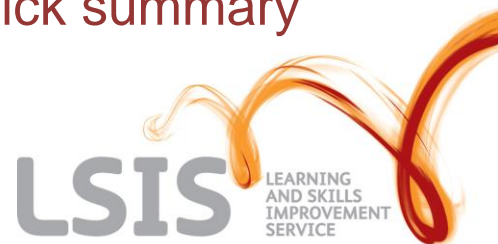


Open Public Services White Paper – a quick summary

11th July 2011



Introduction

'High-quality public services are the right of everyone.' The Open Public Services White Paper¹ sets out how the government will *'improve public services by putting choice and control in the hands of individuals and neighbourhoods, public services will become more responsive to peoples' needs'*.

This quick summary of the White Paper outlines the key principles that underpin the government's approach to public services and highlights points of particular relevance to the further education and skills sector.

Overview

Five Principles

The White Paper sets out the government's approach to public services by applying five key principles to provide people with the best possible services for the money spent:

- Choice – 'wherever possible government will increase choice';
- Decentralisation – 'power should be decentralised to the lowest appropriate level';
- Diversity – 'public services should be open to a range of providers';
- Fairness – 'government will ensure fair access to public services'; and
- Accountability – 'public services should be accountable to users and taxpayers'.

Three different types of public service

Individual services: these are personal services – for example in education, skills training, adult social care, childcare, housing support and individual healthcare – that are used by people on an individual basis. Here, government will *'put power into the hands of the people who use them'*.

Neighbourhood services: these are services provided very locally and on a collective, rather than an individual, basis – such as maintenance of the local public realm, leisure and recreation facilities, and community safety. Here, government will *'put power in the hands of elected councils, at the neighbourhood level if that is what communities choose'*.

Commissioned services: these are local and national services that cannot be devolved to individuals or communities, such as tax collection, prisons, emergency healthcare or welfare to work. Here, government *'will open up and, where appropriate, decentralise commissioning to ensure greater quality and diversity'*.

¹ You can download a copy of the paper, send a response, and download case studies and resources at: <http://www.openpublicservices.cabinetoffice.gov.uk/>

Choice and transparency

The paper sets out how government will ‘*on a customised basis*’, establish a framework for choice in individual services – in adult care, education, skills training, early years, other children’s services, family services, health and social housing. Each framework will aim to ensure that: funding follows the choice of the individual to their provider of choice; those choosing a service are well informed and prompted about the options available; access is fair and the poorest are advantaged; providers meet basic quality requirements enforced by appropriate inspectors or regulators; and if an individual does not receive their right to choose, then there is a means of redress.

Government will also work to ensure that the datasets that government collects are ‘*open and accessible*’ in order to support individuals to make informed choices about the services they use. Government will consult on how this can best be achieved in each of the individual services, including looking at how to collect performance and customer satisfaction data from service providers, and whether this should be collected in a standardised form to enable comparison and transparency.

The paper describes the key policy areas where either the government’s open public services principles are already being implemented, or where there are wider ambitions on which the government will consult over the next few months.

Further education and skills

- The Adult Skills White Paper, published in November 2010, outlined plans to create a demand-led system driven by the choice of learners. Students will be able to take out loans to pay for higher-level courses, providing them with the funding they need to pay for the courses they want. All adults will be entitled to a Lifelong Learning Account, which will provide up-to-date, personalised information on learning opportunities and available funding.
- Skills data – data on apprenticeships paid for by the Government, by organisation and by success rate, will be published from July 2011.
- Financial support - for 16-19 year-olds, and measures to offer access to higher education outlined in the HE White Paper.
- Government is encouraging the development of ‘*a more innovative and dynamic*’ further education and skills sector which offers education and training that is ‘*more focused on individual business sector requirements and responds quickly to meet specific, specialist and/or localised demand as needs change*’. BIS will shortly produce a consultation document, which will provide more detail about this work, including achievements and the next phase of implementing the Skills Strategy – *Skills for Sustainable Growth*, published in November 2010.
- Government will consult with local bodies, providers and other key stakeholders about the potential to decentralise commissioning power in a range of services where there is a clear case for improving value for money, including skills and services for families with multiple problems.

Higher Education

- Alternative providers, such as further education colleges, will be encouraged to enter the sector and the Government’s higher education reforms will remove the barriers that currently get in the way. This will lead to a more diverse system with a wider range of courses to meet learner needs. To protect the interests of students and maintain the reputation of our higher education system, all providers will have to sign up to the Quality Assurance Agency. Government will legislate to ‘*ensure*’ that any provider that accesses student support funding from 2013/14 will be subject to minimum standards.

Schools

- Funding – government will consult on school funding reform so that funding is *'fairer'* between different parts of the country, so that *'money follows parents' choices'* and so that *'every parent knows how much money is being spent in their child's school'*.
- Data – the Department for Education has published a new dataset showing the funding and spending per pupil in each school in England, and will publish data enabling parents to see how effective their school is at teaching high, average and low-attaining pupils across a range of subjects. From January 2012 it will open up access to anonymised data from the National Pupil Database to help parents and pupils monitor the performance of their schools in depth, from June 2012, which will enable better comparisons of school performance. Government will look to strengthen datasets in due course: from January 2012 and bring together for the first time school spending data, school performance data, pupil cohort data and Ofsted judgements in a parent-friendly portal, searchable by postcode; from this date government will also publish data on the attainment of pupils eligible for the Pupil Premium.
- Minimum standards in schools – the Department for Education uses 'floors' to judge which schools are failing to meet minimum standards. These 'floors' will rise over time, and schools that fall below the floors will be supported to convert into Academies.
- Continuous improvement and addressing failure – government will explore how best to raise standards in *'coasting schools'* (e.g. introducing year-on year improvement standards). *'We will not allow general improvement to mask poor outcomes for a small minority and we will have zero tolerance of absolute failure'* (e.g. capable children leaving school unable to read and write; vulnerable individuals being abused by their carers). Government will consult on the potential ways to establish *'zero tolerance of failure'* on a service-by-service basis.
- Government will make Academy and Foundation Trust meetings open to the public and Academy information subject to the Freedom of Information Act in the same way as Foundation Trusts will be.

Local government and wider public sector

- Democratic decentralisation – government will seek to introduce new democratic structures so that individuals and communities can hold decision makers to account directly through the ballot box.
- Diversity of provision – government wishes to consult on how it could extend the type of autonomous status seen in Academies, FE corporations and leisure trusts to most organisations within the public sector that provide services, while ensuring transparency and accountability.
- Greater financial control – the ring-fencing of all local government revenue grants will end from 2011/12, except simplified schools grants and the new public health grant. The number of separate core grants is being radically reduced from over 90 to fewer than 10, and more than £4 billion of revenue grants will be rolled into the local government formula grant.
- Government will consult on the scope for enabling neighbourhood councils (i.e. parish, town and community councils) to take greater control over local services. Any empowerment of neighbourhood councils to take on these services would need to fit into a local scheme of delegation, developed in consultation between the principal local authority and the proposed new neighbourhood councils. However, government will consult on how a national framework for these local schemes could assist councils at all levels to promote decentralisation of power.
- Government will consult on how to stimulate more openness and innovation in public services through new types of providers within the public sector, where this will improve services and give better value to the taxpayer. This will include:
 - whether operational functions in building-based services should be split out to encourage more diversity and innovation in the operational functions while the public sector retains ownership of the asset;

- how to incentivise public service organisations to overcome traditional fragmentation; and engaging with schools and local areas to increase contestability, innovation and choice to ensure effective mental health support for children and young people (child and adolescent mental health services);
 - whether there are more shared services that could be brought together to achieve economies of scale and to create competing businesses out of public sector organisations;
 - whether voluntary sector organisations could be supported to acquire current public sector providers that would benefit from being run as a specialised charity (for example, in offender management or children's services);
 - whether semi-autonomous public sector bodies should now be made fully autonomous (for example, by moving arm's-length management organisations in social housing into the housing association sector to improve their ability to invest, diversify and innovate); and
 - trialling school responsibility for permanently excluded pupils, with delegated budgets to enable schools to choose and fund alternative provision placements, to encourage a wider range of existing providers, including voluntary and private sector organisations, to set up new provision and make it easier for new providers to enter the market.
- Government will engage with local authorities to develop a shared vision about the new opportunities and possibilities for stronger local government created by this open public services agenda.
 - Government will introduce an 'open commissioning' policy in a number of specific services. There will be a consultation on the areas where this should be introduced. In those areas, commissioners should: consult on and be challenged by potential providers from all sectors on the future shape of service; seek and fully consider a minimum of three providers, from whichever sector, when they contract for services; and transparently link payment to results.
 - Commissioning skills – government is investing in a national training programme for commissioners.

Central Government

- Government will seek to encourage existing independent champions for consumer choice, such as Which?, and the newly announced HealthWatch to speak out on consumers' behalf, including acting as 'agitators for choice' in open public services. This role could include reporting their opinions about the quality of choice for consumers in individual services. Government will consult potential champions about this.
- Central government will, over time, increasingly focus on several key roles:
 - establishing and enforcing core entitlements such as patient rights within the NHS and parent rights to early years and school places;
 - setting floor standards, enforced by independent regulators or published data, such as the minimum standard of care required by the Care Quality Commission or the aspiration to raise the floor standards for schools to demand that at least 50 per cent of their pupils obtain five GCSE A*–C grades and that schools have better than average progression;
 - ensuring fair access to services and '*preventing discrimination*', such as setting the School Admissions Code and being accountable for the rules for patient selection within the NHS;
 - identifying areas of market failure which disadvantage particular groups and require state intervention;
 - being an '*excellent*' commissioner of its retained services;
 - ensuring sufficient protection for individuals and communities so that they have a fair and genuine choice of quality providers for decentralised services;

- ensuring fair funding of public services to support wide policy objectives, such as social mobility and equality of opportunity; and
- removing barriers to entry and ensuring a level playing field where elected politicians have decided to open up public services.
- Government will consult on how to establish ‘credible’ accreditation bodies for public services which can mirror the work on the National Institute for Health and Clinical Excellence in the health service. Government will explore the creation of ‘independent expert bodies’ in other areas of public services.
- Celebrating innovation – government will create an annual prize for innovation in public services, which will see the Prime Minister and Deputy Prime Minister recognise the top ten public sector bodies that demonstrate the most innovative ways to deliver higher-quality and more responsive public services within their budget.

Next steps for government

- Consultation on this paper will take place between July and September, following which the government will set out a programme of work to implement the open public services agenda.
- In November, the government will set out how departments will take forward ideas to implement open public services over the rest of this Parliament in line with the principles and policies set out in this White Paper, including proposals for legislation. Commitments will be reflected in departmental plans, taking into account responses to the listening exercise and considering the practical challenges involved in delivering lasting improvements in quality and within a tough financial climate.
- Any new commitments will be subject to a regulatory impact assessment to ensure that government is not burdening businesses. From April 2012, departments will publish regular progress reports, setting out the steps that have been taken to open public services.

Key questions include:

- *Consistent with the Government’s fiscal plans, what further opportunities exist to target funding to help the poorest, promote social mobility and provide fair access to public services?*
- *How can we ensure that our approach to opening public services protects and enhances accountability rather than dispersing it?*
- *What is the scope for neighbourhood councils to take greater control over local services?*
- *What help will neighbourhood councils need to enable them to run any services devolved to them?*
- *How do we ensure appropriate accountability for services run by communities to ensure that those not involved directly are not disadvantaged?*
- *What further potential is there to decentralise central government commissioning to locally elected individuals and authorities?*
- *What new skills and training will commissioners need?*
- *How do we ensure a true level playing field between providers in different sectors? How can we create new, more diverse types of provider out of public sector bodies?*
- *How can we best enable external investors and public service providers (from all sectors) to combine their resources to improve public services?*

- *How should we regularly review the barriers to entry and exit for providers?*
- *How can we ensure continuity of services, in particular for the most vulnerable users?*
- *How can we stimulate more openness and innovation in public services through new types of provision?*
- *What more could we do to support and catalyse new enterprises (e.g. mutuals) spinning out from the public sector?*

Contact the LSIS policy team

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