Open Public Services 2014

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I. Introduction

Our public services are being transformed. The old, centralised model of public service delivery was costly and no longer capable of meeting the challenge of delivering the personalised, joined up public services that the public expect and need. Under the Coalition Government, we are creating a more innovative, diverse and dynamic landscape of public services. We want public services which respond to individual choices and people's real life complex needs, whilst relentlessly focusing on improvements in quality and doing all of this more efficiently, to give the tax payer the best possible deal.

Since our last update in 2013 we have pressed forward with this agenda, empowering communities, helping the private and civil society sectors to get involved in the delivery of local services and challenging the public sector to innovate in their business models. Equally important have been our interventions to ensure that all in society can benefit from our vision of open public services – not just the select few. We want to make sure everyone has a fair chance to realise their aspirations and potential. In the last year we have made additional funding available through the Pupil Premium for schools to work with disadvantaged pupils, and we have provided new packages of support for the long term unemployed.

Since we published the Open Public Services White Paper we have made huge steps in reforming each of our public services in line with the same set of principles: choice, decentralisation, diverse provision, fairness and accountability to users and the taxpayer. But there is still further to go. This document provides an update on how public service reform has progressed since our 2013 report, and our priorities for the next stage of our transformational vision.

2. Increasing choice and control to deliver personalised services tailored to an individual service user's unique needs

Wherever possible, people should have the power of choice about what services they receive. And they should have the information and insight they need to support that choice. Choice is about empowering people. And just as importantly, it's a crucial lever in improving the quality of public service delivery, incentivising providers to deliver the services that people want and choose for themselves and their families. Choice also recognises that people's needs don't come in neat bundles. Whether we are talking about an older person with dementia or a child in one of the most socio-economically disadvantaged families in the country, individuals have complex sets of needs which inflexible, one-size-fits-all public services cannot meet.



Under this government we have seen more funding for public services following the choices of individual service users:

- Choice of schools: Every child should be able to attend an excellent local school of their choice. Over the past year we have created more choice by opening a further 93 free schools, bringing the total now open to 174. A further 123 are already approved to work towards opening in 2014 and beyond. While it is too early to assess their impact on exam results, there are clear indicators of the success of free schools. The first 24 free schools have been inspected by OFSTED, and three quarters were rated good or outstanding. And they have been a popular choice with parents. Beyond free schools, there is now more choice than ever for parents. As of February 2014 there are 3,657 Academies and 17 University Technical Colleges providing high quality teaching and responding to the needs of their local communities.
- Personal Budgets in health and social care: The majority of people accessing social care receive this through a personal budget. Personal budgets, transferred to some recipients in the form of direct payments, can be used to purchase tailored services, such as personal care, transport and advocacy. And in April 2014, new legislation will come into force that will mean all patients who are eligible for "continuing healthcare" from the NHS will have a right to ask for a Personal Health Budget, to purchase tailored health care services too.
- **GP Choice:** From October 2014 patients will be able to register in practices outside their traditional boundary areas. This new freedom, introduced after a pilot scheme in 2013, ensures that patients can access GP services in a place that is convenient to them, whether that be close to work or to a family member.

• Mental health services: In line with the government's commitment to giving mental health the same level of priority as physical health, patients now have the right to choose their mental health provider. From April 2014, for the first time, patients needing treatment for a mental health problem will be able to choose where they get their care in the same way that someone needing a hip or knee replacement has a right to choose at which hospital to have their operation. And the choice will not be limited to an NHS provider – patients will also be able to choose a voluntary or independent organisation providing NHS services.

Making choice meaningful

In order to make the concept of choice meaningful in practice, we have placed clear, accessible information about service quality and outcomes in the hands of individuals.

- Supporting parental choice: The Department for Education's School and College Performance Tables provide parents with detailed performance data on primary and secondary schools and providers of 16-18 education (colleges, school sixth forms etc.). The tables received 2.8 million unique visitors in 2013. The tables also provide contextual information, including absence rates, workforce numbers, finance and school census data. The OFSTED School Data Dashboards, which have received 800,000 unique visitors since it was launched in February 2013, provides an analysis of school performance over a three-year period, adding further insight to support parents to exercise an informed choice.
- Empowering learners in higher and further education: Similarly, the websites FE Choices and Unistats have allowed students to compare performance information about further education colleges, training and universities to make informed choices about where to study. FE Choices works with about 1,000 colleges and training organisations, and gathers information from over 500,000 learners and nearly 60,000 employers. The information is then published on the FE Choices comparison website, which now attracts over 40,000 unique visitors a year. Unistats, the website that enables comparisons between higher education institutions and courses is clearly popular with learners, has received over 746,000 visits in its first year.

3. Allowing local decision-making and decentralising power to the lowest appropriate level by empowering neighbourhoods and communities

We have moved decision making away from Whitehall and closer to the local people who know best. Our reforms are liberating communities and neighbourhoods from a centrally driven, one-size-fits-all approach. We want to make sure that public services are shaped by local need, intelligence and expertise.



Among services delivered at a community level, we have pioneered major reform to place local intelligence and expertise at the heart of service design and delivery. Local clinicians now control the majority of the NHS budget in their areas, through 211 clinical commissioning groups (CCGs) who commission most of the hospital and community health services in their local areas. CCGs now report against a set of outcomes and are more directly accountable for the difference they make to the health of the communities they serve. Every area now has a local Healthwatch in place, ensuring that the views of local communities are heard in the planning and delivery of local health and care services.

And there are good examples of clinicians working innovatively to design services around their patient and community needs. For example, the GP-led multi-disciplinary team in Kent has worked more closely with hospital matrons, involved mental health professionals from day one and made better use of telehealth and telecare services. A&E attendances have fallen by 15% and non-elective hospital admissions are down by over half among people with long term conditions.

The 41 elected Police and Crime Commissioners (PCCs), in post since November 2012, now decide on local policing strategies and control over £12.1 billion of police force funding. And crucially, in this role they are answerable directly to their electorate on the decisions they take. This has prompted a number of new, locally focused policing initiatives. These include the introduction of a "Country Watch" messaging system that alerts constituents in the Thames Valley area to crimes, witness appeals and other policing information, as well as the introduction of a fleet of "Mobile Police Contact Points" in Kent, allowing the public in rural areas improved access to police services. In the North East the PCCs for Northumbria, Durham and Cleveland led a comprehensive consultation on violence against women and girls, engaging partners from the public, voluntary and community sectors, to develop a new region-wide strategy to combat these crimes. We are also extending the remit of Police and Crime Commissioners who will assume responsibility for commissioning local victims' services from October of this year

The take up of the innovative new freedoms and Community Rights, created by this Government, provides clear evidence of the appetite amongst communities to play a greater role in the decisions that affect them:

- Neighbourhood and Local Plans: Every local planning authority is working towards having a clear, up-to-date Local Plan, which meets local development needs and reflects local people's views of how they wish their community to develop. As of the end of January 2014, 52% of local planning authorities have adopted a Local Plan, and 75% have at least published a draft plan. This is an increase from only 32% of councils in 2010. Further, as of January 2014, 880 communities are working on smaller scale, Neighbourhood Plans to create a shared vision for the type of development they wish to see in their neighbourhood. This is an increase of over 300 since the last update in 2013.
- **Protecting what matters to communities**: Since it was introduced in 2012, 900 communities have made use of the new Right to Bid to initiate dialogue and action around the places and spaces that mean most to them. In 57 of these communities, the sale of the community asset in question has been put on hold for an initial six month period while the community deliberates a potential purchase, and in a further six instances, the community has purchased that asset directly.
- Challenging the status quo on services: Over 30 community groups have engaged their local authority to propose alternative plans for the running of local services, which have resulted in productive dialogues and generation of innovative new ideas.

Improving transparency around dates for key local authority meetings will enable people to be more involved in local decision making. To support this we will soon be publishing a revised local transparency code. And we are extending the freedoms and powers available to local communities even further. The new community trigger gives victims and communities the right to require agencies to deal with persistent anti-social behaviour. Victims will be able to use the community trigger to demand action, starting with a review of their case. Agencies including local authorities, the police, local health teams and registered providers of social housing will have a duty to

undertake a case review when someone requests one and their case meets a locally defined threshold.

We are supporting communities with budgets as well as powers. The "Our Place" programme offers people in a neighbourhood the opportunity to tackle the issues which matter most to them. 'Our Place' has already been piloted in 12 pioneer areas. In light of this, the government has committed a further £4.3 million to enable 100 more areas to put communities in the driving seat, influencing spend and shaping public services to meet local needs.

Ensuring local services have freedom to join up around the needs of individuals

Individuals, families and communities have complex needs, which don't neatly align with the traditional boundaries of public services. Many Governments have understood the importance of joined up service delivery, but it is this Government that is making it a reality, by giving local areas the freedom to find more flexible solutions to the most persistent issues, and in many cases to generate efficiencies and cost savings too. Beyond just providing more resources to the most disadvantaged, we have worked hard to make sure those resources are used most effectively by encouraging and even mandating more integrated working and more collaboration between services.

- Troubled Families: In addition to providing local authorities with an additional £448m to turn around the lives of 120,000 families, the <u>Troubled Families Programme</u> has also enabled many local areas to put in place a more integrated and collaborative approach to service delivery. This is bringing together a range of public service providers across health, police, schools and welfare to work and the emerging evidence is that this can reduce fiscal costs significantly. Midway through the programme 62,000 families were being worked with, 22,000 of whom had already had their lives turned around.
- **Better Care Fund:** We have created a £3.8 billion pooled fund to promote joint working between councils and the local NHS to jointly plan and deliver health and care services in 2015/16. The Better Care Fund is ultimately about delivering better care, organised around people rather than around services. Local areas, who know their communities' needs better than Whitehall, will decide how their local pooled budget should be spent. Local plans will be approved by Health and Wellbeing Boards and will therefore be open and transparent, whilst the pay-for-performance element will make services more directly accountable and focussed on outcomes.
- The Public Service Transformation Network: We launched the Public Service Transformation Network in March 2013 to champion a "whole place", multi-agency approach to public service reform. The Network works with local public services to redesign them around the needs of people, not organisations engaging with local people, communities and organisations in the co-design of services, whilst also working with government departments and agencies to reduce barriers to reform. Account managers assigned to individual local authorities provide a way into Whitehall to resolve problems. The Network aims to share "what works" so that other places can deliver better services faster. The approach has

generated improvements in service quality and better value for the taxpayer. For example, Essex have significantly improved outcomes for victims of domestic violence; West Cheshire's Integrated Early Support has reduced the demand for more intensive interventions; Triborough in London have reduced the length of care proceedings in the court system by half for children at risk; and Greater Manchester are providing tailored support to help 5,000 benefit claimants find sustainable work.

4. Opening up public services to a range of providers through top class commissioning, social investment innovations and challenging the public sector to innovate in their business models

When this government came to power, the state was the default provider of public services. This meant a lack of competition and importantly, of innovation, which limited both value for money and quality. So we have worked hard to create a more level playing field in which any organisation with a good idea and the capacity to deliver it can get involved. Whether we are talking about services delivered to individuals or to communities, the providers of those services now hail from the private and public sectors and from civil society too.



Opening up public services

We have opened up a range of public services, from health to employment to rehabilitation. For example, we have extended the use of Any Qualified Provider (AQP) to services beyond elective

care, including wheelchair services and hearing aid services, meaning more patients can now choose from a range of approved providers, such as hospitals or high street service providers. And employment support is now delivered on a payment by results basis by a diverse range of providers, via the Work Programme. At the latest stock-take, in September 2013, there were 363 voluntary organisations operating in Work Programme supply chains, as such they made up 42% of all supply chain providers.

We are transforming the way we commission prisons and probation services. Despite increasing levels of investment, overall re-offending rates have barely changed over the last decade; the same faces come back through the system time and time again. So to respond better to the multiple and complex needs of offenders, we are putting an end to the state monopoly on rehabilitation services. In September last year we launched a competition to find the future providers of rehabilitation services in England and Wales. Thirty bidders passed the first stage of the competition, including a diverse mix of private and voluntary sector partnerships. A third of successful bids were from mutuals among which are seven bids which have been supported by the Cabinet Office Mutual Support Programme. A further 830 organisations have expressed an interest in playing a role as part of the wider supply chain – with more than 550 voluntary sector organisations among that number. Furthermore, to support the role of the voluntary sector in this space, the Rehabilitation Social Action Fund will provide 12 civil society organisations with resources to demonstrate what works and deliver social action programmes in prisons and communities.

Removing barriers for civil society organisations

Beyond rehabilitation, we have provided additional support to voluntary sector organisations to ensure they can benefit from the opportunities provided by the reform of our public services. This year we have funded the Commercial Masterclass programme to support the voluntary and community sector to tender for public service contracts. This first wave will benefit approximately 600 providers. Furthermore, we have made a £10 million Investment and Contract Readiness Fund (ICRF) available, which helps more established social ventures access social investment of at least £500,000, or win public service contracts valued over £1 million. And, through the international Social Impact Investment Taskforce, we are looking at best practice across the G8 countries for opening up public services to social ventures.

We are working hard to remove the barriers that limit who can deliver public services and create a more level playing field. We have listened to the civil society organisations that say despite their ambition, it's hard to compete to deliver public services in their own right. In particular, pensions liabilities of transferring staff can make it financially difficult for civil society organisations to compete in procurement exercises. That is why we have revised the Fair Deal policy, which reduces the costs and risks to employers associated with pension transfer schemes, whilst still ensuring that staff compulsorily transferred out of the public sector will have access to good quality pensions. And that is why, one year on from the introduction of the Social Value Act, we are pleased to see how it is encouraging commissioners to think about the benefits for their communities of working with a diverse range of organisations.

Creating a vibrant market of social investment

Social investment is another way in which greater competition has been introduced to public service reform to drive up quality and improve outcomes. The UK now has more Social Impact Bonds than the rest of the world put together. The bonds are providing finance and therefore creating opportunities for new and small providers to enter the market and expand their offer. The Social Outcomes Fund, which now totals £60 million (thanks to an additional £40 million investment from Big Lottery), run by the Cabinet Office, has supported two innovative new social investment bonds. The first aims to increase adoption rates for hard to place children via a network of 18 voluntary adoption agencies, and the second will provide specialist care to divert young people from entering residential care. To further encourage the growth of this new market and to maintain the UK's position as a world leader in social investment, we are set to introduce a new tax relief for investments in social enterprises with effect from April 2014.

Challenging the public sector to innovate

Two years after it was set up, the Mutuals Support Programme is celebrating the successes of public service mutuals across the country. The programme has supported the development of over 160 mutuals, bringing greater levels of staff engagement, efficiency and innovation into public service delivery. Around 85 mutuals are already live and trading across the country, together delivering well over £1 billion of public services, with over 28,000 staff. This includes the most recent addition, the Behavioural Insights Team. The team was set up in 2010 with a mission to find innovative ways of enabling people to make better choices for themselves and society, and is now a world-leader in the application of insights from behavioural science, credited with helping the UK Government save millions of pounds for the taxpayer. As a mutual joint venture, the new company will be able to grow its business and export services across the globe. Our latest data shows that absenteeism and staff turnover fall by 20% and 16% respectively after an organisation becomes a mutual.

Top class commissioning

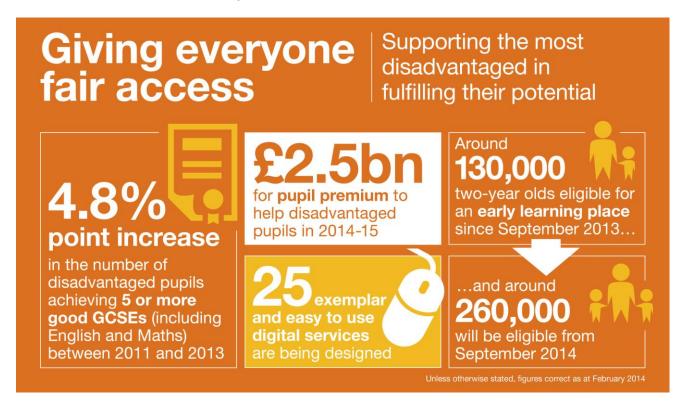
We have recognised the need for stronger commissioning skills throughout the public sector to support this ongoing transition. And that is why we are putting 1,500 senior leaders through the Commissioning Academy, an intensive development programme to improve commissioning practices. The Academy, which includes a specific module on understanding the provider perspective, is developing leaders who can embrace new forms of delivery, better outcomes for citizens and pursue value for money through innovative models.

In the last year we have established a world first in the network of What Works centres. The six evidence centres, covering health and social care, educational attainment, ageing better, local growth, crime reduction and effective early intervention are summarising and sharing research with local decision-makers, including commissioners, head teachers, police and crime commissioners. The centres are informing investment in the services that deliver the best outcomes for citizens and value for money for taxpayers. To date, 36% of senior leaders in

schools say that they use the <u>Teaching and Learning Toolkit</u>, produced by What Works centre, the Sutton Trust/Education Endowment Fund.

5. Giving everyone fair access to public services

This government has intervened decisively to ensure that open public services create a fairer society. We recognise that not all people start from the same point and that early disadvantage can determine life chances in a way none of us consider to be fair.



Providing extra help

When shifting decision-making power down to individuals and communities, we have provided extra help to those who have previously been left behind and targeted resources in their favour.

• The Pupil Premium: While poverty has in the past been a powerful factor in predicting a child's life chances, the Government is determined that a pupil's economic circumstances should not pre-determine the outcomes of their education or future prospects. Introduced in April 2011, the pupil premium gives schools extra funding to raise the attainment of disadvantaged pupils from Reception to Year 11. In 2014/15 the total amount delivered to schools via the Pupil Premium will be £2.5 billion, rising from £1.8 billion in 2013/14. Head teachers are free to choose how to spend the funding to maximise its impact, as they are best-placed to assess what additional provision their pupils need. Schools are held to account for the outcomes of their strategies through performance tables and through a new focus in Ofsted inspections. Evidence-based resources are available, through Ofsted's analysis and challenge tools and through the Education Endowment Foundation's Teaching and Learning

toolkit to help schools choose the most effective approaches. Between 2011 and 2013, the percentage of disadvantaged pupils achieving five or more good GCSEs including English and maths has risen by 4.8 percentage points and the gap between disadvantaged pupils and their peers has reduced by 2.1 percentage points.

- Early years education: To improve the attainment and life chances of some of our most disadvantaged children we are providing funded early education to those two- year-olds who most need it. Since September 2013 around 130,000 two-year-olds across England have been eligible for an early learning place, and eligibility criteria will be extended as of September to a further 130,000 two-year-olds, bringing the total to 260,000. It is our vision for early education for two-year-olds that every child who is eligible for a place is able to take one up, in a good or outstanding setting. In autumn 2013 around 92,000 two-year-olds were already accessing a funded place.
- Supporting young people not in education, employment or training: Through the Youth Contract, we have invested £126 million, engaging the hardest to reach young people to support them into education, training or a job with training and improve their prospects.

 Under extended eligibility criteria, the programme is projected to reach a total of 70,500 16-17 year-olds.
- Help to Work: From April 2014 the government will introduce a new package of targeted
 measures to help the long-term unemployed, who are still unemployed after two years on the
 Work Programme, back to work. Claimants will be referred to three different types of
 support depending on need: daily signing, mandatory intervention or community work
 placements.

Ensuring fairness by protecting our public services from abuse

Fair access to public services also depends on effective tax and revenue collection. As part of our public service reform agenda we are committed to finding innovative new ways to ensure individuals and organisations contribute their fair share. Her Majesty's Revenue and Customs will be using debt collection agencies, bringing the power of incentives and greater accountability to bear on revenue collection.

Enabling access online

To ensure fair access to public services, we have revolutionised the digital presence of our public services. GOV.UK is now the best place to find information on government services and replaces over 1,700 separate government websites. By December 2013 there had been over half a billion visits to the site, and 30% of those visitors came to the site via a phone or tablet.

Working with departments across the country, the Government Digital Service is transforming 25 "exemplar" services. These include a prison visit booking system trialled in three prisons, a new online service to apply for Lasting Power of Attorneys and the improved student loans applications service - delivered by the Student Loan Company – which has seen a 142% increase in user satisfaction.

"Digital by default" services will be simpler, clearer and faster to use, with support in place to help people who can't use digital services independently. We're also helping more people to get online. A digital inclusion strategy will be published later in the Spring, bringing together cross-sector efforts to reduce digital exclusion.

6. Making public service providers accountable to users and taxpayers for the quality of service and the outcomes they achieve

Providers of public services, from across all sectors, whether private, public or voluntary and community sector, are increasingly being held to account for the outcomes they are achieving. They are being held to account, not only to the people who use them but to elected officials too.



Transparency on outcomes

There is now an expectation on our public services that they will not only record and measure the outcomes of their work, but also that they will make that data available and accessible and they will report on what they are doing to improve those outcomes. Thanks to a major drive around transparency and open data, people can discover how much <u>crime happens on their street</u>, amongst a wealth of other information on government services via the <u>Performance Platform</u>. Within health services, people can now look up how well <u>individual consultants and units perform</u>, enter their postcode into an online map to see how well <u>dementia services are performing in their area</u>, in line with the Prime Minister's challenge on dementia, and even scrutinise "Improvement

Plans" published by trusts which are deemed by the regulator to need to be placed under <u>Special</u> <u>Measures</u>.

And to support providers on this journey to better outcome measurement, we have launched an innovative pilot project, called the <u>Justice Data Lab</u>. This supports providers of offender services by providing them with aggregate re-offending data from the Ministry of Justice, specific to the group of people they have worked with. This means that providers can much more easily understand their own effectiveness at reducing re-offending. So far there have been 73 requests to the Data Lab from a diverse group of providers. And the reports produced by Data Lab are available online, enabling us to build up a library of evidence and support to commissioners to drive decisions on spend.

Incentivising outcomes using payment by results

Payment by results is now a core part of many public services. Schemes across health, employment, drug recovery, housing, immigration and services for troubled families have demonstrated how this approach rewards and encourages innovation and success.

- To date, through the Work Programme, 208,000 jobseekers have already escaped long-term unemployment and found lasting work – up on just 54,000 job outcomes twelve months before.
- Thanks to ten new, innovative payment by results Social Impact Bond pilots, over 1,800
 positive outcomes, including young people moving into employment or training, have been
 achieved.
- The New Homes Bonus, paid to Local Authorities to incentivise creation of new homes has allocated £2.2 billion of funding since April 2011 as reward for delivery of nearly 550,000 homes and bringing over 93,000 long-term empty homes back into use.

And looking forward, the Ministry of Justice's new approach to commissioning rehabilitation services will use payment by results to incentivise market providers to focus relentlessly on reforming offenders, giving providers flexibility to do what works and freedom from bureaucracy, but only paying them in full for real reductions in reoffending.

Giving citizens a voice, and making that voice transparent to all

We know that transparency delivers better public services. By giving people a voice and making sure that voice is made public we can drive up performance standards, support choices of other service users and hold providers to account. The Friends and Family Test, a simple question to support people to rate the quality of service received, has now been answered by over 1.6 million patients since April 2013. The national response rate has grown from 10.9% in April 2013 to 19.9% in December 2013. Following its success in healthcare settings, the Friends and Family Test is also being extended to Jobcentres, and further education institutions. This will put more power in the hands of the public, allowing them to give clear and honest feedback on a broader range of

services that they use every day and help to identify the best performers whilst encouraging others to improve.

At the level of individual services, there are exciting developments in accountability to come. The GP Contract for 2014/15 will include a new requirement for everyone aged 75 and over to have a named GP responsible for their care outside of hospital. In addition, an enhanced service in the GP contract will support patients with the most complex care needs to receive the proactive care they need to remain healthy, including through the provision of a named GP with overall responsibility for their care. These changes will transform the dynamic of care for the most vulnerable people, ensuring that the lines of accountability are clear and care packages are personalised to best meet the needs of individuals rather than the system.

7. Looking ahead

Since coming into government, the progress we have made on delivering more open, more transparent and more flexible public services has been swift. And, in the year ahead, as more reforms are made reality, we will see further progress. More patients will be able to choose the healthcare services they receive: from which GP they register with to who supports them with their mental health. More parents will be able to choose an excellent school for their children to attend, as a result of this government's commitment to funding up to 180 new Free Schools, 20 Studio Schools and 20 University Technical Colleges in 2015-16. And a new tax relief for social investments will support the growing social enterprise sector and its contribution to improving the quality of our public services.

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