

Community Planning Management Committee

4 October 2006

Transforming public services: The next phase of reform

Progress to date

The Scottish Executive has, for sometime, had a series of projects running in parallel that have been focused on public sector reform, including:

- the Integrated Services Delivery and Governance Modelling Project
- Shared Services
- Efficient Government
- HUBs for asset procurement (initially focused on the NHS, but now extending it's scope) – arising from the Joint Premises Project Board

There have also been a range of projects within different strands of the public sector, e.g. SEERAD, NHS and the enterprise companies, that complicates the picture further.

This disjointed approach has been frustrating as there has been an element of 'not knowing which horse to back', which has been further fuelled by media speculation and announcements of different projects where different parts of the public sector have decided to 'go it alone' in various combinations. For example:

- the single public agency model being explored in areas where boundaries are coterminous and there is pressure for organisations to come together to create a 'critical mass' – for example Shetland and Orkney
- organisations working together within a sector – for example the Ayrshire Councils exploration of services they could share and jointly govern, the similar discussion on a smaller scale between Stirling and Clackmannanshire Councils, national initiatives within the NHS and the centralisation/sharing of functions across the enterprise companies
- large scale 'pathfinders' such as that in the Clyde Valley where powerful partners such as Glasgow City and Greater Glasgow & Clyde Health Board bring in other local authorities to create a body that is 'Strathclyde minus the rural areas'

In all these different approaches, Argyll and Bute is at a disadvantage – the complicated issue of boundaries makes negotiations based on coterminosity difficult and none of the organisations in Argyll and Bute has significant political clout (or the high level decision-making is based outside the area in Glasgow, Edinburgh or Inverness).

This is complicated by political divisions within the Executive where there is not a will to work across the public sector – so initiatives tend to stay within the bounds of agencies controlled by different Executive departments.

The approach adopted so far in Argyll and Bute has been to try and develop an approach that more closely matches the single public agency model. The rationale for this approach is that:

- the geography of Argyll and Bute presents a common challenge to service providers that is like no other area of Scotland
- there are local practical examples of work across organisations, good relationships and a willingness to explore practical solutions (which doesn't necessarily make it easy given the other factors that are involved)
- an extension of organisational boundaries by mergers with other bodies will further distance local communities from the organisations that deliver their services and is therefore likely to reduce the effective influence they have on those organisations
- the location of senior management positions and organisational headquarters in Argyll and Bute will have a beneficial effect on the economy by attracting higher earners to the area and improve the image of the area as somewhere where an individual can develop their career

Tom McCabe, Minister for Finance and Public Sector Reform, published "*Transforming public services: The next phase of reform*" earlier this year as a consultation on the future of public services. The expectation of definite proposals was unfulfilled and the document is focused on principles for reform and an invitation for public sector bodies to respond with innovative ideas. The lack of definitive proposals is possibly a reflection on the difficulties inherent in organisational reform and the need for consensus to progress any changes.

The text below describes the overarching vision for the reforms expected by the Scottish Executive.

Vision for, and values of, reform

Our guiding vision for transformation is to have public services which we know to be amongst the most successful, effective and innovative in the world.

The values underpinning our commitment to public services are that they must:

- *promote social justice and equality;*
- *build for the future – fostering sustainable change, which supports a growing economy, a better environment and strong communities.*

The point of reform and change is that it will display itself in many forms – and will be implemented in many ways. But there are five fundamental elements which will underpin and support the modernisation of the public sector.

Transformed public services will:

- *be **user focused and personalised**, organised around users' and citizens' needs and aspirations, not the convenience of the service provider;*
- *drive up **quality and encourage innovation**;*
- *continue to **improve efficiency and productivity**;*
- *be **joined up** and minimise separation;*
- *ensure **strong accountability**.*

There is an expectation that change will happen and, in the absence of direction from the Executive, that the change will be driven locally.

How will Argyll and Bute Community Planning Partnership respond?

If the Community Planning Partnership is to fulfil the objective of having a strategic role to develop a vision for the area and change service delivery to improve services, there is a need for the Partnership to be clear about the local approach to public sector reform.

The message from the Executive is that no area is off limits. Whilst the dialogue has been about public sector reform, this debate could also include voluntary sector organisations – especially as most receive significant public sector funding.

Key questions for the partnership are:

- Does the rationale for the approach in Argyll and Bute make sense?
- How can the partnership develop a proactive approach to this debate?
- How do we put our message/concerns across as effectively as possible?
- What is the appetite for change locally?
- What flexibility do local bodies have when they are governed from outside Argyll and Bute?
- Do we respond to the consultation directly, or do we develop local proposals and 'go it alone' as others have done?
- If our approach is 'right', what do we need from the Executive to help make it happen?

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