This is us: A perspective on public services in Scotland

Sir Peter Housden
Permanent Secretary, Scottish Government, St Andrew’s House, Regent Road, Edinburgh EH1 3DG, UK

The following article is the Frank Stacey Memorial Lecture delivered by Sir Peter Housden, Permanent Secretary of the Scottish Government, to the Public Administration Committee, 9 September 2013, University of Edinburgh.

I did not know Frank Stacey – but it is a privilege to stand in a distinguished line of practitioners gathered to honour his memory. My circles of association do however include John Stewart who in giving this lecture in 1998 paid warm tribute to Frank. I worked with John in my days in local government and he too was an inspiration. Kind, wise, generous.

I want to talk today about public services. This covers a huge range of activity and I shall not here today focus on the more transactional public services such as refuse collection, nor on services to business and the wider economy. I shall instead draw a loose circle around those publicly-funded services that are designed to meet the needs of individuals and families – in education, children’s services, health and social care, and in criminal justice. I want to address four questions:

1. What is Scotland’s approach to public services today?
2. How does its paradigm differ from those that have gone before?
3. Do those differences matter – what is their import for services and for society?
4. What are the challenges that lie ahead?

All of us will have had cause to be grateful for high quality public services – whether it’s dealing with emergencies, getting a good start in life for our children or caring for our elderly parents. There’s a good feeling of a job well done and service given willingly and often well beyond the call of duty. We will all however have our concerns about poor services and service failure, whether experienced...
directly or in media reports. Here we learn of individual weakness or error, and of more complex failures of service design or coordination. We feel disappointed, hurt, let down and on occasions outraged. How to secure, maintain and restore good quality public services is therefore of vital concern to government all levels. These days there are also well-understood questions about the challenge to public services of fiscal consolidation and of demography, with an ageing population and burgeoning issues on public health.

Less-well understood but prominent in our approaches in Scotland are also questions of reach or access – how do you ensure that services are available to and engage successfully with those in need? Poverty, culture and inequality can set up many barriers between service providers and their intended beneficiaries. We are also concerned with matters of resilience and control. What can we do to make it more likely that individuals and families in poverty and in communities under pressure can, by drawing on and strengthening their own assets, experience well-being and exercise control in their lives?

These questions are thus intrinsically important. And – here is the significance of your trade – an important part of answers lies to my mind in the relation between public services and dynamics of the polity in which they are produced. Certain conditions in that polity make it more likely that a positive trajectory for public services of this kind will be sustained. What those conditions are and how they are secured and maintained has been a principal focus in my time in public services, first in local and national government in England, and now in the Scottish Government. I shall set out the Scottish approach and then draw on some experience in England to highlight some common issues and risks, before closing with some current priorities for the Scottish Government. Here in Scotland we are of course now a year away from the referendum. I shall not be discussing independence. My focus here is on how – in any constitutional scenario and without assumptions about growth and public spending – we are seeking to secure better outcomes for the people of Scotland.

The approach in Scotland

Let me begin with a bold statement. I believe that in Scotland – in the bumpy and contested way of these things – we have – across political parties, professionals and in the voluntary sector – more or less agreed what works in public service design and delivery. We acknowledge that there are many challenges. Rising expectations, pressure on resources and living standards, public health issues, an ageing population and multiple deprivation in our most challenged communities are all critical issues. We do not over-claim on current performance. And we recognise that the challenge of making it happen consistently, over diverse geographies and over time is immense.

We can however already point to successes and positive trends which give us confidence and sustain our ambition. And we have a clear sense of direction. What is that direction and how has it evolved? Drawing on its roots outside the established polity, the Government elected in Scotland in 2007 laid down an approach
which valued public services and public servants was alert to the dynamics of professions and bureaucracies with their potential for inertia and rent-seeking behaviours had a strong orientation toward communities and voluntary effort, with a clear sense of ‘civic Scotland’ in all its diverse forms across the country — it was thus not a ‘statist’ approach, or one whose orientation was formed by and focused on the central belt set its approach in the context of national ambition and renewal drew inspiration from governments and administrations beyond the UK wanted a new relationship with local government set its face against what my predecessor John Elvidge has described as ‘the managerialist approach’ to performance and improvement in public services.

No Government of course writes on a blank slate. For Scotland the influence of approaches adopted in England is an important point of reference for politicians and professionals alike. But history does not present a uniform picture. A Carnegie study sees important elements both of difference and of cross-border emulation. To take three examples:

1. Largely unaffected by policy shifts in England, the approach to children and young people at risk has had a long-standing and distinctive tradition in Scotland.
2. The NHS in Scotland has increasingly taken a different path from its English counterpart. This divergence became more marked after devolution, but had been apparent since the advent of market-making reforms in England in the 1990s.
3. Yet amidst the distinctively-patterned Scottish schools system, John Elvidge describes a target-driven approach to reform being ‘rigorously applied’ in Scotland as it was in England.

John Elvidge’s testimony is important. In his piece Northern Exposure he describes his own disenchantment with the efficacy of the managerialist approach. He saw its inherent limitations accentuated by fragmented forms of departmental organisation within the Scottish Government. This perspective was echoed in the-then Government’s ‘For Scotland’s Children’ report of 2001, advocating a more joined up approach. In these years, John Elvidge worked with colleagues to bring a stronger sense of adaptive leadership into the frame, and with First Minister Jack McConnell on the potential for a different pattern of more holistic organisation.

There was a sense therefore that Scotland was ready for a new direction in public services and these disparate currents of reform were given force and shape by the incoming government in 2007. As Sir John put it ‘In partnership between Civil Service and political leadership, a radical Scottish model of government has developed since 2007, building on the learning from the earlier period of devolution’. This set out essentially a new matrix for government in Scotland authored by Cabinet Secretary John Swinney in 2007, with a single statement of the Government’s Purpose. A description of the Government’s objectives in terms of measurable national outcomes. A system for tracking and reporting
on performance. A simplified command structure in political and organisational spheres, with a unified structure in the civil service and fewer senior roles.

In terms of public services, this formed the basis for a Concordat with Local Government – with a stated government intention to ‘stand-away from micro-managing... delivery and thus reducing bureaucracy and freeing up local authorities and their partners to get on with the job’. Single Outcome Agreements with each local authority, set against the National Outcomes, to replace a range of sector-specific targets. Abolition of ring-fenced grants to local government. Rationalisation and alignment of arms-length bodies around the Government’s purpose.

**Outcomes in action**

There has been a rich history of the evolution of this approach in the years since 2007. Its fundamentals however have endured. There is a continued primacy given to outcomes. That a young person gets a good quality job matters more than the input of a target number of training hours. That an elderly person is able to live with independence and dignity matters more than who provides the service.

There is an understanding that this requires the head-to-toe alignment and integration of all involved in public services. In more fragmented systems, the necessary coordination between services is often a matter for improvisation and making-do at the front-line. In Scotland, we aim higher and seek to secure a more end-to-end and reliable approach which infuses strategic and resource planning, and day to day management in support of the point of engagement.

There is a recognition in parallel that successful outcomes rest on strong service performance. Careers guidance to that unemployed young person has to be of top quality. Care services for that elderly person have to be spot-on – otherwise the outcome is much less likely to be realised. And this is true across the board. The quality of teaching and leadership in schools, of infection control in hospital, of custody in the Prison Service – all our services need to be top-class. We seek to sustain therefore a strong focus on service performance, using good quality data and benchmarks for improvement.

Third, we put a real premium on the idea of co-production, with services designed and delivered with service users and organisations. This ranges from self-directed care for elderly people and those managing chronic conditions or disabilities, to the networks of support for children with learning difficulties with parents and voluntary organisations at their heart.

This is very different from a passive ‘consumer focused’ approach. It requires professionals to sustain a deep and on-going dialogue with service users and to commission with and through those users the range of services and providers best suited to their needs.

Fourth, we look always to build on and strengthen the assets and resilience of individuals, families and communities. Community grant schemes and devolved budgets can build assets and stimulate local action and decision-making. Recovery programmes for those seeking to exit drug use look to draw on the
resources and potential of those in recovery themselves to assist others on the journey. Community resources can be mobilised to support the lonely and vulnerable, with many such as befriending and walking groups requiring no professional inputs. Those responsible for statutory services in Scotland are increasingly look to complement and extend services in these ways.

Beneath this is a recognition – that owes much to Harry Burns as Chief Medical Officer – that the fundamentals of human well-being that underpin health and fulfilment lie in attachment and in lives with a sense of coherence and purpose. Services and budgets need to focus on those at risk from the pre-natal stage onward, and to nurture and extend networks across vulnerable communities and groups – building on and strengthening their assets and confidence, and thereby their resilience. And they need to do this in an organic way – less through bolt-on programmes and more through the mainstream of the way they do business day to day.

These elements – of co-production, an asset-based approach and high levels of service performance – have however to contribute to a coherent, inter-connected and increasingly integrated pattern of services at local and national level. The early programme of rationalisation and alignment of public bodies has enabled the progressive integration of working practices in and across these bodies, with particular success in the field of criminal justice.

This approach provides a basis both to deliver outcome focused services and to strengthen preventative approaches. This latter concept has gained particular traction in Scotland, pointing toward early and coordinated intervention through system-wide reform enabling a progressive shift in resources away from tackling failure demand.

This finds its expression in our work on early years which looks to give children the best possible start in life. And in the integration of health and social care, we look to provide seamless support to enable older people to live their lives with dignity and independence. And re-energised Community Planning Partnerships have the scope to exercise genuine leadership in the integration of services and a stronger preventative approach.

In the midst of all this formal language and talk of statute and requirement, it is easy to give a sense that this – the Scottish approach – is all about the public sector. My sense is that it has a dynamic and existence that goes well beyond the confines of national and local government and of public bodies. Glasgow Housing Association’s approach to empower its staff to respond to tenants needs, and the survey of asset-based approaches in communities published by the Centre for Population Health in Glasgow are an example and a panorama of something that feels not ubiquitous or unchallenged, but a significant force and direction of travel across voluntary and community bodies as well as in government.

How different is this? And does it matter?

The Scottish approach feels very different. And that sense of difference is accentuated for me by having experienced not one but two significantly contrasting
approaches to public services in England. I shall tell you something of this story as it both provides to my mind an interesting counterpoint to the Scottish experience and shines a light on some to the common issues and risks. I went through the education system in England in the 60s and started work in the 70s. This was a time when the post-war settlement in public services was coming under challenge.

In education the era had been one of high localism in which a benign and detached central government was content to set the framework and allow local interests, the churches and the professions to fill in the details. Structured by the enabling provisions of the Education Act 1944, the schooling system that resulted was honeycombed and ramshackle, with highly distributed authority and significant differences in provision, ethos and standards within schools, as well as within and between local authorities.

It reflected an embedded belief in the high principle of a separation of powers. Ministers and civil servants accepted that the engine room of educational advance—the curriculum, pedagogy and all that went with it—were essentially matters for schools and local authorities. The Education Act 1944 had—to much acclaim—introduced secondary education for all within a selective system. But by the time I reached the top class in junior school in 1960–61 concerns were setting in about educational standards in secondary modern schools where expectations and standards could be low. To tackle these challenges, local authorities founded over these years a significant number of all-ability comprehensive schools. These were fiercely opposed in some areas and the debate became wound into wider concerns on ‘the decline of Britain’ as the nation was seen to lag behind our neighbours and peers in economic productivity and what we would call today social cohesion.

The Conservative Governments from 1979 to 1997, were elected on a platform of reversing the perceived decline in Britain’s standing and confidence. They took successive steps to introduce more choice, markets and a managerial approach which came over time to define a new paradigm in public services. These reforms began in 1980 with a duty on local authorities to comply with parental preferences for a school for their children unless they could demonstrate this would be prejudicial to an efficient use of resources or provision of education. This was followed by systematic publication of school performance results, full budget freedoms for schools and progressively weaker roles for local education authorities.

The Labour Government elected in 1997 pressed forward in this direction and in its programme for education, the tropes of New Public Management were further embedded. Performance targets became ubiquitous. Incentives were sharpened through specific grants and pay policies. Inspection and intervention regimes were tightened. A great deal of continuity of approach was thus apparent. It was a restless and fidgety continuity certainly, with many strategies, task forces, Tsars and summits. It was also marked by frequent changes in the Ministerial teams—but we were running on the same railroad track. Schools became more autonomous. Local authorities’ powers and influence were reduced. Greater diversity of provision was encouraged through City Technology Colleges and then Academies.
However there was real engagement with what happened in classrooms, with pedagogy. Here was the clearest evidence that localism was at an end. This was a direct attempt by Government to improve services. Its flagship was the National Literacy Strategy – a multi-million pound programme of training, grant assistance and performance management on a consistent national basis. It enjoyed early success. The percentage of 11-year-olds reaching a good standard of reading and writing rose from 49% to 78% between 1995 and 2005, with the gap between attainment by children from advantaged and disadvantaged homes being almost halved. These early gains were sustained, but in a target-driven environment, to some this represented failure. And to get off the plateau, Government encouraged a focus on borderline pupils – those closest to the threshold of the target grades. This amplified general concerns about ‘teaching to the test’ and whether this focus on the borderline led to inflation of levels of real capability, found to be lacking when these pupils entered secondary schools.

There remained however huge energy and momentum around educational reform. Politicians and officials in government cared passionately about progress. And in important ways, the successes as much as the alleged failures of these programmes raised the issue of sustainability. For there were arguments that long-term progress would require a shift from these nationally-defined and driven programmes. Just as antibiotics lose their impact if administered routinely, the goal had to be a system that generated more of its own momentum for reform. And not in some favoured schools for some of the time, but everywhere and consistently, to affect a generational shift.

There was ambivalence in Whitehall on these issues. There was intellectual acceptance of the dangers of a directional approach but a reluctance to ‘declare victory too early’ and give ground to those who wanted to disarm the drive for improved standards. But there were also deeper questions in play. The structure and mind-set of the polity itself militated against a longer-term and capacity-building approach. After thirty years of New Public Management, the polity was institutionally centrist, capable of mobilising action quickly and at scale but tending to rely on standardised national approaches with little space for partnership. It thus cut itself off from important sources of commitment, energy and innovation at local level.

There were difficulties too in thinking and acting outside Whitehall’s departmental boxes. If the strong early progress on closing the attainment gap was to be sustained for example, concerted action would be required across a number of departments. But the Government’s SureStart programme became dissipated under both a succession of Ministerial changes – with attendant shifts in emphasis and direction – and the weakness of mechanisms to ensure a clear and consistent direction across government as a whole. It is partly an issue of scale. The UK Government is a much larger and more complex machine than the Government of Scotland. But with the dynamics of party politics at the time, and the sovereign departments and narrow coordination mechanisms in Whitehall, it required a Herculean effort to bring consistency and focus to any joint efforts.
It is important not to overstate these arguments. Significant and lasting improvements were made, notably in school leadership through the National College, the creation of a thriving network of specialist schools and an impressive system for recording achievement data at school and pupil level. But the overall sense was one of missed opportunity – we had created a bridgehead but then got bogged down. There was much more to do to embed inherent capacity for system-wide improvement. It is important that my point is not interpreted too narrowly here, as a preference for a return to a soft-edged and laissez-faire localism. Governments everywhere hold the ultimate responsibility for the quality of public services. They must maintain a range of approaches and tools for their improvement, to be matched to the circumstances. In cases of service or organisational failure, vigorous and sustained direct intervention around specific objectives can be exactly the right thing to do. The difficulties arise if this becomes the system’s dominant motif and default.

This could be seen clearly in the field of innovation. In a centralised system, this was seen as a search for ‘best practice’ which could be ‘scaled up’ through programmes of dissemination. We all wondered why this proved so difficult. We understand now that innovation is driven organically by organisations and networks with the requisite ambition, curiosity and skills. It thrives on variety and experimentation. It cannot generally be delivered in penny packets from the centre. And thus from perhaps 2006 onward New Public Management in England began to collapse under its own weight. Central targets & specific grants with high-stakes audit and inspection were rolled out to accompany new initiatives, but with little expectation of lasting traction. The voluntary sector became a more and more powerful voice in and around government. Patterns of public service design and reform became more eclectic and broadly-based, with locality initiatives such as Total Place prompting a wider view. In concluding these observations on New Public Management, it is important to note two benign consequences.

A stronger performance culture grew up in many services, professions and localities with much closer attention to data and variations in performance. And, actors ‘out there’ at local level had become ever-more sophisticated at making sense of the range of disparate signals, opportunities and obstacles laid in their path by central government. I came to love and value this local tradition of bricolage. One of the founding myths of central governments everywhere is that people in localities do what you want. My experience shows that if you’re lucky, they do some of it, some of the time, for a while but always in ways you weren’t expecting. In Whitehall, there was a tendency to act as if the opposite were true, and the motive force of public services was linear and centrist. This sat easily with the departmental structure, and was validated by the concepts of New Public Management with its rather disembodied view of human and organisational behaviour.

The fact was and is that the motive forces of these services – whether in health, education or criminal justice – are neither linear nor predictable. Why would they be? In England and in Scotland they are composed of human beings organised
in teams, professions, institutions, and governmental and non-governmental agen-
cies, each having a distinctive history and ethos, operating across widely differing
terrains and localities with fluctuating levels of authority, resourcing and morale. And as Kant reminded us, from the crooked timber of humanity, nothing straight is ever made.

In these environments, the motive forces of change lie beyond the reach of formal systems. They rest on trust and obligation. They require skills in consensus building and negotiation, the ability to develop a binding narrative and to identify and mobilise sources of energy. And these feel like the skills required to make beneficial change in society, and to strengthen the resilience of individuals and communities across the board. So how we do public services does matter.

What are the challenges ahead?

The approach of the Scottish Government has remained on the outcomes path since 2007. This period of stability has been reinforced by international recognition, scrutiny in the Scottish Parliament and the stimulus provided by the independent Christie Commission in June 2011. The Christie Commission’s remit was to examine the barriers and opportunities ahead for the Government’s approach to public services. And the debates on Christie in the Scottish Parliament showed how far these ideas – challenging and radical – had by 2012 become mainstream. The Parliament’s Local Government and Regeneration Committee referred to consensus across the political parties, saw the move toward preventative spending as essential and called on the efforts made in recent years to be sustained.

There are of course significant differences between the parties in Scotland on policy, performance and priorities in public services, but there appears for the present to be a bedrock of consensus on how these services need to be designed and configured. This is critically important as it provides a stable basis for those in the field – whether in the public, voluntary or community sector.

The distinctiveness of this approach was recognised in the Carnegie Study who found that ‘Scotland was the only jurisdiction where we were able to clearly observe a strategic approach and trace it to a series of cross-cutting policies’. They go on to say that it’s too early to gauge the impact but sensed the wide confidence in Scotland that we are on the right road. Satisfaction levels with public services in localities have risen. In health and across a wide range of services we are seeing measurable improvements in both outcomes and the closure of equality gaps. We see positive data on school attainment and pupil destinations and a reduction in exclusions; better use of social worker time and improved outcomes for children looked after; significant improvement in oral health amongst children; reductions in delayed discharge from hospital, in hospital-acquired infection and in standardised mortality rates. The list could go on. These encouraging data stand alongside wider social outcomes such as the significant reductions in crime latterly, in youth unemployment and in the mis-use of drugs and alcohol. But in drawing to
a close let me signpost a number of challenges the Government has identified with partners and communities in carrying forward this agenda in challenging times.

Let me begin where Frank Stacey would – in localities. Areas have different mixes of need, characteristics and patterns of assets. Local actors need to be able to respond to these particularities. It is also at local level that the energy and commitment necessary to the highest quality of services and to innovation is generated. The Government has placed therefore a great deal of emphasis on the effective working of Community Planning Partnerships at local level, and on the role of the community and voluntary sector at this strategic level. Arrangements of this type have been in place in Scotland for over 20 years and partners have recently reset their ambitions, with a focus on their leadership role on the integration of public services toward preventative approaches. There are real and familiar challenges here. For the partnership to add value and be more than just the aggregation of each agencies separate programmes. To enable the Council to exercise community leadership without the partnership being seen as an extension of the local authority. To enable the community and voluntary sector to play a strategic role. To lead the engagement of the locality with national programmes of public services reform, including the creation of regional colleges of further education and the new Police Service and Fire and Rescue Services of Scotland. Enabling local leadership and adaptation is not only a matter for the partners in the locality. It is being supported by legislation and policy, including that around the integration of health and social care and in the early years, which gives important structuring choices to the locality. It is also supported by the engagement of leaders and managers of statutory and voluntary services within and across their associations and professional bodies. You can, famously, in these terms get everyone in Scotland in the same room and these networks form a part of the ‘collaborative infrastructure’ in Scotland.

The reach and impact of these networks is important, as the Scottish approach often runs against the grain of both professional sovereignty and organisational autonomy. This sense of collective endeavour and the sharing of experience is the basis of the work of the Scottish Leaders Forum, a cross-sectoral network focused on nurturing these forms of collaboration. This aspect matters more than we may realise. To orient formally-organised and structured organisations, each with strong duties on accountability and the use of public money, to the ethos of co-production and an asset-based approach, is ground-breaking work. It challenges traditional roles and assumptions. In an outcomes environment, an organisation has to think, plan and act differently – about its resources, programmes, staff, management and governance.

This is seen nowhere more clearly than in relation to the workforce. This new way of working places both gives more opportunities to and places greater demands on front-line staff. In this environment, a care worker for example needs to be able to work flexibly and responsively as part of a spectrum of support orchestrated by the user, often with carers and staff from voluntary organisations. Front line staff typically relish these challenges, but have often had to use initiative and guile to square the practical demands of their work with management
requirements and processes particular to their organisations. Set within a genuine partnership context with the trade unions and professional bodies, important work is underway at national level and in localities to align systems and processes, and also to recognise the power and potential of the workforce as innovators, both in terms of process efficiency and in service improvement.

The concluding challenge is about the How? of public services reform. It is said that improvement of any kind needs Will, Aim and Method. And the improvement of services in Scotland is increasingly benefiting from the evidenced-based and consistent methodology pioneered by the NHS in Scotland in its Patient Safety programme. These approaches are being brought to scale in the Early Years Collaborative which involves all 32 local authorities and their partners, and are increasingly part of development programmes for staff at all levels in a variety of organisations.

A final word about politics. The issues of public services go to the heart of a society. They are thus the very stuff of politics. How we think about public services changes over time, as our needs and ambitions change. Politicians have to weld all this together and are held accountable for their success. Geoff Mulgan said that governments everywhere tend to over-estimate what can be achieved in the short-term and under-estimate the depth of change they can secure in the longer-term. Our collective task, to which these remarks are addressed, is thus to craft an understanding of how public services can best be created and delivered, consistently at scale and over time. These understandings can then provide a sound basis for politicians at all levels to effect deep and lasting change – to deliver accountability, to regulate markets and professions, to shake up complacency and – in short – to change the world.