

University of Birmingham/Demos Policy Commission

Report of the 'Redesigning Public Service Relationships' workshop, 27 January 2011

This workshop focused on how public service relationships can be redesigned to meet the appetite for civic activism whilst also safeguarding the delivery of effective public services, in the context of significantly reduced public spending. It explored the changed and changing relationships between public service professionals, politicians and 'publics' and the organisational forms that support those relationships, considered the potential for new kinds of collaboration between public, private and third sector bodies, and discussed the risks and challenges associated with a redesigned public service system.

Session One: Roundtable

The workshop began with a roundtable discussion on the changing roles and relationships in local public services led by **Professor Tony Bovaird** (Professor of Public Management and Policy and a Commissioner). The discussion was structured around four themes with each theme introduced by an invited expert or Commissioner.

Theme 1. What are the implications of new public service relationships for public service professionals? What kind of training do they need, what roles do they play? What support do they need to develop new/different relationships with citizens? Haki Kapasi, Founder and CEO of Inspire Consultancy Ltd, opened the session by arguing that:

- Both marginalised communities and professionals are currently disempowered; communities because of poverty, discrimination and a lack of power, and professionals because of the narrow parameters within which they are trained and allowed to operate – a key feature of which is a deficit model of service users/communities.
- Some 'empowered' communities function below the radar of public services and avoid seeking engagement with professionals whom they believe have 'agendas'.
- Community members envision a world, professionals envision a service. Developing a new relationship between community members and professionals requires that both work together to agree outcomes and actions.
- Effective professionals need skills in: facilitation, group work, communication and a belief in what people can achieve

The discussion covered the following issues and questions:

- What does it mean to be a professional now and to what extent has the ‘blame and shame’ relationship that has evolved between central government and local professionals limited the options and choices for professionals to exercise judgement? How can this be reversed? Is the removal of extensive guidance and targetry sufficient or are there cultural issues to be addressed?
- Is it possible to influence professionals to work differently or is the only real solution to empower communities to do things for themselves? Is there a generational shift which means that a younger public has very different expectations of professionals and public services - might they be more amenable to doing things for themselves?
- How will ‘new’ relationships between professionals and users/citizens address inequality (between communities, of resources, of access to and take-up of services)?
- For service users that have struggled to move out of ‘segregated provision’ and into accessing ‘mainstream’ services, e.g. disabled young people, what matters is the approach adopted by professionals, coupled with the shift to personalised budgets which brings independence.

Theme 2. Will the reductions in public spending, the changes to local public service provision and the increased focus on ‘self-help’ generate a ‘new kind of volunteer’? What are the implications of this for third sector organisations? Andrew Dick, Commissioner and Director of Envision, opened this discussion making the following key points:

- Volunteering is on a downward trend. There is a core group of volunteers that has proved difficult to expand in a sustainable way. Young people do tend to volunteer more than others in the population but stop once they get a job. How do we create a culture where human capital is valued in voluntary activity? What can be learned from the experience of ‘time banking?’
- Public services have tended to rely on volunteers at the edges - a source of last resort – though health has more of a tradition of using volunteers than other services. Charities tend to ask the public for money not time – they may have a store of social capital that public organisations do not have. Encouraging new volunteers needs to begin with an understanding of personal motivations (self interest, missionary zeal) and an appreciation of what gets people hooked (personal testimony, excellent training that gives them a clear sense of their role).

- In times of cuts what are likely to get left out are not libraries but services for 'difficult' young people – those with complex needs.
- Using volunteers is not particularly cheap, especially in new areas of work. It also changes the dynamics of a public service relationship where previously the service had been provided by an employed professional. Should volunteers be treated as members of staff with same rights and responsibilities? Volunteering is hard – should we expect the same level of service from volunteers as private or public employees? Will the increasing involvement of the state make all of this more expensive, i.e. will it bring in public sector standards/ways of working that add to costs?

The discussion covered the following issues and questions:

- The need to define volunteering in a broad enough way to accommodate a variety of experience. This is not just about the role of the state and the provision of public services.
- We do not yet fully understand the implications of the withdrawal of public funding from third sector organisations. Some service areas e.g. drug and alcohol services may find it harder to replace public funding with private funding. How will voluntary organisations themselves cope with fewer paid staff and a reliance on volunteers? How will risk be assessed and managed?
- Is volunteering likely to be more local? Will mergers of voluntary organisations make them less local or is the distinction not a national/local one (in terms of organisation) but in terms of how they appeal to the public?
- How is the private sector interacting with voluntary organisations – is that changing? Are service commissioners' needs likely to be met more easily by big organisations (voluntary or private) than small local organisations? Will small voluntary organisations be squeezed out despite the 'prime contractor model'?
- Who provides infrastructure support and how will they do it in future if there is limited funding?
- What role can central government play in providing additional levers e.g. making changes to the tax system to support time banking or similar initiatives?

Theme 3. What future 'public service organisations' might look like – the forms they might take and how they might be funded - including the role of mutuals and the private sector and CSR? Dr. Richard Simmons, Co-Director, Mutuality Research Programme, University of Stirling introduced this session offering the following analysis of the potential and limits of mutual organisations:

- The potential benefits. Mutuals may offer more focused services, enable more flexibility in how services are reconfigured, empower employees who are their part owners, provide savings, encourage democratic participation in the workplace, offer a broader democratic legitimacy based on stakeholder engagement rather than simply representation by local councilors, build social capital and offer a social return on investment (though that is difficult to measure).
- The potential limits. Mutuals are owned by their members which may lead to a privileging of the member interest over the public interest, local government or other public providers have less control over the actions of the mutual (relative to in house provision), a growth in diverse organisational forms creates a co-ordination problem for government and if economy is what is really important then this is likely to be provided by a private sector body rather than a mutual one.

The discussion covered the following issues and questions:

- The evidence base about mutuals and co-operatives is contested meaning that preferences for/against mutuals are as much empirical questions as they are political ones. They appear to perform no better or worse in terms of outcomes than public organisations. Staff appear to be more willing to challenge established practice. In the current context is opting for a mutual form a political rather than economic decision? Need to avoid romantic myths about mutuals and scrutinize their design, governance and operation in the same way we do other service providing bodies.
- How local are mutuals? Evidence from Leisure Trusts suggests 50% provide local services only while 50% offer services to wider area.
- Are mutuals relevant in all service areas? In general where public sector dominant – health, social care, and education – alternative forms are rare – partly to do with issues of capitalization/regulation. In social work mutuals may offer liberation for social workers except in cases of high risk/high blame where the state has to take responsibility for depriving citizens of their liberty. Should protective elements of social work be separated from others which can be safely practiced locally?
- The values orientation of mutuals may appeal to faith groups but it would be wrong to assume a complementarity of values where there may be none.

- Growing a diversity of organisational forms requires there to be ‘supportive local space’ for this to happen. This in turn necessitates a new relationship between citizens, councillors, commissioners and providers, and leadership from the local authority to make it happen. How can you encourage local authorities to think differently over the kind of timescale that is needed when they are in shock from current spending cuts?
- Organisational form should follow the needs of service users. Whatever vehicle best meets citizens’ needs and secures improved outcomes should be developed. The public will trust the body that delivers regardless of its form.
- Need to consider efficiencies and risk over the whole system not on single service or policy areas. How to do this? What constitutes a whole system? What does this mean for the local ecology of the system? Does multiplicity of service providers guard against the risks of inefficiency where one organisational type dominates?

Theme 4. What do the changes mean for local government and local councillors? Nigel Keohane, Head of Research, New Local Government Network (NLGN), opened this session making the following points:

- The current climate presents very specific challenges to local government and local councillors represented in a tension between the monopoly over service supply that local government used to enjoy and the current impulses towards individualisation to meet citizens’ aspirations and privatisation to meet efficiency goals. Local government finds itself having to manage this tension while also regulating (and creating) markets and protecting assets. Politically there is also a tension between the traditional paternalism of local government as decision maker and provider and the development of more deliberative democratic practices.
- In the future councillors are likely to have key roles as co-ordinators, community capacity builders and advocates. They need to be able to manage these roles in a new context of multiple providers and user interests, where it may be unclear where formal democratic control ends and informal legitimacy over decisions begins.

The discussion covered the following issues and questions:

- How to manage the messiness that comes with greater co-production
- In terms of citizens doing things for themselves we do not know what the potential and limits are. Do we know how we can shape it to generate public value?

Session Two: Select Committee

For its second session the workshop adopted a select committee form with Commissioners questioning invited witnesses on the potential and limits of giving power to young people to design, influence, deliver public services. The session focused on the following issues:

- What are the expectations that young people, as citizens, should have of local government and local public services? What are they prepared to contribute and how?
- What kinds of relationships do young citizens want with local public service professionals and how do these relationships vary?
- What kinds of organisations do young citizens prefer?
- How can young citizens be involved in service redesign initiatives? Which mechanisms work well in which circumstances?
- How can the initiatives which young people are self-organising be shaped and influenced by public sector organisations to increase their outcomes?
- What evidence is there of the likely costs of local public services which embody greater engagement with young people?
- How can public service commissioners and providers (in all sectors) best manage the risks involved in giving greater roles to young people in designing and running their own local public services?

Witness 1. Fiona Blacke, Chief Executive, National Youth Agency

Key points from opening statement:

- Young people are represented as an issue or problem, not as individuals who are just being themselves
- It is not always clear that professionals are committed to working with/engaging young people
- There are big questions about how work with young people will be funded in the future
- Schools tend not to put children at the centre of their activity in setting of strategy, appointing staff, curriculum development
- The NYA takes a rights based approach to young people as citizens and service users and this influences their campaigns and activities, hence 'hear by right'

- Private sector bodies can make an important contribution to young people's opportunities e.g. O2 support to 'think big' - a £5m programme that awards young people money and offers mentoring to support the development of good ideas into practical projects and outcomes.

Issues raised in questioning and discussion:

- Informal youth work is under-resourced and not well understood in terms of assessment metrics e.g. SROI. A range of metrics are available but none are widely used (yet).
- How to counter the idea of young people as a problem? Important contributions can be made through community development and authentic involvement of young people in community decisions.
- What needs to change at national policy level?
 - Duty on LG to engage young people in commissioning and delivery
 - Availability of resource to support social enterprise amongst young people
 - Strengthening the statutory basis for youth work
- There have been innovations in participatory budgeting etc but the appetite for these wanes in the absence of funds.
- What does greater engagement of young people achieve?
 - Better services
 - More competent young people – who can shape their own destinies
 - Better citizens
- How robust is the evidence for this? Is the state's desire to create better citizens compatible with young people's own aspirations for what they want from services?

Witness 2. Nic Crosby Director, Children and Young People, In Control

Key points from opening statement:

- In Control works with children's services to support the delivery of appropriate services through individual budgets. It works with 40 children's services and has a bank of evidence about the impact of individual budgets on disabled children and their families.

- Cannot just read across from the experience of adult services – individual budgets in children’s services have different features
- A key feature of individual budgets is that professionals and users are ‘on the same side of the table’. However this can be challenging for professionals.
- Individual budgets work in niche areas and with small groups of users. There are difficulties associated with scale – big providers whether they are public, private or voluntary are less ‘fleet of foot’ than small providers and so may not have the flexibility needed to provide the appropriate services.
- Individual budgets allow users and their families to spend money where they want. They do so by accessing mainstream not specialist services. Budgets can also have a positive impact in the local community because users are buying local services.

Issues raised in questioning and discussion:

- What happens when individual budgets move to an industrial scale? How do you manage scale and give freedom to individuals? Key issue is quality of commissioning and ensuring that it functions at individual, community and strategic levels (big questions about how to achieve this). Need to create the right environment and In Control does this by working with small numbers of families per manager (2-6).
- What are the limits and who decides? Are there reserved decisions for professionals/politicians? Yes but not sure that these decisions will always be the same. There is a need to ensure safety – which the state may become more nervous about if individual budgets are done at a big scale. What is the level of risk that should be tolerated without the state coming back in and putting restrictions on what is possible?
- Have we misspecified outcomes, i.e. not included ‘friendship’ – is this an omission? InControl uses Every Child Matters framework but needs to tailor it carefully to individual needs. It asks: ‘how much support do you need to make these outcomes real to you?’
- How do you measure outcomes without returning to a deficit model? Do we need to say that national outcomes are wrong and that we should begin by allowing young people to specify their own? Is there value in focusing on the national service framework’s aspiration of ‘an ordinary life’?
- Individual budgets are as hampered as other services by service specific funds e.g. social care, health and post 16 education. Needs a single support structure.

Witness 3 Richard Selwyn, National Lead on Efficiency, Commissioning Support Programme (CSP)

Key points from opening statement:

- CSP works with 145 local authorities to promote the move to commissioning which he sees as a revolution whose time has come. Commissioning is about achieving whole system outcomes.
- Commissioning is complemented by and complementary to 'nudge' or behavioural change approaches to improving outcomes. It helps navigate a complex system and facilitates redesign of services. It is both about strategic design and individual design.
- Young people are engaged as young commissioners – there is statutory guidance that requires that they be involved in decisions about 'looked after children'
- Outcomes are difficult if not impossible to measure. So need to find alternatives.

Issues raised in questioning and discussion:

- How can young people frame the questions in commissioning rather than being engaged on the terms that the state sets?
- Outcomes are not rational and technical but the result of a political process in which the community needs to come to a consensus about what their outcomes will be. There is a risk that individual commissioning/budgeting will fail to mesh with community outcomes and this could pose a risk to community cohesion. Designing and delivering appropriate outcomes is contingent upon commissioners and providers having the right 'theory of service', i.e. knowing their users/communities well enough to know what will work.
- How do we align the incentives for providers, commissioners, users, communities, councillors?
- Is anyone using nudge in commissioning?

Witness 4. Garath Symonds, Deputy Director, Young People's Services, Surrey County Council

Key points from opening statement:

- Surrey faces 30% reduction in budget for youth related services between 2009 and 2012. Local driver is to achieve 0 NEETs and to increase young people's participation in decision making. Localism is understood in Surrey to be as much about empowering local politicians as citizens.

- Surrey undertook a review of young people’s services which included developing an understanding of young people’s needs (13-19), developing an outcomes framework and a set of indicators. Young people were engaged throughout.
- Surrey’s approach will be to offer specialist services to key groups e.g. NEETS, young offenders, disabled young people; targeted services in local areas (prevention) and universal services (working with districts). The emphasis will be on co-production and aiming to grow a diversity of supply in the county.
- Co-production begins by engaging those in years 9-11 and identifying with them the kinds of services they would like. Supply is diversified e.g. by awarding contracts to local voluntary organisations to run youth clubs, having a franchise agreement that outlines the work that should happen there and the governance arrangements (50% young people on boards); by building youth justice into support, and externalising to the voluntary sector and running outdoor education centres as social enterprises. Local services have to be commissioned by councillors and young people.

Issues raised in questioning and discussion:

- The importance of who frames what are defined as young people’s needs and outcomes – managing the deficit/asset model
- What do we mean by co-production – is there a continuum of activity that describes different kinds of co-production and how is this understood and experienced by young people?
- Does the time taken to involve people in co-production translate into benefits for services and outcomes?

Witness 5. Andy Thornton, Chief Executive, Citizenship Foundation

Key points from opening statement:

- There is a need to understand the contribution of infrastructure to securing good services and improved outcomes. ‘Losing the narrative as it passes from the middle to the edge’.
- Need to avoid fetishising young people and participation. What is it that we expect young people to be able to do if we hand over control and power to them? How do we expect them to be able to represent themselves and others, what do we expect them to know and have the capacity to do?
- Citizenship education in schools is focused on situating young people within their communities and understanding how they are and can be citizens in those

communities and others e.g. projects in the East End around the Olympic Park and how young people envisage a community post the Olympics

- There are a range of motivations for and expressions of participation e.g.: youth proofing (representing young people's views in services/policies), projects (where young people shape selves), and rights based activity. Professionals have a responsibility to enable young people to be/become competent individuals – a duty of care.
- Professionals also have a wider responsibility for accounting for public money – generating public value from their work with young people.

Issues raised in questioning and discussion:

- What is the balance of rights and responsibilities and how do these fit with asset/deficit models?

Session Three: Themed Workshops

In its final session the workshop explored examples of public service redesign in practice. Participants were divided into three groups: 'Health' led by Mary Cook, Managing Director UScreates; 'Housing' led by Jean Templeton, CEO St Basil's; and 'Leisure', led by Gareth Symonds, Deputy Director, Young People's Services, Surrey CC. The workshop leaders described their own organisation's approach to public service re-design with reference to the following questions:

- What kinds of organisations work best in achieving outcomes with young people?
- How are young people involved?
- How are these services funded? What are the benefits/costs of different kinds of funding?
- What are the governance implications – who sets the rules, how is accountability secured?
- How have professionals had to change their ways of working?
- How transferable are these initiatives/services?
- Whose needs are not being met and how might they be?

Birmingham Policy Commission Workshop: Redesigning Public Service Relationships

27 January 2011

Workshop participants

COMMISSIONERS

Name	Organisation
Derrick Anderson	Chief Executive, Lambeth Council
Tony Bovaird	Professor of Public Management and Policy, University of Birmingham
Deborah Cadman	Chief Executive, East of England Development Agency
Andrew Dick	Chief Executive, Envision
Kathryn Ecclestone	Professor of Education and Social Inclusion, University of Birmingham
Nick Sharman	Director of Local Government, A4e
Jane Slowey	Chief Executive, Foyer Federation

INVITED GUESTS

Edward Andersson	Deputy Director, Involve
Fiona Blacke	Chief Executive, National Youth Agency (NYA)
Mark Bramah	Assistant Chief Executive, Association for Public Service Excellence (APSE)
Mary Cook	Co-founder and Managing Director, UScreates
Nic Crosby	Director, Children and Young People, In Control
Matthew Horne	Managing Partner, Innovation Unit
Haki Kapasi	Chief Executive, Inspire Consultancy Ltd
Nigel Keohane	Head of Research, New Local Government Network (NLGN)
Gabrielle Melvin	Researcher, Involve

Therese O'Toole	Lecturer, Department of Sociology and Centre for the Study of Ethnicity and Citizenship, University of Bristol
Richard Simmons	Co-Director, Mutuality Research Programme, University of Stirling
Richard Selwyn	National Lead on Efficiency, Commissioning Support Programme (CSP)
Garath Symonds	Assistant Director for Young People, Surrey County Council
Jean Templeton	Chief Executive, St Basil's
Andy Thornton	Chief Executive, Citizenship Foundation
Sue White	Professor of Social Work, University of Birmingham

POLICY COMMISSION TEAM

Helen Sullivan	Professor of Government and Society, Head of the Birmingham Policy Commission, University of Birmingham
Max Wind-Cowie	Head of the Progressive Conservatism Project, Demos
Audrey Nganwa	Research Associate, University of Birmingham