

Report by David Cressey, Service Director for Strategy & Policy, SBC

Public Service Reform Theme Group

3 April 2014

1 PURPOSE AND SUMMARY

- 1.1 **The purpose of this report is to seek approval from the Community Planning Partnership for the establishment of a Public Service Reform Theme Group.**
- 1.2 Alongside the theme groups of Reducing Inequalities and Economy & Low Carbon, a new theme group of Public Service Reform is to be established to enable the Community Planning Partnership to respond at a local level to the national programme of reform.
- 1.3 The Public Services Reform Theme Group should be dedicated to this reform agenda and should ensure that conditions for reform are created within the Scottish Borders and articulated in a programme for the Community Planning Partnership.

2 RECOMMENDATIONS

- 2.1 **I recommend that the Community Planning Partnership :**
 - (a) **Agrees to the establishment of a Community Planning Partnership Public Service Reform Theme Group**
 - (b) **Agrees that a draft work programme be brought back to the Partnership for consideration and approval**

3 Background - Why do we need to reform public services ?

- 3.1 A rising demand for public services, tighter budgets and the need for leaner, more efficient public services mean that public service reform is a key priority for Scotland. The Scottish Government have a vision to achieve simpler structures which support the delivery of national strategic objectives and local government's delivery of better outcomes for local communities. This includes moving to an outcome based approach, more effective performance management systems, streamlined scrutiny frameworks and a drive for shared services.
- 3.2 There are three main areas of focus within the current national programme of reform:
- User focus – putting the person at the centre and developing on-going, personal relationships between the public and providers rather than seeing services as one-off transactions
 - Effectiveness – focussing on outcomes and monitoring real improvements that people see in their services and communities
 - Value for money – an expectation for public service organisations to drive up efficiency and provide better, streamlined services

Public services at a local level may therefore need to be reshaped to become more flexible, responsive, economic and effective.

4 Challenges of public service reform

- 4.1 There are a number of challenges in achieving the outcomes outlined above. The programme of national reform sits within a context of constrained budgets:
- 3-4% real cuts per annum 2013/14 – 17/18
 - £5Bn real reduction in Scottish budget
 - Potentially more fragile & poorer communities
- 4.2 There are demographic issues, it has been predicted that over the next 20 years demography alone could increase expenditure on health and social care by 70%*. (Improvement Service, 2014)
- 4.3 The Scottish Government have indicated that across Scotland there are a range of institutions that could potentially be considered for streamlining:
- 32 local authorities
 - 23 NHS bodies
 - 20 universities
 - 43 colleges
 - Over 1000 other public bodies

A recent example being Police Scotland, the 8 police forces across Scotland becoming one national force in 2013.

- 4.5 The challenges do not exist solely at a national level - at a local level the recent report by Audit Scotland highlights the key challenges facing Scottish Borders. These include:

- The population is forecast to rise by 10%; with over a quarter of the population aged over 65 (this proportion population is 61% which is higher than the Scottish average of 52%)
- Pockets of deprivation particularly in the towns of Hawick and Galashiels
- The significant impact of the Welfare Reform Act - £500k reduction in Housing Benefit, 800 households affected by the removal of the Spare Bedroom Subsidy
- The economy of the Borders is more reliant on small businesses and the public sector
- The Borders has a lower percentage of its population who are of working age compared to the Scottish average, and outward migration of 16 – 29 year-olds contributes to this
- Services are less accessible due to limited public transport, particularly in the East and West of the region - although the railway link will help to address this

4.6 Despite the challenges however, the history of close partnership working to date puts the Scottish Borders in a very favourable position to respond not only to the national context, but also to the local challenges laid out by Audit Scotland in its recent report.

5 The benefits of Public Sector Reform for the Scottish Borders

- 5.1 Public, private and third sector organisations must work more effectively in partnership with communities and with each other to design and deliver excellent public services which meet the needs of local people.
- 5.2 The aim of the Community Planning Partnership is to develop our economy and create jobs, to ensure we manage the environment sustainably and to reduce the inequalities that people face. We face unprecedented challenges to deliver improved outcomes whilst making optimal use of increasingly limited resources. However, as highlighted by Audit Scotland, public spending in the Scottish Borders is still considerable, being in the region of £470 million a year.
- 5.3 The challenges described at para. 4, require a response at a local level within the Community Planning Partnership, to drive reform where needed across mainstream services to ensure that we deliver the following benefits:
1. Improved outcomes for residents of the Borders
 2. Locally delivered services
 3. Flexible and joined up services
 4. Efficiencies and value for money

The work within this programme will also fully support the 4 key findings of the Christie Commission and aim to realise the following:

- Prevention – reduce future demand by preventing problems arising or dealing with them early on
- Performance – to demonstrate a sharp focus on continuous improvement of the national outcomes based on a sound evidence base
- People – help to create ways for people and communities to work

- together to deliver services around their skills and networks
- Partnership – we need to develop local partnership and collaboration, bringing public, third and private sector partners together with communities to deliver shared outcomes

The recent findings of Best Value and Community Planning Audits may need to be incorporated into the Public Service Reform work programme so that there is a focus on continuous improvement across all services and partners.

6 Way forward - Public Service Reform Theme Group

- 6.1 In order to achieve the benefits as detailed above, it is recommended that the Community Planning Partnership establish a Public Service Reform Theme to undertake a programme of work that will lead to the effective transformation of services that are delivered in partnership to the public. Examples of the projects within the theme might include

Improving outcomes for residents of the Borders

- Work with people and communities to design and deliver more efficient and personalised services

Locally delivered services

- Work in partnership with people and communities to scope the possibilities for the joint delivery of appropriate public services in localities (the work of the Sustainable Transport is a good example of this)

Flexible and joined up services

- Workforce development across the partnership - identify duplication of resources and explore the potential to create shared generic resource pools i.e. clerical and admin functions
- Map assets and resources of SBC and partners to investigate potential sites for co-location,

Delivering efficiencies

- Joint asset and resource planning
- Sharing of premises and co-location
- Work in partnership to scope the opportunities to scope the opportunities to deliver shared services where appropriate

- 6.2 The work within this theme will fully support the other key strategic themes (Reducing inequalities and Economy & Low Carbon) and should take account of equalities, sustainability and rural proofing. It will also over time, influence, support and underpin the work of other emerging key priorities.

- 6.3 Should the Community Planning Partnership Strategic Board approve the establishment of this theme, work will be undertaken by partners to establish a theme group lead. Thereafter, the lead of this theme would bring a draft programme back to the Board for consideration and approval. This draft programme would include an action plan that will have clear outcomes, benefits and include performance measures that demonstrate these outcomes.

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Summary

- 7.1 In light of national and local challenges, there is a need for partners to establish a Public Sector Reform Theme and a programme of work which will lead to the delivery of public services that meet the needs of local people and are more flexible, responsive and effective.

Author(s)

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