration – as well as culture change and strong leadership. Unless public services are able to find new ways of bridging the gap between need and resources, it will continue to widen. Some serious effort now may well pay dividends for the future.

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