

REPORT TO THE MEETING OF THE EXECUTIVE 21 SEPTEMBER 2011

PORTFOLIO: OVERALL STRATEGY AND POLICY DIRECTION

REPORT FROM CHIEF EXECUTIVE

**SUBJECT: OPEN PUBLIC SERVICES WHITE PAPER
CONSULTATION**

1 DECISION BEING RECOMMENDED

- 1.1 That the response to the consultation is submitted to the Cabinet Office as detailed in Appendix 1.

2 REASON/S FOR RECOMMENDATION

- 2.1 The decision provides a response to a Government consultation which sets out the policy framework for opening up public services for delivery by individuals and neighbourhoods. It is proposed that those services that are required to be commissioned by local government should be offered to a diverse range of providers.

3 SALIENT INFORMATION

- 3.1 This White Paper has evolved out of the Modernising Commissioning Green Paper published in December 2010.
- 3.2 It advocates a move away from top – down system for delivery of public services towards a bottom – up citizens lead model – it sets out a policy framework across public services.
- 3.3 The paper consolidates a number of reforms put forward by the coalition government to date, such as the Big Society and aspects of the Localism Bill. The overarching aim is to provide individuals and communities with ‘freedom, choice and control’ over public service delivery.
- 3.4 While many of the reforms set out in the paper are under way, others will require detailed design, and the solutions will often be specific to each service.
- 3.5 The main drive behind this agenda is to overhaul the traditional centralised public service delivery model which is outdated with outcomes varying considerably.
- 3.6 The aims of the new proposals are summarised under the following headings: choice, decentralisation, diversity, fairness, accountability

- 3.7 The opportunity to deliver public service will be opened up under three categories: individual services, neighbourhood services and commissioned services by local government.
- 3.8 Initially consultation will take place with local government on how to develop commissioning models in customer contact; planning; facilities management; back-office transactional services, family support, support to looked after children, trading standards, environmental services and housing management.
- 3.9 This consultation period will run from July 2011 to the middle of September 2011, following which the Government will set out a programme of work to implement the open public services agenda. From November 2011, central government departments will take forward ideas to implement the proposals outlined in the paper. From April 2012, departments will publish regular progress reports on the steps that have been taken to open public services.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not to take part in the consultation.

5 RISK IMPLICATIONS

- 5.1 This is a major strand of the Coalition Government domestic reform programme. An opportunity will be missed to shape policy if input to the consultation is missed.

6 RESOURCE IMPLICATIONS

- 6.1 The proposals put forward will remodel the way in which some public services will be delivered. There will be financial implications depending on the services that are opened up and the speed of the changes.

7 LEGAL IMPLICATIONS

- 7.1 The legal implications of transferring delivery of services will need to be undertaken on a case by case basis.

8 EQUALITY AND DIVERSITY IMPLICATIONS

- 8.1 There is a strong commitment in the Paper to ensure that there is diverse range of providers involved in the process. Work should be carried out to ensure barriers preventing certain groups taking part are minimised.

I confirm that the above recommendation does not depart from Council policy and that appropriate consideration has been given to any budgetary and legal implications.

SMT Lead Officer Signature: _____

Chief Executive

Background Papers:

None.

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Open Public Services Consultation

Key issues for RDC

The paper includes around 30 consultation questions on the various aspects discussed and the Council would make the following observations:

- Contracts that pay by results are encouraged but it is acknowledged that this can present barriers to smaller businesses and voluntary sector providers who may not have the upfront resources to invest. The Paper suggests that the answer may lie in finance mechanisms such as social impact bonds, philanthropy and enterprise capital. No further details are given on how this will work. Further consultation may follow.
- Local government will need to ensure robust scrutiny mechanisms are in place to ensure external providers are held to account. A perception could develop that local authorities will still be held to account by local people for outsourced services
- There is little mention of the 'Big Society' as a concept, but there is a clear intent to give voluntary organisations a route to bid to run services.
- The Paper states that local councils should be able to consider overall value in their spending decisions, not just cost. New Best Value guidance has just been introduced to ensure that voluntary groups are not disadvantaged in procurement and commissioning. This will be an important tool for local authorities in securing wider outcomes and social value

The consultation raises a number of questions which will need to be addressed:

- How will the Community budgets model be extended to include all central government departments? How, specifically, will the community budgets model be rolled out?
- How will the new forms of accountability sit alongside the traditional model via elected representatives?
- Will services not on the list to be decentralised be covered under these proposals?
- How much responsibility will be given to local authorities to define which services should be suitable for commissioning?
- There are few concrete policy initiatives to kick start this process – when will this further work be undertaken?
- There is no direct discussion of costing the proposals – further information is required here

- How will the proposals ensure that those individuals, within the local community, with the loudest voices do not dominate the shaping of service delivery?
- More information required on how the ability / competence of providers be assessed?
- More detail required on how parish councils will be prepared to undertake a delivery role.
- Will the scaling back of regulatory frameworks result in local people having less, rather than more, data that is easy to understand to help inform their choices?
- It will be very difficult to negotiate contracts that allow services to be personalised to individual customer's requirements. How will this be resolved?