

Service Transformation Challenge Panel: terms of reference

Context:

1. The Autumn Statement set out the fiscal consolidation that the Coalition Government believes is necessary to reduce the deficit over the course of the next Parliament. To achieve this level of savings, whilst mitigating reductions in local services it will be necessary for local public services to work better together to resolve complex, cross-cutting and costly social issues, and reduce demand for public services over the longer term. The Coalition Government believes local services can contribute to better opportunities for individuals and families; protect the vulnerable and contribute to the country's economic growth.
2. The Whole Place Community Budget pilots demonstrated public services could deliver better outcomes for less – projecting £800m of savings in four areas over five years. These findings have led to significant national policy changes to enable greater integration of local services: The Public Service Transformation Network was created to support more places to transform their services and to spread the learning to other places. The Government announced the pooling of £3.8 billion to integrate adult health and social care; the recent announcement of NHS Health Integration Pioneers and the Prime Minister's Challenge Fund to connect people and their health services more effectively; and the extension of the scope of the Troubled Families programme to up to 400,000 more families.

Core Purpose:

3. This independent Challenge Panel was announced in April 2014 by the Chief Secretary of the Treasury and Secretary of State for Communities and Local Government. The Panel will provide further support and challenge, and make a set of recommendations, on what needs to happen locally and nationally to increase the pace of integration between local public services.
4. The Panel is made up of independent representatives drawn from across the public, private and voluntary, community and social enterprise sectors.
5. The Panel will work within the context of good value for money and fiscal discipline. It will not consider devolution of tax or welfare. The Panel must not produce any recommendations which breach the Government's fiscal consolidation plans. Recommendations to change the Government's national accounting framework should not be made without prior discussion with the Treasury.
6. The Panel will:
 - identify the characteristics and enablers of successful transformation;
 - consider how this good practice can best be shared and incentivised;
 - identify the practical barriers preventing successful integration; and
 - make practical recommendations on what needs to happen locally and nationally to help overcome these.

7. In doing so, particular issues to be considered are:
 - What are the main cross-cutting, social issues on which services need to work better together? How could this help meet the challenges of demographic and social trends?
 - How do we build on the learning from the Troubled Families programme, Community Budget areas and existing care integration examples? What does good local integration between services look like? What can be learnt from local and international experience?
 - How are local areas using their existing freedoms, powers and flexibilities to integrate services in this way?
 - What are the most effective ways of supporting service integration – locally and by central government? What would spread these ideas best at scale and pace?
 - What are the most common barriers and enablers to reform? And how might these best be overcome? To cover, at least:
 - Financial accountability and flexibility
 - Whole place approach to sharing the costs and benefits of service reform
 - Local and national leadership
 - Organisational culture and workforce
 - Demand management and behaviour change
 - Information sharing.

However other issues which are important may be identified during the course of the Panel's evidence gathering.

Timing and reporting:

8. The Panel will report in autumn 2014, jointly to the Chief Secretary of the Treasury, and the Secretary of State for Communities and Local Government.
9. The Secretariat function will be provided by the Public Service Transformation Network.