



OPEN PUBLIC SERVICES WHITE PAPER

SOLACE Briefing Note

INTRODUCTION

This briefing note provides a summary of the [Open Public Services White Paper](#) published 11 July 2011.

The White Paper is the product of a lengthy period of consultation following publication of the Modernising Commissioning Green Paper in December 2010. Introduced by the Prime Minister as 'ending the old big government, top-down way of running public services...and bringing in a Big Society approach' the White Paper builds on many of the key proposals contained in the Localism Bill to present the next chapter of the Government's transformation agenda. The overarching aim of the White Paper is to give residents more freedom, more choice and more control over the services they receive through the opening up of public services.

Throughout the White Paper the Government acknowledges the central role that local government has played and will continue to play in achieving this vision. In particular, SOLACE welcomes the Government's recognition that the wider public sector has much to learn from local authority successes in opening up locally commissioned services.

The paper is, however, light on policy initiatives to stimulate lasting behavioural change and there is a stark absence of any discussion of costs. At present, therefore, the paper provides a welcome exhortation whilst recognising that further work is needed with the public, providers across all sectors, and local authorities to turn these aspirational goals into concrete reality.

WHY OPEN PUBLIC SERVICES?

According to the Government, there are a number of key drivers to opening up public services. Firstly, the centralised approach to delivering services is broken; secondly, service do not meet citizens' expectations; and thirdly, differences in social outcomes experience by the least and most well-off have remained static over the past decade. The Government is committed to providing good public services through:

- Tackling unfairness and inefficiencies to provide quality of opportunity;
- Providing equal access to the best services and making the best better still;
- Increasing quality but giving people more control and opening services up to new providers.

Key Principles:

1. **Choice** Increase choice by giving people direct control over services and elected representatives more choice over who provides services and how.
2. **Decentralisation** to the lowest appropriate level.
3. **Diversity** Break down regulatory / financial barriers to ensure a level playing field between sectors to open up services to a broader range of providers.
4. **Fairness** Ensure fair access - target extra resources at disadvantaged groups.
5. **Accountability** Make public services accountable to users and taxpayers.

INDIVIDUAL SERVICES

Funding follows choice

- To be achieved through personal budgets (delivered mostly as direct payments) entitlements and safeguards against inappropriate top-ups to public funding.
- **Consultation:** on the best ways to inform service users of the choices available when accessing services and the options for switching at intervals thereafter.

Individuals are informed of their options

- Providers of all sectors will publish data on user satisfaction in an accessible format.
- Government datasets to be open and accessible.
- Expect there to be an increase in web-based services that allow users to share opinions / compare performance data. Users to have access to standardised user satisfaction data.
- **Consultation:** on how to collect performance / satisfaction data from providers; whether data should be collected in a standardised form; what data to collect; and how it will be made accessible / available?

Access is fair

- Providers will only be able to select 'easy' clients where it advantages the disadvantaged.
- Will establish financial incentives and regulatory interventions to ensure a level playing field.

Providers meet basic quality requirements

- Will ensure providers are licensed / registered by a relevant regulator.

There is a means of redress if choice is not available / standards unacceptable

- Will explore how to raise standards in coasting schools.
- Will explore how the Ombudsman can play a greater role in supporting people to exercise choice in services; whether all services are appropriately covered by the Ombudsman; process / thresholds under which an individual can seek redress from an Ombudsman; resources and powers of enforcement; giving greater profile and transparency to the Ombudsman's work.
- **Consultation:** on how to establish zero tolerance for failure on a service by service basis.

Accountability to users / taxpayers

- Choice and voice through participation in co-designing services.
- Will examine the role of elected and unelected office-holders in championing individual rights, ensuring availability of services, providing overview and scrutiny.
- Encourage existing champions to speak on consumers behalf.

NEIGHBOURHOOD SERVICES

Community Ownership

- Transfer ownership of services directly to communities to give neighbourhood groups democratic control to take over and run services.
- **Consultation:** on potential new rights for neighbourhood councils to take over some local services.

Neighbourhood Control

- Empower / create neighbourhood councils to take greater control over local services.
- **Consultation:** on the scope for enabling neighbourhood councils to control local services; on how a national framework for local schemes could assist councils to promote decentralisation.
- **Impact:** could create demand for new councils. Financial – need to ensure delegation of services represents value for money.

Neighbourhood community budgets

- **Consultation:** on the scope for neighbourhood councils to run services; how might they be created; how to ensure proper financial control; how to improve the delegation / financial framework; how to ensure accountability for services run by communities?

COMMISSIONED SERVICES

Services commissioned by Local Government

- State as a commissioner rather than provider of services. Encourage purchaser-provider split; focus on outcomes.
- Open Commissioning policy whereby commissioners should consult and be challenged by providers on the future of a service; seek and consider at least three providers during procurement; and transparently link payments to results.
- Explore the creation of independent expert bodies in other areas besides health.
- Create an annual prize for top 10 authorities that innovate to deliver quality and responsive services within budget.
- **Consultation:** on how to establish credible accreditation bodies for public services which can mirror the work of the National Institute for Health and Clinical Excellence; on how to further open up locally commissioned services for: customer contact, planning, property and facilities management, back office transactional services, family support, support for LAC, trading standards and environmental services and housing management.

Services commissioned by Central Government

- Payment by results – need to align incentives correctly to prevent gaming but to allow for flexibility. May need to use proxy outcomes. Need to monitor performance closely to safeguard service users from receiving poor quality services whilst commissioners wash their hands of the problem.
- Welcome views on extending the commissioning approach to other national services.
- Government will seriously consider local proposals for doing things differently.
- **Consultation:** on the potential to decentralise commissioning power in a range of services where there is a case for improving value for money.

Accountability through transparency

- Give full access to public sector procurement and contract data.
- Commissioners are held to account by: user's decisions, independent audit and inspection bodies, independent champions, democratic means, representative bodies of professionals and local councils.
- Providers will be held to account through: choice / voice, and transparency mechanisms – providers should allow commissioners to require and publish transparent information about service performance, quality and value for money.

- **Consultation:** on whether the role of local councillors as citizens' champions need to be enhanced; how providers can enable greater user participation / management; whether providers of all sectors should be subject to the same requirements for transparency.

Ensuring diversity of provision

- Aim to generate a more diverse range of autonomous providers to increase service quality.
- Will assess barriers to entry / exit and recommend ways to remove barriers.
- Will explore legislating an overarching right to choice in individual services. Would provide a new legislative framework for extending this right to new areas.
- **Consultation:** on how to extend autonomous status to public sector organisations that provide services; how to stimulate openness / innovation through new types of providers; should operations functions in building-based services be split from ownership of assets; how can services be integrated; how to collate shared services together to achieve economies of scale; could VCS providers be supported to acquire public sector providers; should semi-autonomous public sector bodies be made fully autonomous? Will also trial school responsibility for permanently excluded pupils.

Deregulating the public sector

- Opportunity and need for more innovation in finance of public sector providers.
- Front line staff will be invited to suggest how Central Government can empower them to work smarter / improve productivity.
- **Consultation:** on how to unlock investment resources to improve services.

Public services mutuals

- Public sector staff will have rights to take over service delivery via various forms of mutuals (including multi-joint venture / employee-led mutuals)

Breaking down the barriers to new provision

- Will encourage commissioners to disclose TUPE liabilities at an early stage during a commissioning process or when the Right to Provide or Right to Challenge has been involved.
- Will encourage commissioners to break up contracts into smaller lots.
- **Consultation:** on whether providers should have a right to appeal to an independent figure or organisation when they feel they have been unfairly precluded from a commissioning process; on whether it is appropriate for an independent body to consider complaints from alternative providers in areas other than the NHS.

Intervening in the cause of institutional failure

- Will develop continuity regimes around the following 6 principles:
 1. Struggling organisations should be given support to turn around poor performance within agreed timescales before failure occurs.
 2. Accountability for providing good quality services and good financial management should remain with the provider.
 3. Where services fail because of poor management there should be severe consequences for the management / others involved in the governance of the provider.
 4. Continuity regimes should set out data to be used to identify failure.

5. There is a role for external bodies with powers to ensure proper financial management and to ensure continuity of service.
6. Systems should be flexible. Government departments should set out their long term vision for ensuring continuity of arrangements and transitional arrangements.

Further steps to diversify provision

- Will introduce greater transparency for spending decisions – each year the Prime Minister and Deputy Prime Minister will recognise the ten top authorities most supportive of the VCS.
- **Consultation:** on the applicability of the Foundation Trust model to other services; on extending different models of increased independence and more diverse provider base to children’s centres.

ENABLING OPEN PUBLIC SERVICES

Strong Local Government

- Much greater freedoms from central government control
- Devolution of national and regional functions
- Funding following individual choice – local authorities will have a major role in the transition to individual control and ensuring that individuals are well informed / have fair access to a range of quality providers.
- Giving power and control to neighbourhoods – will over time create a new relationship between local authorities and their communities.
- More local democracy.
- Community budgets.
- Commissioning – shift from providers to commissioners of service.

Consult with Local Authorities on the opportunities to:

- Be the people’s champions for all public services in their area, irrespective of whether they are directly accountable for those services. This will focus on their potential to secure fair and open access to a choice of quality services in the local area;
- be empowered to shape their local area through greater local freedoms on planning, finance, regulatory powers and infrastructure;
- be as financially self-sufficient as possible;
- be able to integrate the full range of public resources to solve complex social, economic or environment issues, such as the needs of people on housing estates who have multiple disadvantages;
- benefit from the maximum possible decentralisation of central government services to the local level;
- champion direct democracy and transparency of public data;
- act as the principal representatives for their communities;
- actively decentralise power to individuals and neighbourhoods and inspire successful responses to these new opportunities;

- be excellent and open commissioners of those services which cannot be devolved to individuals and communities; and
- Combine forces with neighbouring local authorities and lower-tier councils within their area to improve the success of the wider area.

Strong Central Government

Consultation on the following future roles:

- establishing and enforcing core entitlements;
- setting floor standards, enforced by independent regulators / published data;
- ensuring fair access to services and preventing discrimination;
- identifying areas of market fairly which require state intervention;
- being an excellent commissioner of retained services;
- ensuring protection for individuals / communities to have fair and genuine choice of providers for decentralised services;
- ensuring fair funding of services;
- removing barriers to ensuring a level playing field.

Enabling new provision

- Will launch a positive action programme to improve awareness of public service opportunities to new providers.
- Will promote: accessing new forms of external finance, empowering public service staff to take control of their own services, actively encourage new providers of all sizes and sectors.

Accelerating the digitisation of public services

- Shift in approach from “public services all in one place” to “government services where you are”.
- To achieve this, the Government Digital Service (GDS) will have the authority across central government to co-ordinate all government digital activity, including encouraging the commissioning of the best user-centred digital services and information at lowest cost from the most appropriate provider.
- The GDS will develop a digital marketplace through which all suitable digital transactions and information services will be able to be delivered. The marketplace will open up government information, data, applications and services to other organisations.

Next Steps

The Government will be consulting on the Open Services White Paper during July – September. To input your views, please visit: www.openpublicservices.cabinetoffice.gov.uk

Thereafter the Government will outline a programme of work to implement the open public services agenda and in November, the Government will set out how individual departments will take forward ideas to implement open public services.

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