



Local Government Association

Total Place – the case for transforming public service delivery

LGA Group

promoting better local government

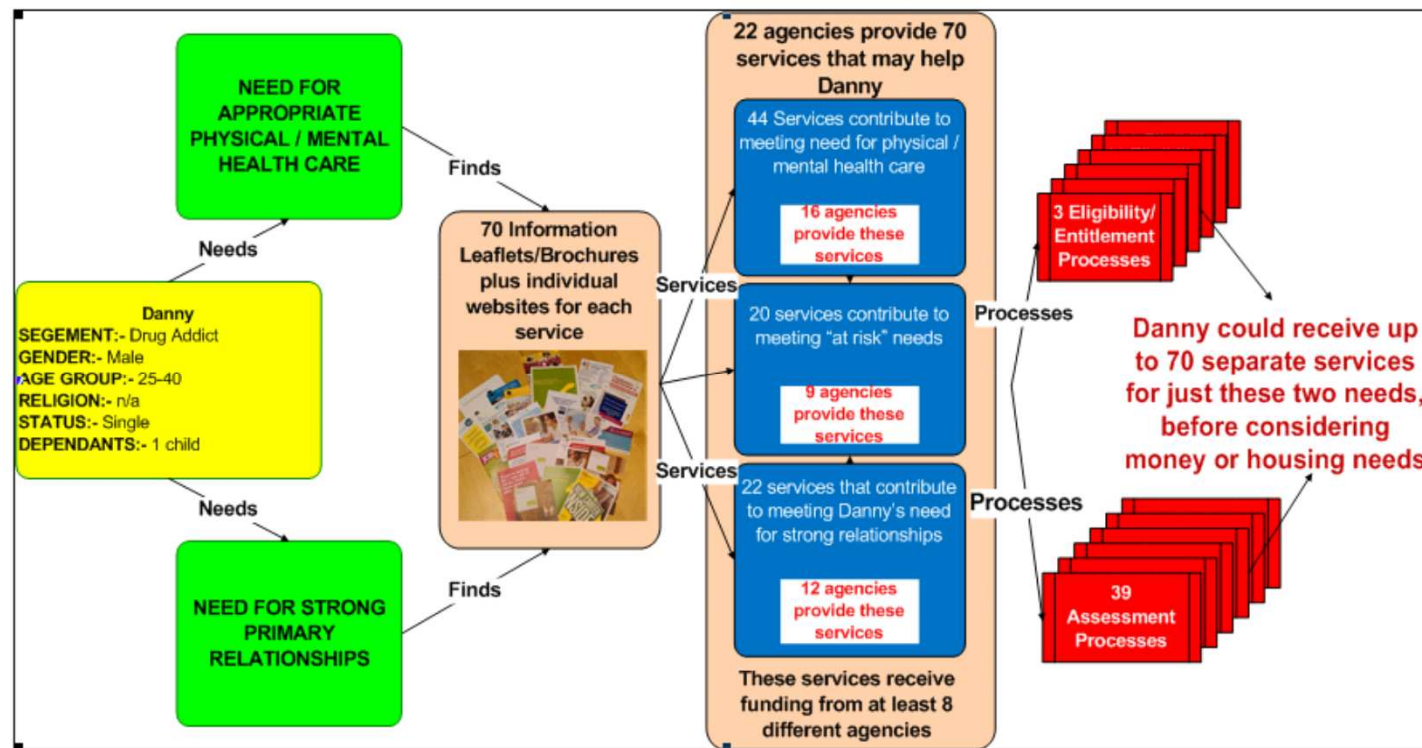
What We Already Knew

“The historical pattern of service delivery [is one] where public sector agencies have worked in isolation, trying to solve that specific ‘bit’ of the problem for which they have responsibility without understanding how this does or doesn’t fit with the wider lives of the people and communities they work with.”

Birmingham

Key findings

The system doesn't make sense to people

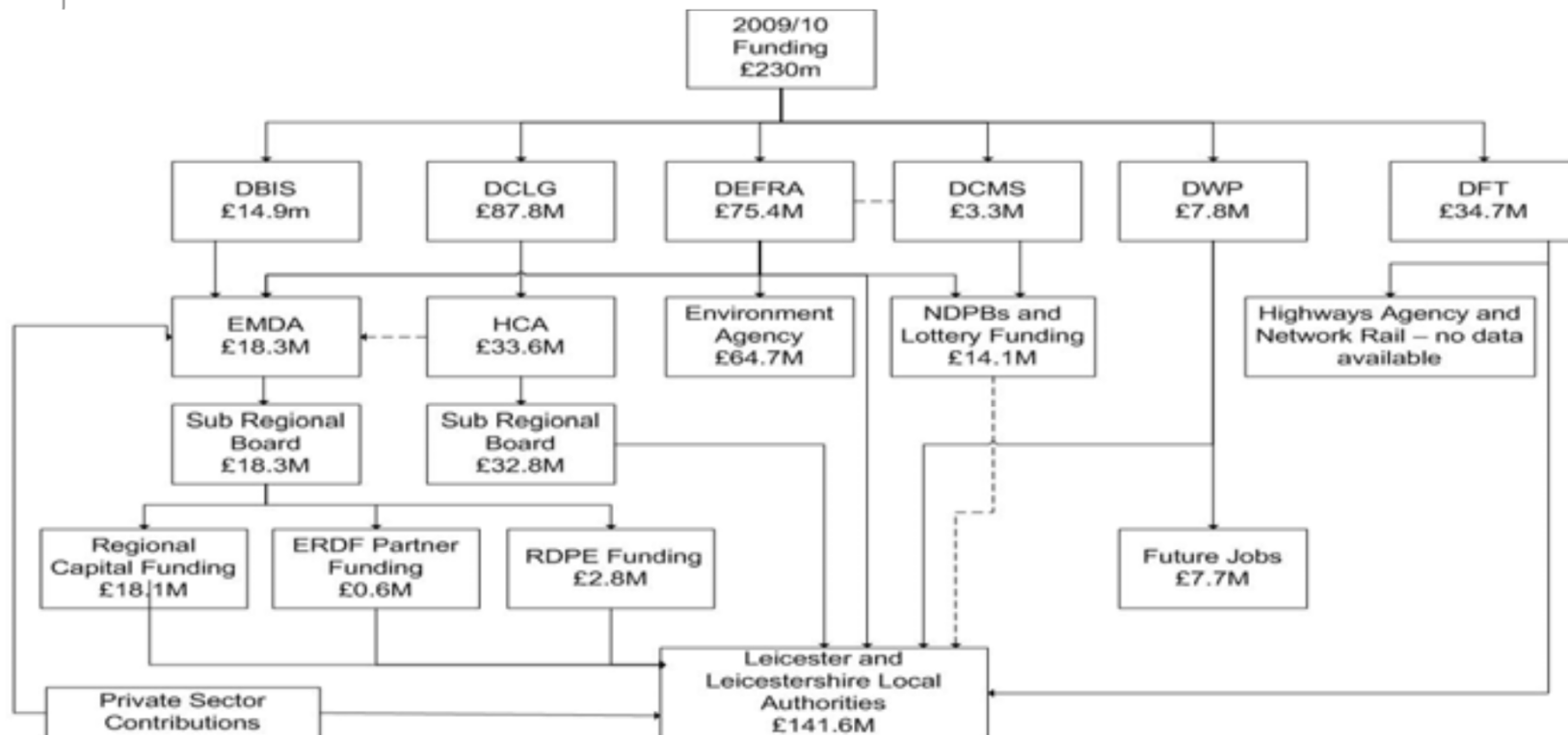


The system has the wrong focus

- 93% of employment-related spend in Birmingham is on out-of-work benefits and less than 7% on interventions to help people into work.
- Leicester and Leicestershire have 8 times more high-risk drinkers than problematic drug users, but almost twice as much funding goes into drug treatment

Key findings

Funding moves through complicated chains



Performance measurement and inspection regimes are costly

- Lewisham estimate that CAA alone consumed 4500 office hours
- Central Bedfordshire and Luton put the total annual cost of reporting, inspection and assessment is to be over £4 million in their areas

Key findings

- **Countless organisations are spending public money in the same area**
 - In Luton and Central Beds 49 different agencies spend taxpayers money
- **Often these same organisations are spending money on the same things**
 - In Durham 25 different social housing providers for just 19,000 homes with 47 different funding streams – 18 from one quango alone!

- **The majority of money being spent is under centralised control**
 - On average £7,000 is spent per person on public services, of which councils say only £350 is discretionary spending by them
- **The money is often spent on ‘crisis management’ rather than on prevention**
 - In Birmingham £650m is spent a year helping out of work but only £89m on regeneration to create jobs
 - In Bournemouth, Poole and Dorset keeping an elderly person in hospital can cost £365 per day but care at home can cost as little as £25 per day

A “once in a lifetime opportunity”

“The people we serve expect the same joined up, swift service from us...as they experience in many other domains of their life. [They] want to have a real stake in determining how those services will look. We now have a once in a lifetime opportunity to transform public service delivery...and we must use the financial challenge bravely and creatively as a means, not narrowly as an end.”

Coventry, Solihull and Warwickshire

Theme: crime and offender management

- In Bradford 70% of crime is committed by re-offenders at a cost of £76m per year
- If given a sentence of less than 12 months there is no probation officer and the offender has to contact 8 separate agencies for help on leaving prison
- Too many agencies are spending money on their part of the problem when the real gains are to be made by putting resources into preventing re-offending

What needs to happen?

- Radical reform of the way public services are delivered and commissioned both nationally and locally

Budgets



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- Three-year place-based budgets achieved by a one-off pooling departmental budgets or formula based allocations
- Could include for example funding for economic regeneration, housing and regeneration, adult skills, local transport, domestic energy efficiency, primary care, neighbourhood policing and employment support for the long-term unemployed and workless, in addition to the services currently provided locally
- Formal flexibility to deliver financial balance between organisations and across years
- Some places have the capacity to move to this approach more quickly than others so a phased implementation might be needed

- Shared leadership teams across the public sector
- More strategic commissioning and joint procurement
- Co-location of services, as well as merging support services and back-office functions

Accountability



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- A single performance framework for place (putting an end to the current separate arrangements for children, health and social care, police and community safety);
- A single, slimmed down, national indicator set for place with a focus on outcomes not organisations or process
- A single assessment that looks at how the local public sector organisations have used financial resources in the area
- Some inspection/assessment of high risk areas where people are vulnerable and the impact of failure is high – safeguarding of vulnerable adults and children
- Audit to be retained to provide reassurance to tax payers that public money is safeguarded

- Local government and their partners have developed or are developing the sub-regional governance structures to which funding and decision making can be delegated, including multi-area agreements, city regions and Economic Prosperity Boards, Integrated Transport Authorities and local area agreements
- Important role for councils as commissioners, not simply deliverers, of services
- Opportunities for councils to demonstrate leadership by expanding the traditional partnership base, e.g. bringing in the private sector
- Exploring “double devolution” down to the neighbourhood/ward level
- The precise arrangements and structures would be for places to determine

Appendix: Pilot themes

- Alcohol & drug abuse
- Mental health services
- Learning disability services
- Young people
- Guns & gangs
- Ex-offenders
- Elderly people
- Children's services
- Housing & regeneration
- Asset transfer

Appendix: Pilot areas



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- Birmingham
- Bradford
- Central Beds & Luton
- Croydon
- Coventry, Solihull & Warwickshire
- Dorset, Poole & Bournemouth
- Durham
- Kent
- Leicester & Leicestershire
- Lewisham
- Manchester City region & Warrington
- S.Tyneside, Sunderland & Gateshead
- Worcestershire