

Policy Briefing, February 2012

# Open Public Services

## Background

In 2010 the coalition government introduced a political agenda called 'The Big Society'. The aim of this agenda is to encourage more volunteering, decentralise power to local areas (Localism) and to empower communities. Power will shift to locally elected bodies (Parish, Councils, Local Authorities, Police and Crime Commissioners and Mayors). The government's power will shift from direct control to overseeing standards and entitlements, fair funding and equality of access. Part of this agenda involves changing the way public services are procured and delivered. In 2011, the government published its policy on Open Public Services, aimed at opening up the market to a wider range of providers.

## Key points of the policy

1. Increase choice: people will be put in control through direct payments, personal budgets, entitlements or choices. The idea is to increase choice by giving people direct control over the services they use (and where not possible elected representatives should be able to choose the service providers).
2. Decentralisation of power to the lowest appropriate level: power will be devolved to the service users (where a service is used by community collectively, the control of it needs to be exercised by a representative body).
3. Public services open to a wide range of providers including the public sector, the voluntary and community sector, or the private sector. The quality of services will be increased due to competition (for example in education the Academies Programme will be expanded and Free Schools will be introduced).
4. Fair access to public services. While devolving power, the government will provide extra help to disadvantaged people by:
  - Introducing a Pupil Premium in schools
  - Funding community organisers in the poorest neighbourhoods
  - Introducing an entitlement to 25hrs per week of early year's education for the poorest 2-year-olds.
5. Public services accountable to users and taxpayers. Combining choice, transparency and to create accountable organisations.

## What does it mean in practice?

Public service will be divided into three different categories:

1. Individual services- personal services that are used by people on an individual basis (e.g. adult social care, housing support).
2. Neighbourhood services- services provided locally and on a collective basis (e.g. community safety).
3. Commissioned services- local and national services that cannot be decentralised (e.g. tax collection, prisons).

**Individual services** There will be a framework of choice based on information, fair access, and quality requirements enforcement by appointed regulators and inspectors. The individual service providers will need to be licensed or registered by the relevant regulator for each sector (e.g. the Care Quality Commission).

- The main policies regarding individual choices that the government are launching include: *adult social care, sufferers of chronic health conditions, special educational needs (SEN) and disability, housing- introduction of Universal Credit (to fund accommodation) and National Home Swap scheme, housing for vulnerable people, further education and skills, National Health Service, early education, school funding, palliative care, GPs.*
- In the area of fair access the main policies include: *Pupil Premium, school admissions (the School Admissions Code ensures a fair admissions system), English Baccalaureate (that will give the poorer students equal opportunities to access the best universities), financial support for 16-19-year-olds (new bursaries and allowances to support the ones who stay in education), rural access (through 'Rural Statement' the government will address issues of accessing individual services in rural areas), public health and the new Health Premium, GPs taking on deprived partners, The National Scholarship Programme (funding for universities and colleges to enable them to offer scholarships), Office for Fair Access (an independent body that helps to safeguard and promote fair access to higher education), differential rates for students support.*
- In the area of open data the new policies include: *right to data (right to be give access to date regarding public service performance and funding), school data (new dataset presenting the funding and spending per pupil in each school), skills data (data on apprenticeships), health outcomes, health practice.*

- In the area of minimum standards the main policies include: *higher education, higher standards in early education, minimum standards in schools and standards in health and care* (a requirement to be registered with the Care Quality Commission and meet a set of 16 registration requirements).

**Neighbourhood services.** In cases where it is not possible to devolve power to individuals there will be a bottom-up approach made. The key themes in the policy regarding the collective services are Community Ownership (e.g. right to buy, right to build, transforming the community assets), Neighbourhood Control (e.g. neighbourhood planning, beat meetings, neighbourhood councils) and Neighbourhood Community Budgets.

**Commissioned services.** The government will commission service from a range of diverse providers and oversee the quality of the services chosen by the public. One of the introduced policies is 'open commissioning' policy that covers a number of specific services. There will be established credible accreditation bodies for public service and this will follow a consultation with the public. The key policies regard such areas as: democratic decentralisation (e.g. Police and Crime Commissioners), devolving power (e.g. the Localism Bill), payment by results, fair access, government transparency (e.g. spending data, accessible contracts), accountability (Commissioners and providers will be held to account by the service users).

## The benefits of the policy

- **For individuals:** Potentially more choice.
- **For communities:** neighbourhoods could take control of local powers and services (e.g. street improvement, recreational services) via their council (parish, town or neighbourhood council).
- **For local government:** decentralisation of the funding and public services delivery will give more freedom to innovate opportunities for influence across public services through leadership.
- **For public service staff:** restoration of professional responsibility and discretion, new opportunities to innovate, improve and inspire, encourage establishing enterprises.
- **For independent providers:** new opportunities to compete to deliver public services and innovate and expand.

## The implications for the voluntary and community sector

- While there will be more contracts to deliver services, there will also be greater competition with private companies.
- Small voluntary groups will be competing against companies that can potentially offer lower prices, drawing on larger economies of scale.
- Community and voluntary groups may have competitive advantage in some areas where local knowledge and expertise are crucial for the success of delivering a particular service.
- Price versus social value considerations are at the forefront of the debate around whether Open Public Services will benefit the voluntary and community sector, as well as the people using services.

## Learn more

The Cabinet Office 2011: *Open Public Services*  
<http://www.openpublicservices.cabinetoffice.gov.uk/>

Urban Forum Online July 2011  
<http://www.urbanforum.org.uk/briefings/open-public-services-white-paper-briefing>

The Cabinet Office 2011: *Giving White Paper*  
<http://www.cabinetoffice.gov.uk/news/giving-white-paper-%E2%80%93-making-it-easier-to-take-part-bigger-stronger-society>

Guardian 2011, Adetunji J.: *Reactions to open public services reform white paper*  
<http://www.guardian.co.uk/public-leaders-network/2011/jul/11/reactions-public-service-reform-white-paper>

Urban Forum 2011: *Localism Act briefing*  
<http://www.urbanforum.org.uk/briefings/localism-act-briefing>

Communities and Local Government 2011: *The Community Right to Build*  
<http://www.communities.gov.uk/publications/housing/righttobuildleaflet>



LOTTERY FUNDED