

Open Public Services 2013 - Executive Summary

Scope

We believe that more open public services can benefit everybody in the UK and that finding ways to deliver better services for less money is a challenge that is common to all four nations of the UK. The scope of this paper is UK wide, but in devolved areas of policy it is for the devolved administrations to determine their own approach to public service reform. The three devolution settlements in Scotland, Wales and Northern Ireland are all different although, in general, services such as health, education and those provided by local government are under devolved control. If you live or work in any of the devolved territories and are in any doubt as to which of these reforms would apply there, the relevant territorial office will be able to advise you.

We are committed to working in partnership with the devolved administrations to share good practice and to explore whether our approach would suit their particular circumstances and need.

Executive Summary

Introduction

When the Coalition first came to power, the state was still the default provider of most public services. From poor performing schools to widening health inequalities, there were clear signs that the old centralised model of public service delivery was unable to meet the complex needs of the 21st century.

The landscape in which public services operate is shifting rapidly. Fiscal pressures and demographic changes are making new demands on public services. At the same time, people's expectations for more reliable and personalised public services are higher than ever. If we are to meet these challenges, we need innovation - fostered by an open environment - in which service provision is contestable and accountable so those providing the service have the scope and incentive to be imaginative and effective. Through the Open Public Services programme, we are releasing the grip of state control and putting power into people's hands.

Health services are being transformed by giving patients and GPs the freedom to choose the healthcare that works for them: what they want, where they want it. We are stripping out bureaucracy, placing power in the hands of medical professionals through **clinical commissioning groups**, and extending **personal budgets** in health and social care so people can decide how money gets spent on their care.

In education, **Free Schools, University Technical Colleges and academies** are increasing choice and parent influence.

Our commitment to delivering services locally is making neighbourhoods and communities masters of their own destiny. Citizens have elected **Police and Crime Commissioners**. Local and neighbourhood councils have been granted new freedoms. **Community budgets** are being rolled out, putting money into the hands of local people.

We are creating a level playing field so that anyone with a good idea can get involved. In healthcare, the **Any Qualified Provider (AQP)** scheme means that patients and GPs can select a service based on what's important to them – perhaps one that is closer to home, has a shorter waiting time or better outcomes. We are revolutionizing the way we manage offenders in the community by opening up **rehabilitation** services to a wide range of providers on a **payments by results** basis to drive better outcomes and value for money. Eight pilot areas are now using **payment by results** to pay for drug and alcohol recovery services, creating incentives for **better outcomes** and changing how providers work with those in treatment.

Over the last twenty four months, public services have responded to the bold agenda set out in the 2011 Open Public Services White Paper. We have made huge strides already. But this only part of a longer journey of reform that will continue apace throughout the Parliament.

* * * * *

Individual Services

Wherever possible, we want to give the power of choice to the individuals who use a service, we want funding to follow the choices of service users, and we want to give the professionals providing the service the freedom to respond imaginatively and innovatively to the competition that results.

That's why we are giving parents and pupils a more open choice of schools, making school funding follow those choices, and giving teachers the opportunity to take on more freedom and responsibility. There are now 2,886 **academies** open in England, as of April 2013. They are enabled to make the changes to their school they need to make. That can mean lengthening the school day, recruiting new teachers in subjects in which pupils struggle, or introducing new contracts to reward high-achieving staff.

Through the Free Schools programme, it is now much easier for talented and committed teachers, charities and parents to open schools and address real demand within an area. 81 **new Free Schools** have already been established, with around another 100 due to open by September 2013. And we are fostering a whole new generation of **University Technical Colleges and Studio Schools** – with 21 now open and a further 60 coming into place by the end of the Parliament.

Our reforms in **health and social care** are driven by our conviction that these services should be designed around the individual. The needs of the patient, not the system, should come first. Local clinicians have now been given the green light to take control of the NHS budget. Patients are already benefitting from GPs starting to take a lead in designing local health services through 211 **clinical commissioning groups**, and are starting to experience real improvements in quality of care.

We have extended choice in health as a result of the '**Liberating the NHS – No Decision About Me, Without Me**' consultation and we have been working with the NHS to pilot new ways of opening up patient choice, enabling people either to register with a GP practice away from home or to see a GP away from home on an occasional basis. The evaluation of these pilots is due in the Summer. Over the coming year we will work hard to expand the of choice of mental health outpatient appointments and promoting choice of provider, bringing mental health services into parity of esteem with secondary care services

As part of our continued drive to improve the quality of care and treatment we are establishing the **Friends and Family Test** for all hospitals from April this year. All acute inpatients and patients discharged from A&E departments will be asked a simple, standardised question about the care and treatment they received. The results will be published regularly to identify poor performers and highlight excellent practice.

The Department of Health is consulting on plans to expand **Personal Health Budgets** to more than 50,000 patients in receipt of NHS Continuing Healthcare. This innovative model gives patients more freedom to choose services that meet their needs most effectively – and it works: patient satisfaction increases.

We are introducing a **cap on reasonable care costs** to ensure fairness and enable people to plan their retirement. We are also **improving information**, as part of a drive to expand choice and raise quality. The Government is expanding social care information on **NHS Choices**, to support people to choose the right kind of care and support, let them know what their entitlements are and where they can go for help. Comparative information about all registered social care providers is now available on NHS Choices so that people can easily find information on the availability and quality of services in their area.

This extension of choice matters most to those who have least. The poorer people are, the more they rely on public services —and the more they need to have the power of choice over public services that richer people can afford to buy by going private. That is why we have introduced the **affordable housing premium** and the **Pupil Premium** and have pledged to **extend funded early learning** to around 130,000 of the most disadvantaged two-year-olds from September 2013, rising to around 260,000 in September 2014.

To bring these principles to bear on all individual public services, we are today publishing a Choice Charter. We have also launched individual Choice Frameworks in health, social housing, schools, early years and adult social care. Choice frameworks clearly set out the choices available, how to exercise them and how to seek redress.

But we need to do more. That's why the Government asked David Boyle to lead an independent review into the **barriers to choice** in public services, particularly for the most vulnerable. David Boyle met with service users and professionals across the country and spoke to them about their experiences of public services and what choice means to them. The Government is pleased to endorse his findings.

* * * * *

Neighbourhood Services

For services that are communal rather than individual, the Government is committed to devolving control to local communities wherever possible so that local people can shape the decisions that affect them.

The **Community Right to Challenge** came into force this year, enabling community groups and local authority employees to bid to run local authority services.

The **Community Organisers** programme has recruited and trained 195 Senior Organisers, who in turn will train 5,000 Community Organisers by 2015, helping communities to organize and take control of the decisions that affect them.

The Government is giving local councils more freedoms and flexibilities with the introduction of the **business rate retention scheme** in April 2013. Instead of business rates going straight into the Treasury coffers, local authorities will now be far more self-financed.

In the last year, 12 neighbourhoods and four whole areas piloted innovative **community budgets**, enabling local people to develop collective solutions to a range of local priorities. We are now expanding this approach through implementing the proposals for local budgets put forward by Lord Heseltine. We have also enabled the people of Liverpool, Leicester and Bristol to directly elect a Mayor.

We are also establishing **health and wellbeing boards** to enable local people to co-ordinate the planning and commissioning of local public health and social care services.

* * * * *

Commissioned Services

Another key element of Open Public Services is the introduction of **payment by results** – creating more accountability for outcomes and more scope for innovation in those services that the state has to commission centrally.

For the first time, local drug and alcohol recovery commissioners will have access to detailed data on the number of offences committed by clients on their treatment caseload. The data will enable them to pay their providers on the basis of reducing offending in their area. The data will also be made available to Police and Crime Commissioners for them to commission services on a payment by results basis.

Payment by results is increasingly a core part of many public services including health, employment, drug recovery, housing, immigration and services for troubled families; and new pilots have been launched in debt collection, international development and psychological therapies.

Although the payment by results **Work Programme** has built up more slowly than we had hoped, it has already helped more than 31,000 people into sustainable jobs in its first year. In January 2013, DWP announced details of the **Recovery Works** pilot focusing on clients receiving structured treatment for drug or alcohol dependency.

In addition, over the coming year, we will:

- open up the majority of community **rehabilitation services** to a diverse range of rehabilitation providers, paying by results for their success in reducing reoffending;
- build job outcome payments and incentives into the **skills funding** formula; and
- increasingly focus **international development** spending on payment by results.

* * * * *

Ensuring Diversity of Provision

Over the last two years much progress has been made to embed the concept of diverse and innovative providers competing to raise standards across public services.

The UK is now also the world leader in social investment and has launched 13 Social Impact Bonds, of which 10 were commissioned through the DWP Innovation Fund.

We have introduced the **Social Outcomes Fund** to help finance early, preventative projects; and the **Centre for Social Impact Bonds**, which promotes the development of more and better Social Impact Bonds (SIBs).

2012 saw the establishment of **Big Society Capital**, the world's first social investment bank to support organisations tackling major social issues and giving them access to new sources of finance.

These new financing models are opening up public services to a new set of providers, unleashing a new wave of innovation and seeking new ways to tackle some of our most pressing social problems.

There is also a healthy pipeline of public service **mutuals** emerging across the public sector, with over 120 developing and established projects currently being tracked by the Cabinet Office, spanning thirteen different sectors of public service delivery, from youth services to health care and libraries services.

* * * * *

Enabling Open Public Services

The fundamental shift taking place in opening up services is being supported by a range of enabling measures. We have started to rethink the role of government so that governments at all levels become increasingly funders, regulators and commissioners whose task it is to secure quality and guarantee fair access. Both central and local are adapting to develop new capabilities to make the most of the new opportunities and stimulate **more openness and innovation in public services**.

Our ambition is to lead the world in using evidence to inform public spending and ensure taxpayer's money is well spent. Part of this is the creation of a network of new **What Works centres** ensuring that high quality evidence is at the heart of public policy and decision making.

The **Commissioning Academy**, a new initiative open to commissioners from across the public sector will expose public servants to the most successful and innovative commissioning groups, helping to develop the confidence and capability required for effective service commissioning.

This year will see the move to **digital public services**. Through the **launch of GOV.UK** we have established a platform to enable citizens to access services at a time and location that suits them. By publishing the **Government Digital Strategy**, which is in turn supported by Departmental Digital Strategies, we have laid out a path towards further transformative change in the way services are accessed. We are ensuring that this access remains fair and open to all through the cross-Government approach to **Assisted Digital**, which was also published in December.

Conclusion

We have made significant progress towards meeting the commitments set out in the original White Paper. But our ambition does not stop here. We are committed to further work to realise our vision of public services that are innovative, efficient and effective because they are open, competitive and accountable.

The RT Hon Oliver Letwin MP

Minister for Government Policy

The RT Hon David Laws MP

Minister of State for the Cabinet Office