



CabinetOffice

Excellence and fairness:

Achieving world class public services

**Making
government
work better**

Unlocking talent



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Foreword



Excellent public services lie at the heart of any civilised society. They express our core values of fairness and common endeavour and they underpin a strong economy. But more than that, they are essential if we are to meet our commitment to improve

social mobility - supporting every family in Britain as they strive to make a better life for themselves and their children. That is why putting in place the investment and reforms necessary to create world-class public services will always be a key priority for the government that I lead.

When Labour came to power in 1997, we were faced with the impact of decades of under-investment. Standards were unacceptably low in most of our secondary schools; crime had been at record levels; and waiting times for treatment in many hospitals were longer than a year, leading some to question whether the NHS and other public services could survive.

So our first task was to put in place a programme of investment and repair to remedy years of neglect and to establish, at a national level, basic standards below which no school, hospital or other service would be allowed to fall.

These national standards, together with big increases in the numbers of front-line staff, meant that we could then focus on a greater diversity of supply - more providers from the voluntary and private sectors, more choice and, in many areas, more competition - in order to foster innovation and strengthen incentives for high performance.

As a result of these changes, together with the hard work of millions of public servants, we have seen major improvements. We have more and better

qualified teachers than ever. Children no longer have to use outside toilets at school. Patients do not have to wait months on end for operations. Police numbers are at a record high and every community has its own neighbourhood police team. Overall, we have restored our nation's pride in our public services and they are more firmly than ever part of the fabric of British national life.

Some of our public services have done even better. Our top schools, hospitals, universities, and police forces - as well as our armed forces - are admired around the world. But we should also not shy away from the fact that in some places public services are still not good enough. And if we are to build a fairer Britain, we must extend to everyone - not just those who pay privately - the advantages of personalised public services.

Our first objective for reform must be to combine excellence with fairness. Everyone has a right to expect a first-class service, wherever they live and whatever their background. It is unacceptable that those in our most deprived communities too often experience our worst public services, or that hard-working families cannot always rely on the services they depend on.

So we will act to end unfair postcode lotteries by enshrining universal entitlements to basic standards, for instance, through a new NHS Constitution. We will guarantee minimum standards for neighbourhood policing. And we will do whatever it takes to eradicate the remaining pockets of serious underperformance - with radical proposals to ensure that when a hospital or other health care provider falls below acceptable standards new powers will be used to turn them around, just as our National Challenge programme will tackle low attainment in secondary schools.

Having ensured the removal of underperformance, our second objective is to respond to people's rising aspirations for high-quality services that are shaped

by them, available when they need them and tailored to meet their individual circumstances. So as we set out our plans for the next phase of reform over the forthcoming weeks our priority will be to put citizens in control:

- increasing choice and introducing the opportunity of personal budgets in new areas of our public services, including looking at their potential in parts of the NHS, and extending their use in areas like adult skills, social care and disability;
- giving all users - from patients, to parents and local residents - clear and comparable information about service quality;
- improving access across our public services – as we are doing in our GP practices and extended schools – so they fit in with busy lifestyles;
- ensuring that user satisfaction becomes a key measure of success and reward for organisations and staff;
- giving users a real say over their services, through partnership with professionals, such as jointly-agreed care plans for those needing ongoing health treatment; and
- establishing new powers for local people so they can hold key local services, such as policing, to account.

Our third goal is to unleash a new professionalism in our public services. If there is one lesson from around the world it is that the standard of a public service can never exceed the quality of the staff working in it. Just as being Chancellor for ten years taught me that economic strength depends on the hard work and talent of all of us - from the shopfloor to the boardroom - the lesson of public service reform is that real excellence depends upon liberating the imagination, creativity and commitment of the public service workforce.

This will not mean giving up on reform - as some would encourage us to do. But instead requires us to create new opportunities for professionals to take control of the process of change – with less top-down control and a greater say for front-line staff. So we will learn from the approach taken by Lord Darzi's unprecedented Next Stage Review of the NHS which has drawn on the ideas and inspiration of over two thousand clinicians from every part of the country, and work with professionals in new ways - enabling them to take the initiative in increasing quality and meeting citizens' needs.

Building on the success of the Foundation Trust model in the NHS, which now sees a million people actively involved in the governance of their local hospitals, I believe that over the next decade we will see a growing role for independent public service providers, voluntary organisations and social enterprises. We have only just begun to harness the potential of these kinds of non-profit organisations and in the coming weeks we will set out how we can promote a new wave of innovation led by social enterprise whilst protecting the values of publicly funded services free at the point of use. Not a return to the most vulnerable in our society depending on charity but a genuine openness to new ways of delivering services to the benefit of all.

Greater citizen empowerment and a new professionalism must not mean that Government leaves people on their own. Government must provide strong leadership, clear direction and sustained investment for public services; it must stand up for citizens, challenge vested interests and take a long term view - identifying the strategic challenges for the decade ahead from the creation of a comprehensive early years service to the fundamental reform of social care for the elderly.

But government must also know its own limits and become more strategic. It must step up its efforts to cut unnecessary targets, strip out waste, and

devolve responsibility to communities, councils and local service providers. We must continue to strive for efficient, high quality services - by the end of this year the number of civil servants will be the lowest in sixty years. And above all, government must embrace a new culture that celebrates local innovation and ends once and for all the view that the man or woman in Whitehall always knows best.

So this is my approach to achieving excellence in our public services: real and lasting change driven by the users of public services themselves, backed up by professionals with the freedom and responsibility to be responsive to service users and supported by an enabling government that is prepared to lead, invest and put in place the necessary reforms.

I want world class to mean what it says: every element of our public services to be the best in the world. I know this is a huge challenge. But if we make the right choices I believe this goal is now within our reach. And if we succeed, Britain will be a fairer and more prosperous country, with rising social mobility for all its citizens in the decades ahead.

A handwritten signature in black ink that reads "Gordon Brown". The signature is written in a cursive, slightly slanted style.

Gordon Brown
Prime Minister

Introduction: A world class ambition

1. Better public services are at the core of the Government's mission to deliver social justice and increase social mobility, using the power of collective action to benefit each family and individual. If we are to compete effectively as a country in today's globalised economy and match people's ever rising aspirations, our public services must be able to bear comparison with the best in the world.
2. Over the past decade our public services have improved across the board, in many cases dramatically so. This has been the product of sustained investment and radical reforms.
3. But there is much more to do. Our next challenge is to ensure that all of our public services are world class.
4. This paper provides a framework for enabling further improvement. Using evidence from the best performing public services around the world it sets out the Government's overall approach to public service reform over the coming years.¹
5. Ten years ago, despite the dedication of the millions of committed people who worked in them, our public services were struggling.² Years of under-investment had left many of our schools, hospitals and other public services in a poor state. Pockets of excellence coexisted with outright failure and the average quality of service was unacceptably low. So the Government set about rebuilding public services, through a combination of sustained investment and far-reaching reform.
6. The reform agenda has typically included two distinct stages. The first stage used the explicit introduction of clear national standards and targets to drive up performance while increasing investment. Standards rose in primary schools, hospital waiting lists and crime began to fall. The extra investment made a significant difference, with thousands more teachers, nurses, doctors and police officers working in refurbished or newly built facilities and receiving better pay. New services were created – for instance in early years provision. The condition of the country's public housing was steadily upgraded and employment and welfare offices were integrated, following the introduction of the New Deal, to support the drive towards full employment.
7. As services improved from their low state, there was a growing recognition of the need for more flexibility and innovation if progress was to be sustained. So from around 2001, the second stage of reform complemented these top-down targets and standards, with clearer incentives to improve, generated from within the public services themselves rather than imposed from Whitehall. The reforms encouraged diversity of providers, whether public, private or third sector. Funding for the voluntary sector doubled. The choice of services was widened and providers were incentivised through money following the patient, pupil or jobseeker.
8. Standards have continued to rise. Primary and secondary school results are now better than ever before, waiting times for A&E and surgery have been dramatically reduced and overall crime is at its lowest level in 25 years.³ There have also been big improvements in efficiency, releasing £23 billion of savings in the most ambitious efficiency programme ever undertaken in the public sector.⁴

9. Some parts of our public services and the professionals that deliver them rank among the best in the world. Consider hospitals such as the Royal Brompton, which has a world-wide reputation for the treatment of heart and lung disease, or Great Ormond Street, which is part of the largest centre for research into childhood illness outside the US. Or that the number of secondary schools where more than 70% of students gain five good GCSEs has risen from 83 schools in 1997 to 891 today.⁵ Or that Ofsted report the best-ever generation of teachers and teacher trainees.⁶ Many British universities rank among the best in the world and attract large numbers of international students.⁷
10. Successful front-line organisations are now supported by a set of internationally acclaimed institutions which help them improve. The work of the National Institute for Health and Clinical Excellence (the NHS organisation which assesses the cost effectiveness of health treatments) and the work of the Human Fertilisation and Embryology Authority is widely admired around the world; the National College for School Leadership has helped thousands of head teachers to improve their schools; and the work of Ofsted inspired the development of the School Quality Review in New York City.⁸
11. These successes should not mask the fact that many services, when taken as a whole, are not yet able to offer the world class service that the public increasingly expect. This matters because in a fair and prosperous society all citizens – regardless of background – should have access to the very best public services. In a global knowledge economy and a period of significant social and demographic change this is more important than ever before.⁹ For example, with the rise of India and China, our education system and the skills it provides become a key part of our competitive advantage.¹⁰
12. Britain needs a welfare system that identifies and addresses the barriers that hold people back and ensures that everyone who can work does so. Society needs a probation system that manages to get more ex-offenders back into useful and productive lives. As life expectancy increases the health service needs to be better equipped to prevent and treat long term conditions and more complex cases. As serious and organised crime evolves, Britain needs police and security services equipped with the skills and resources to stay one step ahead. As people live longer and families get smaller, the demand for all types of housing grows, including social housing.
13. Moreover, Britain has not yet managed to reverse the reductions in social mobility of the last 30 or 40 years. Just as the opportunities of the late 1940s and 1950s for creating a fairer society could not have been met without society prioritising better education for all and greater protection from unemployment and ill health, similarly today there are strategic choices for Britain if social mobility is to rise again, such as whether we invest in child care and in improved training for those already in the workforce.
14. Today's challenge is for public services to move from above average in the global league of effectiveness to the top. The yardstick for success should not only be whether services have improved on last year's results but also whether they are among the best in the world. It should also not be simply how public services compare against each other, but how they compare against the best provision available to those who can afford it in the very best private sector organisations, or against the most trusted third sector providers. The aspiration should be for genuinely world class public services that contribute towards a fairer and more prosperous society while delivering value for money to the taxpayer.

15. Achieving world class services for all will require the continued deployment of those approaches already well established. Clear standards, zero tolerance of underperformance, more choice and greater contestability will all remain prominent mechanisms.
16. But the Government needs to apply the lessons we have learned through this period as well. We know that services need clear standards but that, following our first phase of reform, persisting with too many top-down targets can be counterproductive; we know services must value professionals if we are to foster innovation and excellence; we know that while central government must be a key player in driving better public services there are limits to what it can achieve and if it seeks to do too much it will stifle local initiative; and we know that vital though user choice is, it needs to be complemented with other approaches if we are really to empower citizens. So our established strategies now need to be accompanied by a new phase of reform:
- Developing new approaches to **empowering citizens** who use public services: both extending choice and complementing it with more direct forms of individual control, such as personal budgets in areas like care; opportunities for people to do more themselves, such as manage their own health; stronger local accountability, such as directly-elected police representatives; and providing greater transparency of performance.
 - Fostering a **new professionalism** across the whole public service workforce, from the dinner lady to the head teacher, from the hospital porter to the consultant. This combines increased responsiveness to users, consistent quality in day-to-day practices and higher levels of autonomy from central government wherever those at the front line show the ambition and capacity to excel and greater investment in workforce skills.
 - Providing strong **strategic leadership** from central government to ensure that direct intervention is more sharply concentrated on underperforming organisations, while the conditions are created for the majority to thrive more autonomously. Government needs to give overall direction and purpose to public services, guaranteeing minimum standards and fairness, investing in outcomes, growing local capacity and promoting innovation.
17. Alongside these specific strands, the Government's reform agenda will be underpinned by an emphasis on the principles of excellence and fairness. The approach outlined in this paper emphasises that in order to be world class, public services must provide the excellent services required for all individuals and communities to thrive and through that support the creation of a fairer and more equitable society.

The characteristics of world class public services

18. Britain is the fifth richest country in the world,¹¹ the home of some of the world's leading companies, many creative scientists and many intellectual and cultural figures. In past centuries it was one of the first countries to recognise the need for government to ensure that all citizens could enjoy a decent education, good health and security in times of need. As a country there is no reason why Britain should offer its citizens anything less than the highest quality public services.

19. Being world class should involve:

- Delivering **excellent outcomes**, such as high levels of literacy and numeracy, healthy populations and low levels of crime, and constantly striving to improve those outcomes.¹²
- Offering **personalised approaches** that are responsive to individual needs¹³ and delivering basic services to users fairly, swiftly and efficiently, as well as responding quickly if things go wrong. Personalising services involves moving beyond a 'one size fits all' approach to offer services that are flexible. It also means always treating people with dignity and respect and recognising the importance of designing services that fit into people's busy lives.¹⁴ Wherever appropriate, people should be treated not as the passive recipients of standardised services, but as active partners, able with tailored support to solve many problems themselves.
- Being **fair and equitable** – not simply delivering excellence for the most assertive citizens or the better off. This involves striving to meet the distinctive needs and aspirations of each individual, family and community – tackling inequality and achieving excellent standards for all.¹⁵ World class services promote a fairer society – this means that

they actively reach out to all, regardless of wealth, background, gender, ethnicity or assertiveness. A core purpose of world class services should be to reduce inequality; not to tolerate second rate services or significant variations in service quality between different locations – so-called 'postcode lotteries'.

- Offering **good value for money**. Public investment is critical to excellent services, but systems that deliver the best outcomes, with the highest levels of satisfaction and equity, need not be the most expensive. World class services achieve value for money by focusing on the productivity of staff and on prevention rather than cure, as well as by carefully allocating resources to people in greatest need and by adopting the most effective approaches.¹⁶

Britain's public services today

20. Looking at the characteristics of the best public services it is clear that most public services in Britain are good, but not yet world class. Last year, for example, 80% of children attained the benchmark level of good English at the end of primary school, compared with 63% in 1997. But recent international assessments ranked the UK as 13th out of 30 OECD countries for reading performance by 15 year-olds – a good performance but there is still scope for significant improvement.¹⁷
21. Reforms such as Children's Centres and neighbourhood policing have extended the range and responsiveness of Britain's public services. NHS Direct enables millions to access healthcare advice and support around the clock, in their own home, over the telephone and via the internet. However, many people still complain of difficulty accessing services. Too many services are still designed around the needs of the service provider rather than

the service user. For example, satisfaction with GPs is high and above the European average, but satisfaction with the ease of accessing GP services is still below the European average¹⁸ and causes significant resentment, especially for working families.

22. Some of the most dramatic improvements over the last decade have been in the most disadvantaged areas, helping to create a fairer Britain. Some of the fastest growth in GCSE results can be observed in the most disadvantaged communities¹⁹ and there is evidence that the class attainment gap is narrowing.²⁰ However, it is clear that many inequalities have yet to be tackled. For example, only one in five of manual workers' children go into higher education compared with half of non-manual workers' children.²¹ Any society determined to increase social mobility and achieve equality of opportunity must address these differences.
23. Over the last 10 years, investment in many services in the UK has been brought up to levels comparable with other developed countries. Investment in education has risen from 4.4% to 5.5% as a proportion of GDP,²² and in health from 5.5% to 7.3% as a proportion of GDP.²³ In addition, over the past three years more than £23 billion of efficiency savings have been made and reinvested in services.²⁴ After successive centrally-driven reductions, the number of civil servants in Whitehall is now approaching a post-war low. Truly world class services hardwire such efficiency savings into the system.²⁵ In Canada, for example, the Government Expenditure Management System provides an ongoing review of existing spending.²⁶ Likewise in Britain, services will need to achieve even greater value for money in the future.
24. To achieve the next stage of improvement, to deliver quality and fairness for all, a new phase of reform is required. This phase must build on previous success by accelerating and deepening the reforms already in place. Sustaining good funding and using high national minimum standards will remain important in the future, but we need to go further. Services will be provided by a wider range of organisations and offer greater choice which remains a central driver of improved innovation and performance. But government must also adopt new approaches, learning from the experience of the countries with the very best outcomes.

Characteristics of world-class services

25. Examining the best public services in the world, together with the best public services in the UK, points towards clear lessons for the next stage of reform.²⁷ World class systems put more power in the hands of citizens and public service professionals but they also leave an important role for central government to make sure that the right incentives, behaviours and cultures are in place to ensure that improvement becomes self-sustaining:
 - **Citizens are empowered to shape the services they receive.** Public services should reflect the preferences and needs of those who use them, not those who provide them. In addition, citizens must have the power to work collaboratively with services – parents with schools, patients with doctors, residents with police – rather than passively receiving services. In world class systems citizens have clear information about the performance of services and the power to ensure that their needs and aspirations are met,²⁸ both as individuals and as members of communities.

- **Public service professionals act as the catalysts of change.** Achieving world class services demands that innovation, consistency, continuous self-improvement and responsiveness are driven from within the public services themselves. This requires services led by skilled and informed professional staff able to respond directly to the needs of the public and compare their performance with their peers. Sometimes in the past our reform programmes have discouraged professionals from developing or sharing new ideas or innovations. Energising the workforce is a key element of the next phase of our reform programme.
- **Government provides strategic leadership.** World class public services depend on governments providing leadership by setting a clear vision, a stable framework, adequate resources, effective incentives, as well as accessible and consistent information on performance. Only government can take this broad overall view. This means rejecting the temptation for government to micro-manage from the centre. It also means rejecting the laissez faire option of an absentee administration, which provides no direction, standards or vision. The health, welfare and education systems which succeed are not those where the government plays a limited role, but rather those where the government's role is strategic and enabling.



- 26.** Around the world wherever public services are considered excellent these three characteristics are typically present, for instance Swedish health care,²⁹ Danish public services,³⁰ Canadian education (see box) and policing in many American cities.³¹ The best public services in the UK also reflect these three characteristics, for example the best foundation hospitals, the highest performing schools or the most successful neighbourhood policing initiatives. In addition, many of the most admired private sector companies have long recognised that putting the customer first, unlocking talent and providing clear leadership are critical for success.
- 27.** These three characteristics – citizen empowerment, new professionalism and strategic leadership – are mutually reinforcing.³² For example, giving users more control over the services they receive requires that public service professionals have the freedom and skills to innovate in order to meet what are likely to be a diverse set of needs and aspirations. Government sets a foundation of high minimum standards on which professionals build such innovation.
- 28.** Each of the three strands and the way in which they can be achieved are outlined in the following sections. Lessons from the highest performing public services in Britain and around the globe are drawn on throughout.

How Ontario's schools reach every student

Ontario has one of the highest performing education systems in the world. In the two most recent international reports (based on 2006 data) Ontario was a top performer. For instance, in the PISA results involving 57 countries, Ontario was fourth in reading (behind Korea, Finland, and Hong Kong), fifth in mathematics and third in science, and demonstrated significant gains or continuing high performance since the last assessment in 2003. Similarly, in the PIRLS study of reading results among 9 and 10 year-olds only two countries, out of 45, performed significantly better.

Citizen empowerment: Ontario has an explicit objective to increase public confidence in the education system. A Provincial Parent Board was established in 2007 to ensure parents' views on schooling and education are taken into account. This is in addition to Parent Involvement Committees which give parents a voice on school boards. The Managing Information for Student Achievement (MISA) initiative aims to improve the collection and use of data by regional government, education boards and schools.

New professionalism: The Ontario government has placed specific emphasis on building professional respect and partnership over the past few years. The School Effectiveness Framework was launched in 2007 and is premised on establishing the professional accountability of Ontario's educators for monitoring improvement. Extensive and targeted capacity-building for improving teaching practices, instructional leadership and system improvement have been rolled-out across the system.

Strategic leadership: The government has developed a strong and shared leadership for Ontario's reform agenda. A 'guiding coalition' of political and professional leaders has been significant in developing, communicating and continually improving the education strategy. There has also been a focus on minimising distracting initiatives to ensure the delivery of priorities – including labour stability, budget, governance and operational efficiencies. For example, four-year pay agreements have been agreed with teachers.

Reach Every Student: Energizing Ontario Education, Ontario Ministry of Education, Winter 2008

How Finland achieves excellence in health care

In a combined index of satisfaction with health care and social services Finland is ranked 2nd out of 28 European countries. The OECD (2005) reports that the Finnish system is driven by a strong culture of professional self-improvement and collaboration. The system performs excellently against OECD (2007) measures of health care quality such as breast cancer survival rates – which are among the best in the world.

Citizen empowerment: Patient complaints are collected together as part of Finland's national policy of 'steering by information'. Patients also have a right to information. The most important channel for the public to participate in the health system is the locally elected municipal authorities – and the OECD (2005) reports that local communities can easily exercise preferences over spending priorities.

New professionalism: Finnish health care staff have high levels of skills and training and there is a high quality of technical health procedures. Doctors are trained centrally at one of five medical schools. There is a strong culture of self-improvement, with significant levels of clinical autonomy and a professionally led Clinical Quality Management system which informs the medical profession as a whole.

Strategic leadership: Central government defines general social and health policy and prepares major reforms, however Finland has one of the most decentralised health care systems of its kind. Governance of primary care, hospital care and social services is delegated to more than 400 municipalities. The OECD (2005) reports that bottom-up change is a valuable feature of the Finnish health care system – municipalities can tailor services to meet local demand, based upon local knowledge.

OECD, *Reviews of Health Systems: Finland*, OECD 2005. European Foundation for the Improvement of Living and Working Conditions (2004) *Health and Care in an Enlarged Europe*. *Health at a Glance*, OECD, 2007.

Citizen empowerment

29. The best systems in the world treat each citizen as a unique individual, with his or her own family's distinct needs, and then tailor the service to meet these personalised requirements. No centrally driven or centrally accountable system can operate in this fine-grained way when confronted with literally millions of different public service users. Nor can it meet an increasing demand for individuals and families to play a greater role in addressing their own needs and aspirations. So public services that aspire to be truly personalised must put the power to shape those services much closer to the individual citizen. Local professionals and managers must have the power to respond to the specific priorities and needs of their own local customer base. And that in turn requires giving local users far more say and influence over the services on which they depend.
30. As the Government seeks to move the public services forward, the next stage of our reform programme must put power directly into the hands of citizens, driving services to become more responsive and personalised to each individual's needs and aspirations – and provide a strong set of incentives for the system to innovate and improve. As a consequence:
 - Services should reflect people's **aspirations and lifestyles** to offer users the increased personal control they demand, and adapt to meet new demands such as more flexible opening hours or better online access.
 - Services must be designed around people's **complex and interrelated needs**, for instance providing those with long term health conditions with greater continuity of care between their home and hospital.
 - A **stronger relationship** needs to be created between the citizen and public service professionals. Only when citizens are treated as equal partners do they bring their knowledge, time and energy to address challenges such as preventing ill-health.
31. These changes in the way services operate are more important than ever before. People rightly expect that services are able to reflect their own, or their children's, individual needs and aspirations but services are not yet meeting these expectations. People expect the same quality of service from the public sector as they receive from the best in the private sector.³³
32. For example, as working patterns have changed, public services need to be far more flexible in their opening hours if they are to support all users. Extended schools, greater flexibility in pre-school provision, neighbourhood policing teams and the recent extensions of GP opening times are already helping meet this need. Across public services it will be essential to extend hours further over the coming years as well as ensuring that services that can be delivered online and are therefore available to the user – whenever is most convenient for them.
33. Understanding and meeting the complex needs that hold some groups back is becoming increasingly important as standards improve for the majority.³⁴ A one-to-one relationship between, for example, a teacher and a child learning to read, or a housing officer and family at risk of eviction, can be particularly important in addressing complex needs or preventing problems from occurring in the first place.

34. There is no one way to achieve these changes that is appropriate to all services. The feature that world class services share is that they are continually asking the simple question 'how can the users of this service be given more power and control?' The most important answers include:
- **giving people real choices**, between and within services, such as through greater use of personal budgets;
 - ensuring individual citizens and communities have **a greater say in local services**, including through greater use of customer satisfaction measures to judge the success of services and strengthening local accountability over services;
 - **strengthening partnerships between users and professionals**, for instance by giving parents greater opportunities to engage with their child's teachers and fostering peer-to-peer support networks in the health and social-care sectors; and
 - radically improving the quality and availability of **information** on the performance of services, necessary for all types of user engagement.
- Giving people real choices**
35. For many services, empowerment starts when people are able to make real choices about which services are best suited to them – their lifestyles and their needs. Enhancing and extending the opportunities people have to make choices empowers citizens. It also creates pressure for improvement by rewarding services that offer what people want.
36. For some services increasing choice is not the only or best course of action to raise performance. Community services such as the police require greater local accountability rather than choice. In other services, providing effective choice is neither practical nor efficient given the excess capacity that would need to be put in place or because users are more interested in a range of other characteristics about the service over and above choice.
37. However, in the many areas where choice is appropriate, it can drive more responsive services and drive up performance because it fosters an overall cultural change,³⁵ benefitting even those people who do not want to choose anything other than their local hospital or school.
38. Giving people the opportunity to choose between providers of services can increase contestability between those providers.³⁶ Such contestability has a major role to play in ensuring that managers and professionals give greater attention to the interests of users and is especially important where services have traditionally been inflexible or performance is poor. Wherever it can help deliver our goals of fairness and excellence the Government will therefore continue to expand opportunities for voluntary and community organisations, social enterprises and private businesses to provide services in a range of sectors from childcare to primary health, alternative education, probation and employment services. For example, a national training programme has been launched to help commissioners work more effectively with the third sector. At the same time it will seek to increase contestability within the public sector, for instance enabling high-performing schools or hospitals to play a greater role in raising standards.

- 39.** Offering more choice *between* providers is not the only route to ensuring individuals' needs and preferences are met. There also needs to be more choice *within* institutions. Providing parents with a choice of secondary school is important, but on its own is not enough to ensure that their child's once in a lifetime experience of school meets their educational and social needs.³⁷ Parental choice of school must be supported by information about examinations and test results, and a trusted inspection system that both informs parents and directly holds schools to account. Without information like this, choice is less effective. Children and parents also need and want choice of curriculum and qualifications, more personalised learning and the offer of a far greater range of out of school activities. Similarly, patients should have more, properly informed choice over when their treatment takes place and what their treatment involves, rather than just which GP or hospital to attend.
- 40.** Some have argued that choice adversely impacts upon the principles which lie at the heart of Britain's public services – excellence and fairness. Although there are risks, this does not have to be the case. Government, with its democratic legitimacy, can set the overall strategic direction and framework within which choice operates, to ensure the objectives of improving fairness and social mobility are not undermined. For example, where choice is introduced it will be essential for public services to support individuals and families through the process of making choices so that all can benefit and for funding systems to support equitable outcomes. Without support some will be able to make far greater use of choice than others. And it is crucial that choice takes place within a fair set of rules, for example by ensuring that all schools have fair admissions policies.
- 41.** Wherever it is effective, and supports the overriding objectives of excellence and fairness, the Government will therefore continue to increase choice by:
- accelerating the expansion of academies and trust schools. The Government is accelerating the expansion of academies so that up to 300 will now be delivered by 2010, with over 100 open by 2008 September;³⁸
 - giving every patient the right to be treated at any hospital which meets NHS standards at NHS costs, including more than 150 private sector hospitals and extending the choice of GP;³⁹ and
 - providing parents with more choice and better availability of child care within a transparent and fair marketplace, with additional places where current provision is poor. There are now 1.29 million registered childcare places, which is more than double the number of places in 1997.

14–19 Diplomas: Learners able to choose what they study

Diplomas are innovative new qualifications for 14–19 year-olds that have been created to provide additional qualifications for young people. There will be 17 Diploma disciplines by 2011, designed to allow learners and parents to make informed choices about the course best suited and most relevant to them.

Diplomas will combine theoretical and practical learning to equip young people with the skills, knowledge and understanding they need. They will be offered by partnerships of schools, colleges and work-based learning providers, working together to offer a high quality learning experience in a range of settings. The unique mix of learning experiences will also give young people an insight into the world of work, allowing them to make informed choices about their future.

DCSF, *What is a Diploma?: Improving Choices; Improving Chances*

- 43. The Government will consider introducing personal budgets in new areas where they can empower users without undermining our commitment to equity and universalism. They are already being extended in social care and skills and are being considered in certain parts of health care.
 - 44. Where personal budgets are not appropriate, there may be ways of incorporating elements of the approach. For example, for the young person with particular needs, such as a disability or learning difficulty, the Government is encouraging the range of local agencies to pool their resources into a single budget, managed by one lead professional such as a children's nurse. Spending priorities can then be agreed in negotiation with the family.
42. A deeper form of user engagement involves transferring control of resources to the service user. For example, individual budgets in social care have shown that when people are given control over the funds to be spent on them, they often make changes that significantly improve the care they receive: bringing support closer to home; fitting services more closely around the needs and resources of their family; and getting better value for money in the services they buy.

Personal budgets: More responsive services in adult social care

Personal budgets in social care are one of the most promising ways to enhance user independence and control, and to deliver more responsive and better services. On the basis of a professional assessment, resources are allocated to people through a personal budget. Individuals and families are provided with the support necessary to make good use of the budget, but the allocated resources are put to use on the basis that people know best what works for them.

Early evidence indicates that personal budgets of this kind can help people meet their distinctive needs, with wider positive effects for individuals and communities. For example, 63% of respondents in one study said they now took part in and contributed to their communities more.

Personal budgets have also been successfully used in other parts of the world. For example, mental health patients in Florida have used personal budgets to address all facets of their mental health by combining traditional clinical care and non-clinical care and activities.

Leadbeater et al., *Making it Personal*, Demos, 2008; Hatton, C. et al., *A report on In Control's second phase: evaluation and learning 2005–2007*, Florida Peer Network, 2007.

A greater say in local services

45. The next phase of improvement in services will also complement greater choice with a wider set of ways to empower citizens.
46. One of the most practical means by which users of public services can be given a greater collective say over priorities, and of rewarding effective providers, is through effective use of satisfaction and opinion surveys. Over the last 10 to 20 years there has been a huge expansion in the use of tools to understand what people think of services both in the public and private sectors.
47. World class public services make far greater use of these types of approaches, they actively encourage feedback from the people who use them and then use this feedback in very tangible ways. Once organisations are collecting this data it is possible to give real weight to the views of the parent, patient, student, tenant or victim of crime. For example in schooling, Ofsted inspectors have over the past few years been required to look at how the school is regarded by parents.⁴⁰ Many national performance agreements with services now explicitly include the citizen's viewpoint as a key indicator of success.⁴¹
48. The internet has given a powerful voice to consumers to give feedback on private sector services – that feedback is now spreading to public services and must be embraced. NHS Choices is a large scale example of the public sector soliciting feedback on health care, building on the example of websites such as patientopinion.com. The challenge for public service providers is to listen to and work with websites that provide a rich seam of feedback, even if that feedback makes for uncomfortable reading.

49. Public services should, however, go further in the next phase of reform. The Government believes that many more public services must now be opened up to more direct forms of accountability and engagement.⁴²
50. The Government is committed to delivering improved policing that is better suited to the needs of the public and the communities being served. The new neighbourhood policing teams, which were rolled out earlier this year,⁴³ will be required to give people the opportunity to express their views directly through face-to-face meetings with a 'contract' for agreed standards.⁴⁴ The Government will go further in giving people more local control over policing priorities. It was recently announced that the Government will consult on developing this approach through directly elected representatives on police boards – this will significantly strengthen the voice of local citizens and the local accountability of the police.
51. There will be new opportunities for local people to demand changes in their communities through petitions and opportunities to participate in deciding how resources are spent locally.⁴⁵ For example, young people have been given the power to make decisions about what they want for their local area through 'youth budgets' – putting more control over services in the hands of the local people who use them.
52. More generally the Government looks to local political leaders, including directly elected mayors, to play a greater role as the voice of the citizen for their area. We will also support community and voluntary groups to play an active campaigning role.

North Liverpool Community Justice Centre: Offenders repaying their debt to the community

North Liverpool Community Justice Centre works with local people to tackle the causes of antisocial behaviour and crime, as well as the crime itself. It has a traditional courtroom combined with a range of community resources.

A community panel meets bi-monthly at the Centre to represent views of residents. The court focuses on offenders repaying their debt to the community, but it also addresses the underlying issues that may be contributing to their offending. For example, the Centre works with specialists who can provide advice and support to offenders with drug and alcohol problems, as well as housing and debt issues. These services are also available to members of the community, victims and witnesses, with an average of 58 self-referrals a month.

A 2007 evaluation found that cases were dealt with more quickly than the national average: 100% of warrants for non-appearance at court are issued within 24 hours, beating the national target of 90%.

MOJ, *Evaluation of the North Liverpool Community Justice Centre*, 2007. The Community Justice Centre North Liverpool website: <http://www.communityjustice.gov.uk/northliverpool/index.htm>

Strengthening partnerships between users and professionals

53. World class services are characterised not only by collaboration between citizens and public service professionals, but also by empowering people to make a greater contribution to meeting their own needs. This will require more shared responsibility⁴⁶ as both public service providers and citizens work together to improve health, early years development,

education and skills and reduce crime and antisocial behaviour.⁴⁷ For instance, in helping people who have been on Incapacity Benefits improve their health and find work, the quality of the relationship between the claimant and employment adviser is extremely important. Similarly, the recent Casey Review of Crime and Communities highlights how the police and other front-line organisations must work more closely with local communities to reduce crime further. And in health, the Government has committed to introduce health checks for people aged over 40 which will look for early signs of conditions such as heart disease, strokes and diabetes – the checks will empower clinicians and patients to work together to prevent and manage these conditions.⁴⁸

54. The Government will therefore extend opportunities for people to become directly involved in making decisions about the treatment and service they receive – the parent, student, patient, tenant or victim of crime becoming a genuine partner in deciding on the best approach. Parents, for example, will be able to influence and support the education of their children through regular interaction with their school via email and text message, as well as regular parents' meetings and reports.⁴⁹
55. These new rights also provide the basis for extending the responsibilities of citizens. Across public services the Government will explore new ways to increase responsibility: those outside the labour market signing up to look for work and undergoing skills audits⁵⁰ – improving job prospects and the take up of training; patients taking more responsibility for managing their own conditions and maintaining healthy lifestyles; parents getting involved in the education of their children; and across the public services users attending booked appointments and not wasting resources.

One-to-one approaches

At the heart of the Government's vision of personalised public services are strong partnerships between users and professionals: the individual tutor and the child falling behind in maths; the specialist nurse and the patient struggling with diabetes; the youth worker and young person seeking to leave a gang. For those with the most intensive needs, stronger one-to-one relationships with professionals and volunteers should become the norm.

One-to-one in practice

England is now at the forefront of personalising learning in schools. For example, the Making Good Progress pilots provide one-to-one catch-up tuition in mathematics or English, for children who particularly need specialist intervention. By 2011, some 300,000 children will receive up to 10 hours' extra maths tuition and a further 300,000 children a year will receive up to 10 hours of extra English tuition. These programmes offer more tailored and specialist help outside the classroom to those children who are falling behind in lessons so that pupils quickly get into a position to make good progress back in the classroom.

DCSF; Teachernet.gov.uk

56. In addition to encouraging collaboration between service users and professionals, networks of users can also provide personalised and ongoing support to an extent which would be impossible if provided by professionals alone. For example, the Expert Patients Programme in the UK enables people with personal experience of managing long term conditions to share their knowledge and expertise with others. This programme will be expanded allowing 100,000 people to benefit.⁵¹ This Government will seek

to extend this approach, for instance through online self-help communities like the parenting support site NetMums that is used by over 400,000 parents a month.⁵²

Family-Nurse Partnerships: Stronger relationships between professionals and citizens

A child's experiences during pregnancy and their early years lay the foundations for their future life chances. Family-Nurse Partnerships bring together trained nurses and first-time teenage mothers, in a high quality, high intensity relationship, throughout pregnancy and the first two years of a child's life.

The nurses offer health advice and support, as well as more practical support and coaching. Importantly, the partnerships allow for trusting relationships to be built up between professionals and service users, so that the nurse and individual share the same goals. The emphasis of the partnership is very much on developing the independence and confidence of the mother.

Billingham, K., *The Family-Nurse Partnership Programme*, Cabinet Office Seminar, 2007.

Better information

- 57. The whole agenda of reform will rest on improved transparency of information about public services and their performance, as well as transparency about the standards that citizens should be able to expect. Effective empowerment rests on good information.
- 58. Ten years ago it was seen as a major innovation that government collected and published information on schools or local authority services and used it centrally to assess the quality of services on behalf of citizens. While

this role will continue, new technologies provide the opportunity to improve the availability and timeliness of far more information giving citizens and communities far greater direct power than before. Together with better collection and analysis of performance information, this enables comparisons of local services with those provided elsewhere. World class public services are information-rich, driving changes in the relationships between users and providers of services.

- 59. By making government information easily accessible to third parties, data can be combined with other information and republished in new and innovative formats. This can stimulate new non-governmental networks that share advice, provide mutual support and lobby government for change. UK examples include FixMyStreet.com, which highlights local environmental problems, or Dr Foster, which provides information on hospital performance.
- 60. The next stage in the transparency revolution rests on ensuring the information held by services is more available for re-use by citizens and civic organisations (while also protecting the privacy of citizens). For instance, the NHS Information Centre and two local authorities (Essex and Worcestershire County Councils) have committed to make their information freely available for re-use by the public.
- 61. Central government is therefore committed to ensuring that, as a matter of course, public services make non-personal information available for re-use. This will include the provision of frequent, comparative and tailored performance data about services at a local level. For example, NHS Trusts are increasingly looking to capture real-time patient feedback. As was recently announced, indicators are already being devised that will assess not only

the effectiveness and safety of nursing care in the NHS, but also how compassionately care has been delivered.⁵³ Local crime information will be made regularly available to every household, including through local crime maps. Parents will have full and better access to school performance data. The Government will ensure these approaches become the norm across our public services.⁵⁴

New York school report cards

Schools in New York City are now issued with annual 'report cards' setting out the performance of the school on a variety of key indicators and giving the school an overall grade. The reports give each school a letter grade—A, B, C, D or F—based on the academic achievement and progress of students as well as the results of surveys taken by parents, students, and teachers. These Progress Reports are the centrepiece of the City's effort to arm educators with the information and authority they need to lead their schools and to hold them accountable for student outcomes. The reports also provide parents with detailed information about school performance, both to hold their schools accountable and to inform family decisions.

Each school's grade is based on its score in three categories: school environment, student performance and student progress, with schools that do an exemplary job in closing the achievement gap being able to earn additional credit.

See www.nystart.gov/publicweb/

Conclusion

62. The underlying quality of public services is better than ever before. The challenge now is to ensure the development of more personalised and responsive, as well as fair and equitable services. Alongside the extension of choice in health and other services, there must be a deepening of user involvement through new forms of individual and community control. The exact mechanism will vary from service to service, but the aspiration will be the same: enabling more personalised services by giving citizens the information and power to shape services around their needs and aspirations, rather than by assuming that someone in the Government knows best.

New professionalism

63. The next stage of public service reform will involve unlocking the creativity and ambition of public sector workers⁵⁵ and establishing new relationships between the Government and professionals.⁵⁶ Around the developed world, the last 30 years have brought challenges for those working in the public services. Old conceptions of deference are fading and users of services have greater knowledge. Accepted good practice is changing rapidly as evaluation improves and technologies are transforming public sector provision, as they have already transformed many businesses.⁵⁷ The centrally-led standards and tougher targets necessary to turn some services around over the last decade or more have inevitably created tensions between the Government and some professions.
64. Yet once core standards have been reached, international evidence shows that to continue to improve, services need to unleash the creativity of those who work at the front line, from the hospital doctor to the classroom assistant to the adviser at the Jobcentre.⁵⁸ Services are unlikely to be highly responsive and innovative without the commitment and enterprise of the workforce who deliver them.⁵⁹ They are unlikely to truly empower citizens unless front-line staff feel pride, enthusiasm and commitment to doing so. They will be unable to meet new strategic needs identified by the Government or work more effectively with other services without excellent skills and flexibility.
65. This new professionalism is the only way to achieve the high quality, responsive and innovative services that citizens want:
- Highly skilled and motivated professionals **hold and develop the knowledge** about what works and make the day-to-day decisions that determine how well the system performs. Official guidelines will never be able to cover all individual cases in detail, particularly for those with complex needs. For example, a primary school teacher helping a child with learning difficulties will rely on his or her professional skills, his or her understanding of the evidence, professional judgement and support from his or her peers. A head teacher is best placed to find savings in a school's budget so that they can deliver a new activity.
- Public service professionals **form direct relationships** with citizens and are therefore usually best placed to understand and respond to their needs and aspirations. For instance, only a neighbourhood policing team can get to know many of the individual families on an estate, listen to their specific concerns and respond appropriately.⁶⁰
 - Public service professionals **are best placed to innovate from a platform of consistent quality** and create new services to meet new challenges as they develop. For example, Acceptable Behaviour Contracts (ABCs) were first developed by a police officer in Islington who saw the need for a simple way of agreeing how an individual would change their behaviour. ABCs are now used widely throughout the country.⁶¹
66. New professionalism does not mean reducing the accountability of those who work in public services or allowing provider capture. On the contrary, accountability is strengthened both through citizen empowerment, far greater transparency of performance information and professional groups setting their own challenging performance goals.⁶² Central government retains a role in setting direction, maintaining national minimum standards and ensuring that underperformance is dealt with, wherever it is found.

67. New professionalism means:
- **raising skills and increasing consistency in the quality of practice** across public services, from recruiting the best to more frequent feedback on performance;
 - **greater freedoms for high performers**, both for excellent organisations and front-line staff;
 - **rewarding success**, such as those who achieve outstanding results in tough areas;
 - **excellent leadership and management**, for instance with more clinicians in health service management positions;⁶³ and
 - **professionals defining standards of excellence**, for example setting challenging objectives themselves.⁶⁴
68. To achieve this, professional groups and public service trade unions will be vital in developing a culture of professionalism that includes skill development, innovation, leadership and a desire to achieve world class standards.

The elements of new professionalism

Raising skills and increasing consistency in the quality of practice

69. A more **flexible, higher skilled workforce** forms the basis of new professionalism.⁶⁵ For example, no education system can be better than the calibre of its teachers – and no school will have higher aspirations than those of its head teacher.⁶⁶ As new technologies develop, professionals require new skills and new ways of working.
70. Working in public services can be incredibly rewarding for individuals and benefit the whole of society. The Government recognises the importance of a strong public service ethos,

which has increased over the last 10 years, and is committed to continuing to foster and develop this.⁶⁷ Therefore it will seek to expand programmes which recruit the most talented and committed people into key public services. In the 1980s and 1990s, for example, not enough of the most able graduates went into teaching, and schools in more challenging areas suffered particularly. It is now critical to better connect leading universities, and their best graduates, with the state school system and, having recruited more of the brightest and best into teaching, accelerate them as rapidly through the profession as their talent permits. That is why, for instance, the Government is such a strong supporter of Teach First, the business-led organisation which recruits from the most able graduates straight from university, training them on its own account and organising two-year group placements for them in lower-attaining schools in London and other major cities. Over the next four years, the Government will work with Teach First to double the number on these programmes. Likewise, the government will remove the barriers that discourage the best clinicians from becoming NHS managers.

71. Across the entire public service workforce, the Government will renew its efforts to improve skills, provide clearer routes to progression and encourage the expansion of opportunities such as public sector apprenticeships. These measures will increase opportunities for progression, with clear career ladders, such as for teaching and nursing assistants, in order to develop a world class workforce. The Government will support this by ensuring that all who work in public services have good numeracy and literacy skills and by recruiting specialist technicians where appropriate, such as those responsible for health diagnosis services.

72. Even excellent teachers, doctors, police officers and welfare advisers need to continuously update their skills. The best public service systems invest in **continuous, regular, near real-time feedback**, often through mentoring or coaching relationships, as well more formal training programmes. For example the most successful education systems in the world are characterised by high levels of lesson observation and ongoing, regular, performance management. The effective use of classroom formative assessment, with a short cycle of feedback into training, approximately doubles the rate of pupil progress.⁶⁸ Yet the General Teaching Council recently found that professional development in English schools is insufficiently personalised or connected to the performance management of teachers.⁶⁹ As this example demonstrates, far from being an easy answer for public services, a new professionalism capable of driving world-class improvement is likely to represent a challenge to many established ways of working.
73. Regular feedback also ensures that professionals **get the basics right**. Innovation is only possible from a platform of consistent quality and too often our public services have suffered from wide variations in the quality of basic processes. Over the last few years, there have been improvements in practices including the introduction of the National Institute for Health and Clinical Excellence and National Service Frameworks in health and better evidence on teaching of numeracy and literacy in education.⁷⁰ Going forward it will be important that further development is led by dialogue with and feedback from professionals.
74. Underpinning the entire new professionalism agenda is increased **transparency of performance information** throughout the system. Poor performing services should no

longer be able to hide unacceptable results, hoping that nobody will notice. Information technology now makes it possible to publish, share and search vast quantities of data, and the public increasingly expects to be able to learn about the services they may use. Raising standards to the best in the world demands a new openness, often driven by the professionals themselves.

75. Technology is now also providing totally new and powerful ways for professionals to **collaborate and learn from one another**. For example, there is already a massive growth in websites which bring together professionals and public sector volunteers, such as school governors, online.⁷¹ The Government will continue to support such developments while bearing in mind that their success is often attributed to their independence.

Rightsnet.org: Benefits advisers sharing best practice

Rightsnet is a welfare rights website for benefits advisers, that provides access to the most up-to-date benefit and tax credit information. The site has around 3,500 members and was set up by a small group of benefits advisers who wished to share their professional knowledge and experience with colleagues across the UK. The site makes it possible to share best practice and learn from the experience of colleagues in an effective and efficient way. Exchanging information and guidance, such as advice on specific entitlements and ways to access those entitlements, improves outcomes for their clients.

Visit site at www.rightsnet.org.uk

Greater freedoms for high performers

- 76.** New professionalism requires high performers to have the **freedoms and flexibilities** to respond to the needs of those who use the service and to drive innovation and higher standards. For example, modern matrons are already showing how strengthened professional leadership can improve standards within hospital wards; and neighbourhood policing teams are providing police officers with the dedicated resources and freedom to innovate required to address the particular concerns of local residents.
- 77.** This freedom starts at the organisational level. Alongside a much smaller set of national targets, public services are moving to a model of presumed autonomy in which, for those organisations that are high performing, there will be less inspection and central control.⁷² For example, in October 2007, the Government announced a reduction in the overall number of crime targets, designed to free up the police to focus on the most serious crimes and on local priorities, with the emphasis on minimum standards to allow greater flexibility for professionals at the front line. The Government is implementing the recent recommendations of Sir Ronnie Flanagan aimed at reducing bureaucracy in the police service, but further steps are required to free up high performers so they can excel on the front line.⁷³ Central government will break down the barriers that prevent well performing institutions from expanding, such as with the establishment of Foundation Trusts, which develop new services to take over underperforming hospitals and begin to provide primary care services.
- 78.** Professionals, in turn, are given much greater freedoms to run their own services. In the NHS, for instance, this approach has the potential to deliver real benefits for patients.⁷⁴

Foundation Trusts are now beginning to pass their autonomy down from their management boards to the clinicians who deliver front-line services.⁷⁵ The 'productive ward' programme, available across England, asks every ward team, including nurses, health care assistants and others, to take responsibility for the services delivered on their ward. Early indications show a significant increase in the time spent with patients where staff have been empowered in this way.⁷⁶

Modern matrons: Ward-level leadership

In 2001, as part of the NHS Plan, modern matrons were introduced to provide strong leadership on wards and be highly visible and accessible to patients.

Modern matrons lead by example in driving up standards of clinical care and empowering nurses to take on a greater range of clinical tasks to help improve patient care. Crucially, they have been given the authority to get the basics right for patients – clean wards, good food, quality care.

One study found that the introduction of modern matrons in 2002 led, in some instances, to an 11% reduction in cases of MRSA in the following year.

There are now more than 5,500 modern matrons working in the NHS.

Dealey et al. *Auditing the Impact of Implementing the Modern Matron Role in an Acute Teaching Trust*, *Journal of Nursing Management*, 2007

- 79.** In welfare, more people will be helped back to work by allowing front-line professionals to make decisions and give advice based upon the particular circumstances of each individual. So where a claimant has a temporary health problem, the doctor and employment adviser will be able to decide what treatment and

support they need and when they should be reassessed; where they have poor skills, they will be offered a tailored training programme; and where they have a drug addiction problem they will be referred to a treatment course.

80. The opportunities to drive more personalised, more effective services by asking professionals to run and manage them themselves is one of the reasons why social enterprises and other third sector organisations have such potential to deliver public services, alongside more empowered public sector providers. And it is why innovations such as Foundation Hospitals and City Academies and Trust Schools are so important. Over time the Government is keen to see far wider development of these sorts of organisations, run at arm's length from government, not for profit, with significant scope for staff and professionals to run services directly responding to users and commissioners. Indeed, one of the best ways that government can promote a new professionalism is by enabling more of these organisations and ensuring their governance arrangements provide professional staff with a major role in management and service delivery. This is one reason why, for example, from 2010 all Probation Boards will be replaced by Probation Trusts.⁷⁷
81. Greater diversity of provision, whether through social enterprise or foundation or academy status, or a private company, should never be a race to the bottom on costs or quality, but rather a way to encourage greater innovation and harness the dynamism of professional staff. That is why the Government is committed to ensuring that the terms and conditions of staff are protected if the management of services changes.

Nurses take control

Central Surrey Health was created by nurses in 2005, when the Primary Care Trust was separating its community nursing service from its commissioning responsibilities. Director of Nursing Jo Prichard and her colleagues came up with an alternative to splitting the service between several practices. The 700 nurses and other staff created a new not for profit social enterprise, in which all surpluses are reinvested in care and all workers own an equal penny share. The consequence has been an improvement in overall performance, a host of professionally led innovations in how to work with patients and a better work-life balance owing to greater control over shifts and timetabling.

More information can be found at www.centralsurreyhealth.nhs.uk

Rewarding success

82. Services will also need to encourage the **best professionals to work in the most challenging areas** and recognise those that deliver the most outstanding results. Too often the incentives work in the opposite direction. For example, the best schools find it easy to attract high quality teachers whereas the schools in the most disadvantaged areas can struggle to attract applicants. In addition, public service leaders will be increasingly judged by their contribution to the skills and motivation of their workforce, how they encourage innovation and how they bring on talent.
83. At the same time, the Government will look to professional leaders and managers to take more responsibility themselves for **dealing with those who are not up to the job**. In the best systems, not only is there continuous

improvement but also the professions themselves set high standards and ensure they are consistently met. In future, those professionals who are struggling must be better helped to improve, while those who still do not match up to acceptable standards should be moved out of the profession.

Rewarding success

In Denver, Colorado, the Professional Compensation System for Teachers (ProComp) is the product of a seven-year collaboration among the teachers' union, the district and city hall. The scheme rewards teachers through a variety of different performance-related mechanisms both at the individual and school level.

For example, a maths teacher in a struggling city school is rewarded if she and her school meet all their goals, including: if students in her school exceed expectations on the state exams; if she meets professional academic objectives she helped set in the beginning of the year; if she earns a good evaluation from her principal; and if her school is judged to be a 'distinguished school', on the basis of a mix of criteria that includes parent satisfaction.

Half of Denver's 4,555 teachers voluntarily signed up to the scheme in its first year.

See www.denverprocomp.org for more details
 Maths teacher example taken from Wallis C, *How to Make Great Teachers*, TIME magazine, 13 February 2008

Excellent leadership and management

84. Excellent leadership and management

are central to the quality of public services. A recent study of NHS hospitals found a strong link between better management practices and external performance indicators such as clinical quality and financial and operational performance.⁷⁸

85. In every service, the Government and professions collectively have a responsibility to grow the next generation of leaders. Services must build on the success of organisations like the National College of School Leadership, which is widely regarded as world-leading, to ensure the highest quality leadership development and support is available to all our future and current public service leaders. For example, in September 2007 the Principals' Qualifying Programme for further education was introduced and, more recently, a new Masters in Learning and Teaching is being established, both of which should become benchmark teaching qualifications in years ahead.⁷⁹ In health, the NHS will ensure that more clinicians are supported to take up management positions. In police, the Home Office is working with the National Police Improvement Agency to significantly strengthen the training of future leaders. Across leadership training programmes, the Government will encourage services to work more closely together, pooling resources, sharing experience and enabling future leaders to learn from the experience of those in a range of services.

Operation QUEST: Police leadership and management

The Police Service and the Home Office have demonstrated tangible success through Operation QUEST, which mirrors the best management practices developed in the United States, Japan and Europe.

There are three central strands to Operation QUEST:

- empowering front-line staff to take responsibility for understanding and reforming everyday working practices, including developing new systems of accountability for performance;
- developing management and leadership skills locally, so that an expectation is created that working practices will change rapidly and the right environment is created to achieve and sustain that; and
- focusing government attention on public service outcomes with the explicit expectation that local managers and staff will have the knowledge and skills to deliver those outcomes reliably and cost-effectively.

The police have been able to achieve substantial improvements in performance, particularly in customer service, while also reducing unit costs. For example, in its Northern Division, Lancashire Constabulary reduced the number of pending 'open' incidents by 91% and saved the equivalent of £420,000 a year of police officer time; and in Bristol West, Avon and Somerset Constabulary, the average speed of victim contact was reduced from 8.5 days to 0.5 days for actual bodily harm.

Excellent school leadership

Excellent leadership in schools makes a difference to children's lives and the overall success of educational institutions. Ofsted reports that there is a close link between the overall effectiveness of schools of all types and the quality of their leadership and management.

The guiding principle of the National College of School Leadership (NCSL), which was established in 2000, is to transform children's achievement and well-being through excellent school leadership, both now and in the future, so that they can have a positive impact within and beyond their schools. The NCSL runs a wide range of programmes for professionals, including the flagship National Professional Qualification for Headship, which has more than 30,000 graduates. A ground-breaking Leadership Network of over 5,500 school leaders has also been set up to represent the profession in the drive for transformation.

Ofsted, Excellence in Cities: Managing associated initiatives to raise standards, 2005, Ref HMI 2595.
DfES, Leadership Incentive Grant Guidance, 03/2003, Ref: DfES/0139/2003

Professionals defining excellence

86. The final element of new professionalism involves professionals themselves defining what 'excellence' constitutes and how it can be achieved, complementing the work of government in setting high minimum performance standards.
87. Professionals have much of the knowledge, understanding and experience to know what works in the present and what is achievable in the future. These invaluable resources must increasingly be drawn upon by individuals and

networks of professionals in setting high but achievable objectives, sharing best practice, improving cost-effectiveness and tackling underperformance. The Government's aim is that professionals are even more active in defining the standards expected in world class services.⁸⁰ For example, in the NHS, a clinician-driven process in the South West has produced plans for improving access to local services which include a local maximum A&E waiting time of two hours and local plans to further reduce waiting times for surgical procedures.

- 88.** This approach to a new professionalism will extend to more strategic influence over the future of services.
- 89.** The right approach to issues of strategic planning is to make far greater use of professionals and expert evidence. This will allow public services to move from a system in which professionals are consulted to one in which their views are at the heart of designing the approaches which will deliver world class outcomes.
- 90.** An example of this has been Lord Darzi's Next Stage Review of the NHS. Rather than seek to design a Whitehall national blueprint for services, he has instead sought to empower clinical groups in every area of the country to review existing practice and draw up recommendations for change, putting clinical decision-making at the heart of the NHS. This has simultaneously allowed local clinicians and NHS bodies to produce some of the most radical proposals for improving services to world class levels in the history of the NHS and given a greater confidence to patients and public that these changes are not driven by anything other than the quest for quality.
- 91.** This requires a fundamentally different approach from government. As with the NHS, it requires the centre to find the right structures to empower professionals, as expert partners. In key sectors the Government will work with public sector leaders to create forums in which world-class standards can be identified, debated and agreed. Building on the Darzi report in health and the Children's Plan in education and children's policy,⁸¹ government departments will ensure that leading professionals are right at the heart of the drive to improve services.

Conclusion

- 92.** New professionalism is about a shared commitment between the Government and public professionals to create world class performance right across the country. This represents a major strengthening of the Government's approach to enabling high quality services. It means maintaining high standards of service and performance, and strengthening user choices and voice, but at the same time providing space for the best professionals to manage and run their own services. It will require a constant dialogue between government and professional staff on how to achieve the world class standards people want.
- 93.** New professionalism also rests on redefining the relationship between professionals and citizens. Professionals are no longer simply accountable to their managers or to the Government. Users of public services and other citizens should have the primary role, empowered to demand service improvements where performance falls below expectations and bring more of their own expertise, time and energy to solving problems collaboratively with professionals.

- 94.** Government will look to professionals to challenge each other, share knowledge and learn from one another to continuously drive up performance. The Government will now expect professionals themselves to take the lead in addressing underperformance and to ensure they have the skills necessary to meet people's needs and aspirations. Where high minimum standards are met they will have the freedoms to innovate and strive for world class outcomes.

Strategic leadership

95. No country in the world offers excellent public services to all its citizens without active, enabling government. This means government that provides both a clear sense of direction as well as the freedoms for front-line staff to innovate; that guarantees minimum standards without putting a ceiling on quality; and that ensures value for money without controlling how each pound is spent. In short, government that provides strategic leadership.
96. Governments cannot simply leave the provision of services to the market or individuals. If left simply to private markets, excellent and equitable outcomes would not be achieved in health, education or welfare. As the health care system in the United States demonstrates, such approaches can be more expensive, less equitable and lead to poorer outcomes overall.
82,83
97. Nor should governments seek to micro-manage the performance of front-line public services. The establishment of national minimum standards – and clear national targets which reflect the views of the public – have played an important role over the last decade in rebuilding public confidence in the NHS and the state education system. But getting from ‘good’ to ‘world class’ cannot be mandated from the centre. Instead, central government should increasingly play a less interventionist, more strategic role.
98. The best performing systems in the world encourage innovation at the front line and create the conditions under which services can be responsive to the aspirations of citizens. In these systems, central government’s role is to ensure that bottom-up accountability mechanisms and incentives are in place, and power is devolved to local organisations and local government where they can help citizens most. Direct intervention by central government is reserved for situations when local systems underperform or are in crisis.
99. Under this more strategic approach, it is often not central government’s job to provide services directly, but to ensure that the system delivers services to meet both existing social needs and newly emerging ones. Thus, central government’s role is:
- as a leader, using its democratic mandate to provide **vision and direction** for improving existing services as well as responding to new forms of social need;
 - as a **guarantor of standards and fairness**, establishing the overall framework and accountability systems for the public services and then devolving extensive responsibility to the front-line;
 - as a long term **investor**, providing funding stability, allocating resources to areas of greatest need, and rewarding outcomes and innovation so services improve themselves; and
 - as a **capacity-builder and connector**, encouraging leadership, unlocking talent within services, protecting and sharing information, encouraging skills development and building coalitions for change.

The elements of strategic leadership

Leading change

100. The first role of government in a world class system is to provide the **vision and direction** of change for public services, so that everyone working in them understands the guiding principles within which they should be operating. Such leadership lies at the very heart of the strategic role of government.

- 101.** This does not mean micro-managing the detail of implementation but rather setting out priorities and how they will be achieved. Government's vision should inspire and energise leaders and front-line professionals, engage the public and challenge the system to continually raise its game. To achieve this, government must focus on assessing where public services need to adapt and policy needs to change to meet new circumstances.
- 102.** For example, childcare, pre-school education and tackling youth unemployment were identified as major priorities a decade ago. Tackling antisocial behaviour, speeding up asylum claims and making policing more locally responsive have been similar major developments in the last five years. In the decade ahead, establishing new approaches to funding and delivering social care for the elderly is likely to become increasingly significant, as will ensuring that those who have suffered from long term sickness are supported to return to work.
- 103.** Government has an important role to play in leading changes in people's attitudes and behaviours. For example, the success of the 'Think!' road safety campaign has helped the UK to have one of the best road safety records in the world. Current campaigns include educating people about the warning signs of heart attacks and encouraging the public to pay closer attention to the number of units in different alcoholic drinks. In doing this the Government will work more closely with civic organisations, such as campaign groups, and with local agencies.
- 104.** The lesson from around the world as well as in the UK is that public services thrive when local and national leadership operate in tandem. Central government retains an important role in promoting minimum standards, reducing postcode lotteries, and intervening where local systems fail. However, local leadership and accountability become more important as the agenda shifts from simply raising core standards to a greater emphasis on increasing responsiveness to the users of services. As the Local Area Agreement negotiations on local targets and funding show, local leaders are well placed to bring services together and help professionals weigh up competing priorities, bringing legitimacy to difficult local decisions.
- 105.** The Government is committed to building up the capacity and powers of local leaders in health, education, policing and welfare and other services. Local authorities and cities are gaining greater responsibilities for local economic development and transport and more freedoms to set local priorities for public services.
- 106.** In turn, local commissioners of services, including local government, must also act strategically rather than micro-manage or control front-line services. For example, recent legislation gives local authorities a crucial role for commissioning schools and children's services, managing the local market for childcare, supporting people to manage their own social care services and ensuring that no local schools are below nationally set minimum standards. Direct intervention from central government is only necessary where local organisations and authorities lack the will or capacity to act.

Measuring what matters

The Government's priorities for the next three years are now set out in a streamlined set of 30 Public Service Agreements (PSAs). There are now fewer national targets, fewer indicators and, instead of being constrained by the boundaries between Whitehall departments, the PSAs are focused on the outcomes that matter to citizens and public service professionals. This allows a greater role for local communities to set local priorities and more space to deliver personalised, flexible services.

Alongside reforms to the PSAs are changes to the way local authority performance is measured. Local Area Agreements (LAAs) are three-year agreements between local authorities, other local partners and central government which set out key priorities for a local area. A limited number of core outcomes are agreed, linking to the national priorities set out in PSAs and local areas are given the freedom to deliver. Local control of funds is being increased – from 2008 the LAAs no longer have funding 'ring-fenced' for specific priorities, there is a single pot of money, with fewer conditions on how it is spent.

In this way LAAs allow greater flexibility and capacity for the development of local solutions to local problems, rather than having policies implemented in a top-down way from central government. Local authorities are encouraged to innovate and to work with government to remove any barriers to innovation.

For more information on the new Local Performance Framework see *An Introduction to the Local Performance Framework – Delivering Better Outcomes for Local People*, Department for Communities and Local Government, November 2007, Ref: 07 LGSRU 04949. For more information on the new PSA framework see *2007 Pre-Budget Report and Comprehensive Spending Review – Meeting the aspirations of the British people*, HM Treasury, 2007 and www.hm-treasury.gov.uk/pbr_csr/psa/pbr_csr07_psaindex.cfm

Guaranteeing standards and fairness

- 107.** The providers of public services enjoy many freedoms in world class systems, allowing them to innovate and raise standards further. These freedoms exist within a clear framework, established by the Government, in conjunction with regulators and inspectorates. This framework must, among other things, **set the standards below which providers must not fall** and clearly state the implications of failure. In short, as services in this country seek to match the best in the world, the Government will set high floor standards but no ceiling on quality.
- 108.** Minimum standards are particularly important for ensuring that services help those in greatest need. Historically, poor performing schools, hospitals and other services have been clustered in deprived areas, compounding the disadvantage already faced by residents.⁸⁴ This approach applies equally to regenerating entire areas as well as single services.
- 109.** The Government is clear that its priority must be to eradicate such underperformance, as recent announcements have demonstrated.
- The Department of Health recently announced proposals to ensure that when a hospital or other health care provider falls below acceptable standards new powers will be used to turn them around, including by bringing in new management.
 - The new National Challenge programme sets out how local authorities will work with schools where attainment is low. This has been combined with greater freedoms to build new academies, merge schools or deploy excellent head teachers to help struggling institutions.

- 110.** The Government will apply this approach more widely and support swift action to ensure high standards for all.
- 111.** But high minimum standards alone are not sufficient to ensure that services are fair or world class. World class services exceed minimum standards by encouraging diversity and experimentation while still ensuring equality of access. The Government will therefore continue to ensure that fair access to schools, NHS treatment, social housing and support for victims of crime is embedded in services, such as through the recently revised schools admissions code, the new NHS Constitution, the Code of Practice for Victims of Crime, and expanded entitlements to student grants that help pay university tuition fees.⁸⁵ And we will ensure that local people have the comparable information necessary to scrutinise performance and the local accountability systems necessary to challenge those services that need to improve.
- 113.** Over the last five years, the Government has developed a number of ways to develop a more strategic relationship with service providers, transferring direct accountability to local people and service users and unlocking the insights and motivation of those working on the front line.
- 114.** We have significantly reduced the number of central targets and introduced greater autonomy for local authorities to work with other services to set local priorities (see the box – Measuring what matters).
- 115.** The Government is now developing this long term framework further. Multi-year pay agreements covering over 1.5 million employees have already been negotiated to give greater certainty to both front-line staff and service managers.
- 116.** Increasingly, departments will ensure that incentives are in place to encourage innovation and prevent problems occurring rather than spending large sums on dealing with them after the event. For example, as set out in the budget, the Government is exploring a new funding mechanism to reward private and voluntary sector specialist providers for investing in helping long term incapacity benefit claimants into work. And over time, the Government's strategy is for investment in prevention to become a far greater priority for the NHS.

Investing for the long term

- 112.** All governments have a responsibility to ensure that **taxpayers' spending achieves value for money** and that public services are as efficient as possible. World class systems achieve high levels of productivity but they do so without dictating how every pound should be spent. Resources are often allocated through multi-year funding settlements and without ring-fencing. Expected outcomes are described rather than inputs. Clear accountabilities are established so that each part of the system knows what is expected of them and who is responsible for what.

Getting people into work and on in work

In future it will no longer be the shortage of jobs but the shortage of skills that will be the biggest barrier to full employment. Jobseekers therefore need seamless services that both help them get back into work and, in the process, start to give them the skills they will need for the future.

In the West Midlands, approximately 75,000 customers who remain unemployed for more than six months will be able to benefit progressively from enhanced and tailored provision at all stages of the flexible New Deal, starting from April 2009.

The programme will build on the existing City Strategy Pathfinder and the forthcoming Integrated Employment and Skills trials to develop a co-commissioning approach. It will bring Learning and Skills Council funding, including Train to Gain, together with the flexible New Deal, and link employment and skills with wider services, such as health.

See *Work Skills*, DWP and DIUS, 2008

Capacity-building and connecting

117. The quality of the professionals working in public services is a key determining factor of world class performance. Government therefore has an important role to play as a **capacity-builder** – ensuring sufficient numbers of skilled staff are recruited and developed; and that incentives are in place to encourage innovation and appropriate levels of risk taking.⁸⁶ In Whitehall, the Department for Innovation, Universities and Skills is responsible for public sector innovation and will support government departments in responding to this challenge.

118. In the past, too many new initiatives have been introduced from the top down – rather than testing out reforms first. To become world class, services must take a more systematic approach in which new ideas are developed by professionals in conjunction with service users, tested on a small scale and, if successful, implemented more widely. Personal budgets in social care are such an example – originating from the demands of services users, tested by pioneering councils and now adopted as government policy.

Building service capacity in Canada

Canada is a world leader in building the capacity of public services. For example, they have invested heavily in providing rapid analysis and dissemination of policy evaluations and statistics, and in ensuring that public services measure customer satisfaction in standard ways. In 2004, Canada established the Canada School of Public Service, providing a focal point for training. Since 2006, all senior managers in the public service have had a responsibility for ensuring that their staff are trained and for promoting innovation within their organisation.

Lindquist E, *A Critical Moment: Capturing and Conveying the Evolution of the Canadian Public Service*, Canada School of Public Service, 2006

119. Central government is one of the few actors able to take a **system-wide perspective**, which means it is well placed to bring organisations together to broker agreements and build coalitions of change. Government has successfully worked, for instance, with manufacturers to reduce car crime and with charities to invest in science and medical research.

- 120.** This perspective also means that government is best placed to change the organisational architecture – changing the type of organisations that deliver services and how they relate to one another. This is important given how fragmented public services can be from the citizen's point of view – especially for the most disadvantaged. The value of a more joined up and integrated approach to public services is already established: examples include Children's Trusts, the UK Border Agency, and current pilots involving HM Revenue and Customs and Jobcentre Plus that make it easier for people to claim tax credits and housing benefit when returning to work. New rules for sharing information safely between agencies also promote integrated approaches. PSAs and LAAs also require collaboration and joint working across government.
- 121.** In turn, these changes will require central government departments to renew themselves and improve performance. They need to be able to identify long term challenges; establish overall operating frameworks; develop external partnerships that can create change; understand the aspirations of citizens; foster a culture of innovation; and avoid the temptation to dictate change. They require the agility to address crises and intervene if basic standards are under threat, and step back quickly when these problems are addressed.
- 122.** This means that the next stage of public service reform will be as much about improving the work of central government as about change among front line services, establishing a more highly qualified, flexible and smaller civil service.

Building the capacity of public services to exploit new technology

Technology enables personalisation and precision in public services not dreamed of in 1945. Supporting organisations to make the most of this potential will remain a critical role for government in the years ahead.

Decades of underinvestment in technology was made good in the 2002 Spending Review with an injection of £6 billion of new money. Today's public services would not function without some of the world's biggest information processing operations running in the background.

There has been a dramatic increase in public access to technologies like mobile phones, home computers and the internet. In 1997, only 10% of people had used the internet, now around 70% have done so. This has fundamentally changed the way people consume all sorts of services including public ones. Nearly half the population want more access to government services online, and equal numbers want to communicate by phone, online and face to face.^a

This is changing the way people engage with public services. In 1997, NHS Direct was a phone-based service, now it receives more visits online than telephone calls. People increasingly belong to online communities, providing support to one another on issues important to public services like parenting, health and caring. Government has a role to play in fostering and supporting these communities.^b

Technology also changes the nature of the services that government can offer the public. Technology enables public services to offer personalised support to millions of citizens efficiently and in real time – such as helping with more than one query while someone is on the phone, as well as sharing information more safely and reliably in order to improve and protect people's lives.^c

With the necessary funding now in place the challenge for technology in public services is a continued focus on the needs of the end user, joining up between public service systems instead of duplicating and increasing complexity, and increasing professionalism in applying technology to the business of public services. There are already 10,000 IT professionals, led by Chief Information Officers, working on small and large projects in public services ensuring that technology is used effectively and efficiently to improve public services.

Government's overall strategy for how technology can enable government services can be accessed at www.cio.gov.uk/transformational_government

^a Work Foundation, *Public Services and ICT – Final Report. How can ICT improve quality choice and efficiency in public services, 2005*

^b NetMums.com is a successful example of a large online community, partially funded by government but still an independent space where the public can support one another and do things for themselves.

^c Government response to Power of Information review Cm7157 www.cabinetoffice.gov.uk/reports/power_of_information.aspx

Conclusion

123. It is clear that for public services to be driven more by users and professionals, the Government's own role will need to evolve. The new focus will be on setting the overall direction – identifying the biggest priorities, providing the necessary resources and working with professionals, users, local authorities and private and voluntary sectors to speed up innovation and change.

124. Alongside retaining the capacity to intervene rapidly and effectively to address failure or a crisis, the Government will play a more strategic role:

- establishing overall strategy but holding back from micro-managing the detail of implementation, exemplified by a new constitution for the NHS;
- providing stability, such as through multi-year pay settlements in preference to annual pay deals;
- sharing leadership, learning constantly from those at the cutting edge of change as has been undertaken through the NHS Next Stage Review and the way professionals, parents and young people were involved in the development of the Children's Plan; and
- not controlling everything from Whitehall but giving schools, hospitals, local government and local communities more power and responsibility to decide what is right for their area and to join up services in ways that make sense to them.

125. From setting the overall objectives, agreeing funding and monitoring minimum standards to intervening to tackle failure, central government still plays a crucial role. But in future it must take a different approach – facilitating and empowering not directing and controlling to achieve truly world class public services.

Conclusion

- 126.** Only strong, reformed public services can deliver the personal opportunities and the secure communities Britain needs to thrive in the coming decades. Achieving this will require a new set of relationships at the heart of our public services; between empowered citizens and professionals; between professionals and government; and between citizens and the state.
- 127.** This does not mean rolling back the investment and reforms of the past 10 years. Instead we must build on the progress already made. This means empowering citizens not only by further extending choice, but also by strengthening accountability mechanisms and radically increasing transparency. It means unlocking the creativity and ambition of public sector workers to innovate and drive up standards in partnership with service users. And it means less micro-managing and more strategic leadership from central government.
- 128.** Last autumn, the Children's Plan included measures to empower parents and raise the quality of teaching. For example, the Plan proposed new rights to regular, up-to-date information for parents and the introduction of a Masters level qualification for teaching.
- 129.** Measures announced in June to raise people's skills will offer a more personalised and responsive approach, with stronger local providers of advice and training and greater devolution of decision-making to local authorities.
- 130.** The forthcoming NHS Next Stage Review will outline how patients and their families will be increasingly empowered to shape the health care services they receive to meet their individual needs. There will also be significant new proposals to devolve far more decision-making powers to nurses, doctors and other front-line health care professionals, encouraging innovation and improving the quality of services, with central government focusing on strategic issues such as reducing health inequalities.
- 131.** In the next few weeks the Home Office will be publishing a Policing Green Paper that will include proposals to dramatically increase the accountability and responsiveness of police forces to local communities as well as investing in the skills of the workforce.
- 132.** The Department of Communities and Local Government's empowerment white paper, to be published this summer, will transfer power from government to citizens and communities. It will create more opportunities and easier ways for people to influence local decisions.
- 133.** It is through these new measures and the further development of these approaches in the forthcoming months and years that excellent outcomes, more personalised approaches, better value for money and greater fairness and equity can be achieved. This agenda is how we will move towards world class services across the country.

Endnotes

- 1 The scope of this paper does not include aspects of public service policy that are devolved in Scotland, Wales and Northern Ireland.
- 2 See, for example, Mayhew P, *Criminal Victimization in Eleven Industrialised Countries: Key findings from the 1996 International Crime Victims Survey. TIMSS Highlights of Results 1995*, TIMSS International Study Center, 1997; *Hospital and NHS Performance*, DH, 2006.
- 3 In primary schools the proportion of children achieving the expected standard in English at age 11 has risen from 49% in 1995 to 80% 2007 (DCSF). In secondary schools the proportion of students achieving five good GCSEs has risen from 35.2% in 1996 to 60.8% in 2007 (DCSF). The proportion of patients seen within four hours of admission to A&E has risen from below 80% in 2001/02 to 97.9% in 2007/08 (DH). The latest British Crime Survey shows the risk of being a victim of crime is at its lowest level (23%) since records began in 1981 (HO).
- 4 This programme has produced a reduction in civil service headcount by 77,000. Further innovation and efficiencies have been generated by new freedoms for organisations like NHS Foundation Trusts.
- 5 *£200 million for National Challenge to raise standards in schools*, DCSF press notice, 12 March 2008.
- 6 Ed Balls writing in The Guardian Tuesday October 23, 2007 *Why Britain has the best teachers ever*. See <http://education.guardian.co.uk/teachingawards/story/0,,2196702,00.html>.
- 7 QS World University Rankings 2007: Oxford, Cambridge, Imperial and UCL are all among the top 10 universities in the world.
- 8 New York City schools are also inspected annually and receive a 'Quality Review score' as a result. Although the system is heavily influenced by England's Ofsted, the Quality Review concentrates solely on inputs, i.e. whether the organisation of the school improves pupil achievement, while the report card focuses on outputs. The combination of the Quality Review and the Progress Report trigger rewards and consequences. Cabinet Office field visit.
- 9 Those countries that dominate cross-country comparisons for highest quality of life such as the UN Human Development Index, tend to have relatively strong public services. Nordic countries and other countries with active states such as Canada and the Netherlands perform well in many of these indices. *2007/2008 Human Development Index rankings*, UN, 2008. See also *Realising Britain's Potential: future strategic challenges for Britain*, Cabinet Office, 2008.
- 10 *Education at a Glance: OECD Indicators*, OECD, 2006, China alone produces 4.4 million tertiary graduates (from higher education), significantly more than the 2.5 million tertiary graduates produced by the EU. India produced nearly as many upper secondary graduates (further education) as the EU.
- 11 *World Development Indicators Database*, World Bank, 2007.
- 12 For example, continuous improvement has been identified by the OECD as embedded within the high performing Finnish healthcare system through a strong culture of professional self-improvement, and high levels of motivation among staff to deliver good quality services (*Review of Health Systems: Finland*, OECD, 2005).
- 13 For example, the Dutch healthcare system is rated highly by the OECD in terms of the quality of medical procedures and services, but it also performs well in terms of customer service and satisfaction – a Health Consumer Powerhouse, *Euro Health Consumer Index 2007* ranked the Dutch system second in Europe in terms of a number of measures, including customer service.
- 14 Evidence indicates that there is an extremely strong correlation between whether patients consider they are treated with dignity and respect and their overall satisfaction (*NHS Acute Trust Inpatient Surveys*, DH, 2001/02).
- 15 Nordic countries, such as Finland and Denmark, have some of the highest performing public services in the world and this often includes high levels of fairness and equity by international standards. For example, *Knowledge and Skills for Life: First Results for PISA*, OECD/PISA, 2001, rated the Finnish education system as 'high excellence' and 'high equity', while the the UK was rated as 'high excellence' and 'low equity'.
- 16 Delivering our world class ambition will mean doing even more to ensure that delivery is as effective and efficient as possible. That is why the Government has set a target of a further £30 billion of savings over the next three years. Looking forward, the Government will continue to deepen and widen its work on efficiency to ensure policies and ways of working are delivering the best possible deal for the taxpayer.
- 17 *PISA 2006 Science Competencies for Tomorrow's World Volume 2*, OECD, 2007.
- 18 *Health and Long Term Care in the European Union*, Eurobarometer, 2007.
- 19 The percentage of pupils achieving five or more A*-C at GCSE/GNVQ and equivalents in relatively deprived Excellence in Cities Partnership areas increased by around 11 percentage points from 39.8% in 2001 to 50.6% in 2005. The rate of increase in non-EIC schools over the same period was around five percentage points, rising from 52.2% in 2001 to 57.5% in 2005. *Excellence in Cities Factsheet*, 2008.
- 20 For example, since 2004 gaps have been narrowing between free school meals (FSM) and non-FSM pupils at Key Stages 2, 3 and 4 and the latest data shows there has been a rise in the proportion of people from disadvantaged areas going to university. Source: DCSF.

- 21 Hirsch, D. *Chicken and egg: child poverty and educational inequalities*, CPAG, 2007.
- 22 *UK Education expenditure as a proportion of GDP*, DCSF, 2006.
- 23 *Public Expenditure Statistical Analyses 2007*, HM Treasury, 2007.
- 24 HM Treasury: *2004 Spending Review: efficiency progress to December 2007*, March 2008.
- 25 *Budget 2008 – Stability and opportunity: building a strong sustainable future*, HM Treasury, 2008.
- 26 *Budget 2008: Responsible Leadership*, Canadian Department of Finance, 2008.
- 27 For example, as part of Lord Darzi's NHS Next Stage Review there has been a far reaching programme of engagement and consultation with those working within the health and social care services.
- 28 For example, school results and inspection reports create public pressure for improvement, and legitimacy for change when things are not good enough.
- 29 The Swedish healthcare system is one of the best in the world – performing very highly on OECD quality measures (see *Health at a Glance*, OECD, 2007) and levels of patient satisfaction (90% satisfaction rating with quality of hospitals – *Health and Long Term Care in the European Union*, Eurobarometer, 2007). The system is characterised by high levels of citizen empowerment, for example users have rights to choose where to have treatment, alongside good access to large amounts of information about healthcare. There is also a significant degree of devolution to local/regional government whereby healthcare is organised according to the needs of local residents. These forms of citizen empowerment are combined with a high level of professional autonomy and self-improvement (for example, National Quality Registers, a tool used to disseminate best practice among professionals, are run and owned by professionals themselves) as well as strategic leadership by government – the government sets overarching expectations which are used by citizens to hold care providers to account (for example national guidelines for waiting time limits). See, for example, *Improving the Quality of Health Care Systems*, OECD, 2002.
- 30 An additional example is Danish public services, which also perform very well on international measures. In a combined index of satisfaction with healthcare and social services, from 2004, Denmark is ranked 5th out of 28 European countries (European Foundation for the Improvement of Living and Working Conditions, 2004); crime is reported as falling by 11% (International comparisons of criminal justice statistics <http://www.homeoffice.gov.uk/rds/pdfs2/hosb1203.pdf>) between 1997 and 2001 – the second largest reduction in the EU). The Danish government recognises the strategic role it can play, for example by stimulating innovation – the Ministry of Finance has set up a unit to promote new ideas, with plans such as creating a single account for financial transactions with citizens. The stimulation of innovation is mutually reinforcing increased citizen empowerment – one idea which exemplifies this is the 'Danmarks Debatten' project. This is an online discussion forum designed to allow citizens and elected representatives in Denmark to contribute to debates on current topics affecting them locally and nationally. Local authorities and other government bodies can use the system to instigate debates based around a current issue facing citizens in a locality. Citizens are then able to engage in an exchange with their elected representatives by submitting their views through DanmarksDebatten. From summer 2007 the site has been combined with a new web portal for Danish citizens – borger.dk (meaning 'citizen.dk') (see *Organisational Change for Citizen-Centred Government*, 2007).
- 31 For example, the Chicago Community Alternative Policing Strategy was inaugurated in April 1993. The programme was expanded to encompass the entire city after testing in five police districts. In the Chicago Police department, each of the 279 police beat officers and sergeants meet regularly with residents to (a) identify which public safety problems (e.g. a crack house) constitute the most urgent priority, and (b) develop strategies involving both police and civilian action to deal with these problems. These beat meetings are held accountable to the central authorities by requiring them to document their problem solving and by regular checks to ensure that the groups have not been captured by vested interest groups. In Chicago, many categories of crime peaked in 1991 and then declined sharply. Over the 1991–2002 period, violent crime declined significantly, as did property crime and robbery.
- 32 Ideas from systems theory can help us to further elucidate this approach. It has been argued (see, for example, Chapman, J. *System Failure: Why Governments Must Learn to Think Differently*, 2004) that public services can be described as adaptive systems because they contain many actors whose individual decisions are a function of the decisions made by other actors in the system. The behaviours displayed by such systems are often difficult to predict, meaning the systems cannot be 'controlled' in the traditional sense. Instead, improvements will come from effective use of incentives, investment in capability and enabling solutions to be generated from the many interactions in the system.
- 33 *Customer Satisfaction With Key Public Services*, The Prime Minister's Office of Public Services Reform, 2004; Donovan N, Brown J, Bellulo L, *Satisfaction with Public Services: A Discussion Paper*, Performance and Innovation Unit, 2001.
- 34 *Think Family: Improving the life chances of families at risk*, The Prime Minister's Office of Public Services Reform, 2004; SETF, *Families at Risk: Background on families with multiple disadvantages*, Cabinet Office, 2008.

- 35 For example, Caroline Hoxby (see, for example, Hoxby, C. *School choice and school productivity: could school choice be a tide that lifts all boats?*, National Bureau of Economic Research, 2002). And *Choice in Public Services*, The Audit Commission, 2004 also reports that choice is one of the means of achieving the delivery of services that are more responsive to users' needs.
- 36 The forthcoming Public Service Industry Review will be considering contestability in public services.
- 37 Parental choice of school is supported by information (on performance and quality of services) and an inspection system. Similarly, with regard to healthcare CMPO report in *Will More Choice Improve Outcomes in Education and Health Care*, that the provision of information is a prerequisite for informed choice – information on performance gives providers the incentive to do well according to the criteria that are published.
- 38 *Academy Programme to be Further Accelerated*, DCSF, 2008. *National Challenge Strategy launched to ensure more children get better GCSEs*, DCSF, 2008.
- 39 *NHS Improvement Plan: Putting People at the Heart of Public Services*, DH, 2004.
- 40 Ofsted has also stated in *A focus on improvement: proposals for maintained school inspections from September 2009* that inspectors will in the future take more account of the views of parents in deciding when a school needs to be inspected.
- 41 For example in policing, citizen satisfaction is a core element of the assessment framework and indicators of customer satisfaction are components of four of the Government's key PSA targets that commenced in April 2008. The current set of Public Service Agreements are available at http://www.hm-treasury.gov.uk/pbr_csr/psa/pbr_csr07_psaindex.cfm.
- 42 In England, the vast majority of local authorities report that greater public engagement in their service has led to improvements. Around nine out of ten report that such engagement makes service more responsive to the needs of users: 79% reported quality improvements and 59% suggested that engagements improved value for money for taxpayers. See Bovaird, T. and Downe, J. *Meta-Evaluation of the Local Government Modernisation Agenda – White Paper Policy Paper: Innovation in public engagement and co-production of services*, forthcoming. And *Improving Delivery of Mainstream Services in Deprived Areas: The role of community involvement*. SQW Consulting/ODPM, 2005, which found increases in satisfaction, in outcomes such as health and crime levels, and reductions in costs from community involvement.
- 43 *Engaging Communities in Fighting Crime*, The Casey Review, 2008, reports that putting neighbourhood policing teams and approaches in place 'has been a huge undertaking for the police and a major achievement for both the police and for the Government. It prepares the way for a major shift in the way policing is delivered – but it is only the beginning of the story.'
- 44 Every household in England and Wales now has access to a dedicated neighbourhood policing team who provide communities with a visible, accessible and accountable presence. See <http://police.homeoffice.gov.uk/community-policing/neighbourhood-policing/>.
- 45 Community Call for Action was originally announced in *Strong and Prosperous Communities – The Local Government White Paper*, CLG, 2006.
- 46 Cahn, E. *No More Throw Away People*, Essential Books 2000. Mulgan, G. *Innovation, improvement and the empowered user in public services*, 2007.
- 47 For example, increased self-care in health services can lead to large reductions in visits to GPs (up to 69% fewer), hospital admissions (up to 50% fewer) A&E admissions and outpatient admissions, as well as improvements in health outcomes including life expectancy. *Self Care Support – The Evidence Pack*, DH, 2007.
- 48 *Putting Prevention First*, DH, 2008.
- 49 Real-time reporting means parents will be able to access frequently updated information on children's achievement, progress, attendance, behaviour and special needs wherever, whenever they want – using secure, online systems. 'All Parents to Get Regular Online Reports on their Children's Progress', DCSF, 2008.
- 50 Support will be provided for parents who undergo a skills audit and take up training to improve their job prospects.
- 51 The Expert Patients Programme is a lay-led self-management programme that has been specifically developed for people living with long-term conditions. The aim of the programme is to support people to increase their confidence, improve their quality of life and better manage their condition.
- 52 NetMums started as a local online group, but has now become a national online community, with 400,000 registered members. It is partly funded by DCSF and corporate sponsorship.
- 53 *Nursing quality to be measured for compassion of care*, DH, 18 June 2008.
- 54 For example, Directgov is already becoming the digital destination of choice for accessing government services online and assisting citizens in navigating services and information available to them.
- 55 For example, the King's Fund has recently consulted with doctors about their changing role in the NHS. Levenson, R. Dewar, S. Shepherd, S. *Understanding Doctors: staff harnessing professionalism*. King's Fund, 2008.
- 56 Although professionalism is a term traditionally associated with formal professional groups such as doctors and teachers, it is increasingly used to categorise a much wider range of people who work in public services. Throughout this document, we will use the term to refer to all people who work in public services.

- 57 For example, while the effects of general IT on crime fighting are statistically insignificant, this effect becomes relatively large when IT adoption is undertaken as part of a whole package of organisational changes. New York recorded falls in crime of 8%. These results are a clear endorsement of the complementarity hypothesis. Police departments, like firms, are likely to enjoy the benefits of computerisation only when they identify the specific ways the new information and data availabilities interact with existing organisational practices and make adjustments accordingly. Garicano and Heaton, *Information Technology, Organisation and Productivity in the Public Sector: Evidence from Police Departments*, CEP Discussion Paper, 2007.
- 58 For example, the Swedish health care system is characterised by significant innovation driven by the front line, often spread through their National Quality Registers system. *Improving the Performance of Healthcare Systems: From Measures to Action*, OECD, 2002.
- 59 Employer-led Sector Skills Councils can play an important role in leading on standards and ensuring their sector's needs are met by the services offered. For example Lifelong Learning UK played a crucial role in workforce reform in further education, including defining national occupational standards for teachers and learners.
- 60 For more information on the Neighbourhood Policing Initiative visit: www.neighbourhoodpolicing.co.uk.
- 61 Home Office Research Development and Statistics Directorate, *Acceptable Behaviour Contracts addressing antisocial behaviour in the London Borough of Islington*, Home Office Online Report 02/04, 2004.
- 62 For example, since April 2006, victims of crime have had the legal right to receive a high standard of service from the Criminal Justice System. The Victims' Code sets out the key steps agencies must take to work together to support victims and keep them up to date with how their case is progressing. Vulnerable and intimidated victims receive an enhanced service under the Code. The Code also gives victims the right of complaint if their needs are not met – first to the agency and, if they are still not satisfied, to the Parliamentary Ombudsman. The Code is a major milestone in making the Criminal Justice System more focused on the needs of victims.
- 63 For example, Leadership explains 5 to 7% of the difference in pupil learning and achievement across schools, becoming about one quarter of the difference after controlling for pupil intake and background factors. If teachers improved abilities in all 21 leadership responsibilities this would represent a 10 point increase in pupil test scores. Margo, J, *Those Who Can?*, IPPR, 2008.
- 64 For example, head teachers in small schools in the best performing systems spend 80% of their day focused on improving instruction and building the capacity and motivation of their teachers to constantly improve. Margo, J, *Those Who Can?*, IPPR, 2008.
- 65 Teachers' educational attainment explains about 4 percentage points of the increase in wages or earnings of students (Young-Joo, Kim, *Identifying the Source of Catholic School Effects on Wages*, unpublished CEE paper LSE, 2008); 84% of managers in the highest scoring firms were educated to degree level or higher, as were a quarter of the non-management workforce. Among the lowest scoring firms, by contrast, only 54% of managers and only 5% of the wider workforce had degrees (Bloom, N et al, *Management Practice and Productivity: Why They Matter*, 2007); a 5% increase in training equals a 4% increase in productivity (*Who Gains When Workers Train?*, IFS, 2004); and one US study found that a 10% increase in the proportion of nurses holding a bachelor's degree was associated with a 5% decrease in both the likelihood of patients dying within 30 days of admission (Aiken L, SP Clarke, RB Cheung, DM Sloane, JH Silber 'Education Levels of Hospital Nurses and Surgical Patient Mortality' journal of the American Medical Association 290:12).
- 66 *How the world's best-performing school systems come out on top*, McKinsey & Company, 2007.
- 67 Park, A, Cutrice, J, Thomson, K, Phillips, M, Johnson, M, Clery, E, *British Social Attitudes: the 24th report*, Sage Publications, 2008.
- 68 *How the world's best-performing school systems come out on top*, McKinsey & Company, 2007.
- 69 Cordingley P, Bell M, Rundell B, Evans D), *The impact of collaborative CPD on classroom teaching and learning*. In: Research Evidence in Education Library. Version 1.1. London: EPPI-Centre, Social Science Research Unit, Institute of Education, 2003.
- 70 For more information see: *The Annual Report of Her Majesty's Chief Inspector of Education, Children's Services and Skills 2006/07*, www.ofsted.gov.uk/assets/Internet_Content/Shared_Content/Files/2007/oct/annualreport0607.pdf.
- 71 For more information, visit <http://forums.ukgovernors.org.uk>.
- 72 For example, Ofsted is proposing more frequent inspections for schools that are inadequate or satisfactory or not improving, and a longer interval for those judged good or outstanding. The new approach will be piloted this year from the summer term and implemented in September 2009. Ofsted, 2008, *A focus on improvement: proposals for maintained school inspections from September 2009*.
- 73 For more information, visit <http://police.homeoffice.gov.uk/police-reform/flanagan-police-review/>.
- 74 Bloom, Selier, Van Reenen, 'Management Practices in Public and Private Hospitals', forthcoming.
- 75 Foundation Trust Network, NHS Foundation Trusts: the story so far, 2007.

- 76 The Productive Ward programme, designed by the NHS Institute for Innovation and Improvement, empowers nurses to look at how their ward is organised and make changes that allow them to spend more time with patients. Often these are very simple ideas, such as altering patient handover time, reorganising storage facilities and making better use of data. The programme has been piloted in four trusts and there are 10 learning partners, one in each SHA. A further two trusts are rolling the programme out across all of their wards and early evidence of the impact of the programme can be found at: www.institute.nhs.uk/quality_and_value/productivity_series/productive_ward_profile_%26_comments.html.
- 77 The Ministry of Justice is establishing Probation Trusts. Their remit includes the commissioning of local services from a variety of providers, giving greater flexibility to local areas to deliver public protection and reducing re-offending outcomes. Decisions about what services to provide will be based on what will best achieve those outcomes rather than what providers have delivered historically. Along with the development of the commissioning system, the creation of the first Probation Trusts in April 2008 signals a major change in the way the government delivers services to offenders, offering more freedom to local areas to find innovative solutions to reducing re-offending. Devolved decision-making will ensure that decisions about what services to provide are made by the local Probation Trust, which is based in the local community, where the impact of their work is most keenly experienced.
- 78 Castro, P, Dorgan, S and Richardson B, *No holds barred in management battle*, Health Service Journal, 22 May 2008.
- 79 DCSF press notice, *New Masters Qualification to Boost Teaching*, 7 March 2008.
- 80 For example, North Staffordshire Combined NHS Trust attribute a move to self-directed team working (primary care) to a 0.1% drop in mortality rates, a 1.2% drop in stress levels and a 27% decline in complaints. Parker H, *'Realising the Benefits of Self-Direction' Presentation to Delivering for patients: the workforce productivity challenge*, 13 March 2007.
- 81 DCSF, *The Children's Plan: Building brighter futures*, 2007.
- 82 Health care costs in the US are over 15% of GDP and have been rising more rapidly than any other developed country over the last two decades. Yet millions do not have access to full health care cover and overall life expectancy has increased more slowly in the US than almost all other OECD countries.
- 83 Davis K, Schoen C, Schoenbaum S, Doty M, Holmgren A, Kriss J, and Shea K *Mirror, Mirror on the Wall: An International Update on the Comparative Performance of American Health Care*, The Commonwealth Fund, 2007.
- 84 Maps on this website show the relationship between poverty and poorly performing schools in two US cities. The concentration of these schools is greatest in areas of greater poverty. See: http://webpages.charter.net/jcory17/geotech/pic_lib/census2k/pic_lib.htm.
- 85 On student grants see: www.dius.gov.uk/press/05-07-07.html; on victims code of practice see: www.homeoffice.gov.uk/documents/victims-code-of-practice; on school admissions see: www.dfes.gov.uk/sacode/.
- 86 An important part of this is to encourage commissioners of public services to commission outcomes rather than activities – thus encouraging innovation in how providers meet these outcomes.

Glossary

Cabinet Office	CO
Department for Communities and Local Government	CLG
HM Revenue & Customs	HMRC
Department for Children, Schools and Family	DCSF
Department of Health	DH
Department for Innovation, Universities and Skills	DIUS
Home Office	HO
Learning and Skills Council	LSC
Ministry of Justice	MOJ
Office for Standards in Education	Ofsted
Office of the Deputy Prime Minister	ODPM
Organisation for Economic Co-operation and Development	OECD
Programme for International Student Assessment (OECD)	PISA
Progress in International Reading Literacy Study	PIRLS
Public Service Agreements	PSA
Social Exclusion Task Force	SETF
Strategic Health Authority	SHA
HM Treasury	HMT
Department for Work and Pensions	DWP

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