

DEMOS

# THE SOCIAL STATE:

FROM  
TRANSACTIONAL TO  
RELATIONAL PUBLIC  
SERVICES

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# INTRODUCTION

It's an odd trick of human psychology that sometimes, problems get so big that people stop worrying about them. Public policy is riddled with problems like these. Climate change forecasts that suggest half the world could become uninhabitable because of drought or flood. Pension projections that tell us we will soon need to save half our income or work until we're 80. Fiscal forecasts that predict a gap of £100bn between what our public services will need twenty years from now, and what taxes will generate. Warnings that the NHS is on the brink of collapse. These catastrophes would be so vast that many people, often including our political leaders, get stuck in the following thought trap: we'd never let that happen → it won't happen → I don't need to do anything about it.

In other words, the disaster is so hard to imagine that we assume something will come along to prevent it, instead of realising we need to be the 'something'. So in some ways it's dangerous to state that our public services are in an unparalleled crisis and need a radical rethink: just saying this is a way to turn many people's brains off.

Everyone who works in public policy has heard this before. They've looked at graphs, presented by civil servants, think tankers, service providers and more which show demand going up and funding going down for every service from children's social care to fire prevention, from the NHS to the court system. The public has heard it too, in campaign slogans like '100 days to save the NHS', more times than they can count. And yet the crisis remains low-key and largely invisible, unless you happen to be a frontline worker or on a waiting list for help. So the calls for urgent action and radical reform get pushed aside, and the problem is patched with a bit more money, if we're lucky. At the local government level, that money is harder and harder to find, thanks to chronic underfunding that has worsened over the last decade.

But now, things have changed. The pandemic has pushed us to a tipping point. We need to move on from the transactional model that has driven public service reform thinking for generations: a model that treats people as individuals, instead of part of communities; a model that is obsessed about processes instead of outcomes; a model that disconnects professionals from citizens instead of connecting them together. We need public services that establish and nurture strong relationships both with and between people, both to help prevent problems, and to manage them more successfully.

Relational public services can improve outcomes by giving citizens more control and confidence to resolve their problems. And relational public services can build communities that are able to mobilise and resolve problems by themselves, without relying heavily on the state. Relational public services are the way to finally make the shift from treatment of problems to prevention.

This paper comes in two halves. The first is an attempt to explain why action does need to be taken: why, after the pandemic, the pressure on our public services has reached a tipping point that means those more difficult decisions can no longer be deferred. The second is a set of principles and frameworks for developing a more relational model of public service. These ideas will underpin a detailed programme of work throughout 2021 to explore, with the public and frontline professionals, how we might embed community development, human relationships, and social health at the heart of public service delivery.

Now is the moment to rethink public services, and the relational model is the best opportunity for change. The problems are too acute, and the opportunities so enormous, that we cannot and should not wait. Public service can drag itself through the next decade, shattered and exhausted by the pandemic, or it can lead the social recovery, and be the front line of new hope for the future.

# AFTER THE PANDEMIC

The 'Covid Decade' is a frightening concept. The phrase, coined by the British Academy in its landmark report for government on the social consequences of the pandemic, does not forecast a decade of lockdowns and mask-wearing, but the implications are almost as alarming. The higher education institute's analysis concludes that the social, economic and cultural effects of the pandemic will "cast a long shadow into the future – perhaps longer than a decade". The Office of Budget Responsibility believes that, while the economy will bounce back from the deepest recession in our lifetimes, we have permanently lost nearly 2% of GDP growth. The social consequences are even more profound. Rising inequality, loss of education, mental ill health, the scarring effects of youth unemployment: the list goes on and on. In other words, though the lockdown restrictions may end in a matter of weeks, if all goes to plan, the aftershocks will be with us for years to come.

However you look at it, the pandemic has made the challenge of running our public services more difficult. Of course, there were upsides, including the extraordinary community spirit we saw emerge, and the way so many public services adapted swiftly, launching radical innovations to keep reaching people through lockdown. I'll come on to those in a later section. But we cannot ignore the challenges: there are six different kinds of impact the pandemic has had, each of which would be a struggle to manage if they had come alone. Together they present us with a fork in the road: do we go forward with the current model, and accept that we can never meet demand? Or do we seek an alternative?

## **1. THE PANDEMIC HAS INCREASED NEED**

As the British Academy report set out, there is increased need across the landscape of social policy. The impacts of the pandemic have not been evenly felt, so while millions have lived comfortably, and the nation has put aside more than £200bn in savings, more than a million people are in a debt crisis. 3 million more are at risk, according to Stepchange, the debt charity. Unemployment is rising and predicted to continue to grow. The Centre for Mental Health forecasts that 10 million people will need mental health support as a direct result of the pandemic. The Institute for Fiscal Studies estimates that lost education will cost the children of the pandemic £30,000 in lifetime income unless something is done to help them catch up. There are pockets of acute need, too, in areas like domestic violence prevention, where lockdown exacerbated problems for many victims.

## **2. THE PANDEMIC HAS LED TO QUEUES AND BACKLOGS**

Not all forms of demand for public services have gone up, of course: many have remained static. There are just as many people developing heart disease or cancer; just as many criminals being caught; just as many children needing to be assessed for special educational needs. The series of lockdowns, however, made it far harder to meet these needs as they arose. Many services were closed altogether; others restricted appointments to emergencies only; many conducted appointments online but were not able to keep up. Together, this has meant a chronic backlog across a wide range of public services, including thousands of Crown

Court cases and lengthy waiting lists for elective surgery and mental health treatment. Many local government services have been severely affected too; in the coming programme of work, we'll try to explore the details of where the pressures are. But as lockdown eases, and people who deferred asking for help come forward, there is every chance backlogs across our public sector – national and local – will get worse.

### **3. THE PANDEMIC HAS INCREASED COSTS**

The country has spent billions of pounds on PPE during the pandemic, and not all of those costs are short term. Though, as lockdowns ease, and vaccinations continue, the need for hygiene measures will reduce substantially from its peak, we are seeing a new normal being set across a range of sectors. Enhanced cleaning or protective measures will be kept partially in place, at least until the whole world is vaccinated, and the chances of a new wave of coronavirus have substantially reduced. We are likely to face an ongoing cost of rolling waves of booster vaccinations, for which resources will need to be found. And all this comes on top of the initial costs of introducing new digital delivery systems, from IT equipment to training. Where face to face and online services are both offered, this can at first be more expensive, even if savings and improvements are delivered in the longer term; if we move to digital-only we risk leaving groups of digitally excluded people outside of mainstream services. This not only harms them individually, but it also increases the risk that people's needs will escalate to crisis point if they cannot easily reach help when problems arise.

### **4. THE PANDEMIC HAS REDUCED CAPACITY**

Our public services rely heavily on partners in the charitable and SME sectors. In some cases, charities effectively subsidise public services: the hospice sector is the most notable example. As Demos chronicled in our report, earlier this year, the charity sector has taken a massive hit during the pandemic: while overall, donations remained constant, people chose to give far more to frontline health services, and far less to research, or non-medical charities. This has pushed many to the brink of bankruptcy, and we can expect a substantial loss of capacity overall in the charitable sector. This will in many cases make it harder for public services to operate: they may be able to hire staff made redundant from shuttered charities, or contract with new organisations, but the process of adapting to the new situation will take time. SME bankruptcies could have a similar effect.

Capacity has also been affected by the loss of potentially hundreds of thousands of international workers from our labour force, many of whom worked in the public sector. We do not yet have certain evidence of how many people have left the country during the pandemic, and many may yet return. Nevertheless it does look likely that the UK experienced net emigration for the first time in decades, and the reliance of our public services on international workers means they will experience the effect of this emigration very directly.

### **5. THE PANDEMIC HAS REDUCED RESOURCES**

There has been widespread support for the amount of money spent on supporting the economy during the pandemic lockdowns, so it is easy to forget quite the extent of it. The total cost of the pandemic support measures, of which public services spending makes up 46%, has reached £344 billion, according to the Office for Budget Responsibility. This has led to an increase in public debt to exceed 110% of GDP. Few people, if any, are arguing for any serious effort to pay off these debts, rather than letting them be eroded over time by inflation and GDP growth. The government plans will see us continue to borrow for day-to-day spending until 2025-26, and continue to borrow for investment purposes beyond that date; on these plans, debt will only fall over time in line with growth in the economy.

Nevertheless, we should not take the government's attitude to borrowing and spending to mean an era of plenty in public services. That plan to bring the current budget into balance by 2025-26 depends, according to the Institute for Fiscal Studies, on "a swift recovery, big tax rises and very tight spending." Modelling by the Resolution Foundation shows that current spending plans, and commitments to protect NHS, school and overseas aid spending, will mean a £2.6bn or 1.8% cut in spending by unprotected departments in this year's Spending Review. At the council level, the situation could be exacerbated because other sources of revenue, like parking charges, may not bounce back to pre-pandemic levels.

The Chancellor has set out plans for some tax rises, most notably corporation tax rises to help repair the public finances. Demos's own research has shown widespread public support for higher taxes. Nevertheless, significant tax rises are notoriously difficult to land, and if the proposed increases do not go ahead, this may lead to greater pressure on spending even than that which is forecast.

Overall the pressure on public service budgets remains extremely high.

## **6. THE PANDEMIC HAS CHANGED PUBLIC EXPECTATIONS**

For forty years, one of the major pillars of public debate about public services has been about value for money, or sometimes simply 'efficiency'. Quite reasonably, our political leaders wanted to ensure taxpayers' money was being spent in the most effective way; partly to give the public confidence that it was worth paying taxes – or even paying higher taxes. After all, no-one wants to sink their hard-earned money into wasteful spending.

This ambition, coupled with spending restraint in the last decade and ever-increasing demand, has led to pressure on all our public services to be more efficient: to sweat assets, to ensure all capacity – whether that's hospital beds, square feet of office space, or staff hours – is used to the full. This mirrors a generational shift in our private sector economy, too, where 'just in time' delivery has enabled manufacturers to reduce costs and increase production, and 'value engineering' has reduced waste and driven product innovation.

The pandemic has shifted public opinion quite substantially on the assumption that value for money is best measured as hour-by-hour or day-by-day efficiency. We may be able to save money day-by-day running hospitals 'hot' – with no beds to spare – but if we then have to spend millions building

an extra hospital in a pandemic, those savings are wiped out. Our Renew Normal consultation with 50,000 members of the public identified this as one of the biggest shifts in public expectations: many more people want us to take a 'just in case' approach rather than 'just in time'.

In polling we conducted late last year, 52% were willing to support or strongly support the idea of the government "spending a lot of money on preparing for potential future disasters, even if they are unlikely to happen and the money would be wasted if they do not happen." Only 13% opposed this approach. This may be because of increased fears that disasters will become more frequent. In our open consultation, using the Polis platform, 86% agreed that: "What used to be thought of as a rare disaster now seems to happen with more frequency e.g. flooding as a result of climate change and erosion."

'Just in case' costs more, day-by-day, than 'just in time', even if it works out the same, or even cheaper, over the long term. With the existing spending pressures set out above, it will be difficult to find the resources for the pivot the public expects. Nevertheless, it is important to register here that there is substantial public enthusiasm for a more aggressive approach to risk management, hedging our bets against disasters to come.

# STUCK THINKING

The Centre for Mental Health's projection, mentioned above, is that 10 million people will need mental health treatment as a direct result of the pandemic. By their own reckoning, this is three times the current capacity of the service to treat people. Current spending on mental health treatment in England is about £14bn a year, if (as the NHS does) you include care for people with dementia and learning disabilities. About 1.6 million people were referred to the core programme of talking therapies, known as IAPT, in 2019-20. The programme started in 2008 with the goal of making high quality talking therapy available to all those who would benefit from it. It has taken more than a decade to scale up to current levels, partly because of the challenge of training the huge numbers of professionals needed to deliver the therapy. So we don't need to do a full economic assessment of the costs of treating 10 million people to be confident that it would be both enormously expensive, and a vast logistical challenge, to scale the NHS up to do the job.

Perhaps if mental health were the only financial pressure we faced, we might make a heroic effort to do so. But, as we saw above, mental health demand is one of countless problems queuing at the door of the Treasury asking for a cheque. On top of rising demand, trade unions and the opposition parties are arguing for higher pay for the public sector, or at least for the NHS, which layers further financial pressure on the system.

We are essentially stuck in a repetitive argument. On the one side we have vast and growing demand, prompting pressure from the public, the public sector, and civil society to ask for more money. On the other side we have a set of political and economic assumptions about how much we could and should levy in taxes, that constrain how much we spend on meeting that demand.

Almost all of the debate is predicated on the idea that there are people out there who need actions done to them, by public services. The number of actions needed is increasing so we need to increase the number of actions completed. Our political narratives are built around a kind of 'inputism': a determination to focus on doing more things, not making more of a difference. Public sentiment often drives this: we always seem to want more hospitals and more prisons, when a healthier, lower crime society would need fewer of both. Inputism arguably reached its pinnacle, or perhaps nadir, in the 2019 general election in which the sum total of the public services offer from the winning party was a promise of more people and more buildings: 50,000 more nurses in 50 more hospitals; 20,000 more police to lock people up in 10,000 new prison cells.

Of course, there is no question that staff are an essential input in good public services, and it may be that the simple politics of inputism helps persuade people that it's worth spending more on public services. Government is, after all, under perpetual pressure to justify high public spending on public services, especially given the general prediction among experts that it will have to rise in future. The problem is that it requires the government to focus relentlessly on those inputs, to the detriment of the outcomes we actually want - healthier, happier, safer lives.

It was Robert Peel who argued, 150 years ago, that a police force should not be incentivised to catch criminals because it is far easier to catch criminals in a society with lots of crime: there are more of them around. And yet, not only do we measure police performance by the number of criminals caught – or the number of 'offences brought to justice' – we measure and manage actions like this across almost all of our public sector.



The usual metaphor for prevention in public policy is to say that we should be spending money on fences at the top of cliffs instead of sending ambulances to the bottom of them. It is often observed that we spend so much money on ambulances that we cannot afford the fences. But it's actually worse than that: we are stuck in a paradigm that counts ambulance journeys as a success, and has no real way of measuring the value of fences. In fact, preventing problems makes them invisible and makes it harder to justify spending money at all.

But our stuck model of thinking isn't just failing when it comes to prevention. It's also our focus on services as transactions that is holding us back. All our theories of public service improvement have been focused on public services as if they are simply a transactional moment between the state and individual citizens. This is fundamentally misguided. Public services pool risk between us; they are funded collectively and utterly dependent on the social contract between us. Whether physically, in the form of interactions at the Jobcentre or in the hospital waiting room, or conceptually, as we each pay for one another's needs to be met, public services are an expression of connection between citizens. Crucially, the stronger those connections and the greater the feelings of connection, the more confidence people have in their public services, the more willing they are to contribute, the more willing they are to ask for and get help when they need it.

This paper, and the work we will develop over the coming months, makes the case that we will only be able to build public commitment to the resources our public services need if we build a more relational model of public service. It should be founded on building strong emotional connections between the citizen and the service, and between citizens and each other. This is how we will succeed in strengthening the legitimacy of the state and its role in our lives; it is how we will move from measuring inputs and activity to preventing problems.

## **CIVIC STRENGTH - CIVIC FRAGILITY**

The pandemic revealed extraordinary strengths in British society. We saw local communities mobilise with extraordinary speed and agility to meet the needs of vulnerable people who needed to self-isolate to stay safe from the pandemic. More broadly, we saw volunteers take action to support people who were self-isolating because they were infectious; to get food to kids whose parents were struggling financially during school holidays; to support frontline NHS services; to meet the needs of other vulnerable groups like domestic violence victims; to raise money for charity; and, of course, to support the vaccine programme which only achieved its

phenomenal rate of success thanks to collaboration between professionals across the public sector and an army of volunteers.

There are four distinct lessons to be learned from this, beyond the obvious point that it is a heart-warming reminder of how generous people can be to others at times of crisis.

**First:** community organisations, especially those which were already established in an area, were able to mobilise with astonishing speed, that outstripped the capacity of both the national and local state. We saw with food parcels, both for vulnerable groups who were self-isolating, and later with children entitled to free school meals during the holidays, that often community groups were also able to provide the most personalised, high quality support. Before the pandemic, we might have expected these two characteristics – speed, and personalisation – from hyperlocal organisations. What many were surprised by, however, was the value for money that many small and even informal organisations were also able to deliver, when compared with large scale operators. It has become clear that community and informal organisations have an important role to play in service delivery, reaching places and people that others cannot reach as cost-effectively, if at all.

**Second:** collaboration has been essential to the most successful programmes during the pandemic. While we celebrate those community organisations we also have to recognise that they are often at their best when working in collaboration with larger networks, providers, and infrastructure – whether that's in the public or private sectors. The real magic comes from the collaboration between the scale, analytical capacity, and resources of large organisations, and the agility and connection of the hyper-local.

The vaccine rollout is the most compelling example of all: utilising buildings from the private, charitable, religious and public sectors; mobilising volunteers, frontline professionals, students, military expertise and, of course, the pharmaceutical industry; persuading the public by using advocates from all backgrounds and parts of the country to build confidence among a diverse population.

**Third:** community mobilisation has been a source of existential, as well as practical comfort to the nation. At a time when so many of us have experienced loss, financial difficulties, isolation, anxiety and stress, it was reassuring to know that we were in this together, and that people were – in large part – looking out for one another. According to Demos polling (August, 2020) a third of people reported they were more connected to their local community than they had been before the pandemic.

**Fourth:** we must not ignore the fact that there has been immense variability in the experiences of people, and places, when it comes to community mobilisation. Community business and charitable organisations have often formed the anchor points for mutual aid activities: where they did not exist, individuals often struggled to pull together sufficient critical mass to meet needs. Areas that lacked infrastructure were unable to apply for funding, or when they did, were often unsuccessful. In the same Demos poll (August, 2020) a significant proportion of us still do not know the names and contact details of people in our neighbourhood (45%) – but it's 61% of those in social grade A who do, and only 36% those in social grade D.

Looking forward, there is a huge risk that the gains we made in community relationships during the pandemic will be lost. Demos conducted a nationally representative poll in May 2021 with 1000 UK adults, which showed that people were more likely to make new relationships in the first lockdown than they are now. A third (32%) said there were fewer opportunities to make new relationships with people now, than there was during the first lockdown, while four in ten (37%) said there was no difference and only a quarter (23%) said there was more. These findings come despite the changes to restrictions that have made it easier for people to interact with each other, suggesting as we come out of crisis mode we could be finding it harder to make new connections and not easier.

While the pandemic has brought people together under exceptional circumstances, it has also disconnected people from each other with ramifications for our social fabric. We found that six in ten (64%) have not made a new friend for six months or more, and four in ten (44%) have not made a new friend in over a year. Similarly, four in ten (37%) have not been hugged for six months or more, and a quarter (25%) have not been hugged for more than a year. That more than one in nine (13%) have not been asked how their day was, or talked to their neighbours in the past six months or more, reflects the disrepair in our social fabric, where too many are missing out on regular, basic social interactions. What's more, we found three in ten (30%) have not talked to someone about a problem for six months or more, and a fifth (19%) have not talked to someone about a problem in more than a year.

There is a clear need to bring together local communities and make it easier for people to build relationships, and public services must be the place to start. Not least because we found that features of relational services – where people know their service providers and other users – are popular to people today. The majority of people want to be able to get to know the people that provide their local services (71%) and other services users (64%) when they attend their local services.

As set out above, we believe public services can and must play a vital role in renewing this fragile social capital.

# TOWARDS A RELATIONAL MODEL

Over the coming months, Demos will be working to develop a set of principles and practical proposals for relational public services, that are designed to build social capital and community strength in order to both reduce need and mobilise civil society to manage need more successfully in collaboration with the public sector.

There are three sets of relationships that we believe public services should foster.

1. Relationships between the professional and the service user
2. Relationships between the service and the community at large
3. Relationships between citizens or service users

Let me give a bit more detail about what that might look like in practice in each of those categories, and then I'll go on to explain the potential benefits of this approach.

## **RELATIONSHIPS BETWEEN THE PROFESSIONAL AND THE SERVICE USER**

This is the set of relationships that are usually discussed when we discuss 'relational' public services: the relationship between the citizen and the service they access. That might be a GP, a housing officer, a Jobcentre adviser or a probation officer.

In the purely transactional model, you are interacting with any professional as an essentially anonymised representative of the service and you are measuring

success with inputs. Your interaction is standardised and replicable; it could be provided by a different person every time. In a fully relational model, you interact with the same person every time you get in touch with the service and you measure success in outcomes. People with long term conditions might benefit from building up a relationship with their GP, so they get more personalised care. A pregnant woman might value seeing the same midwife throughout her pregnancy. An elderly person might want to have the same one or two carers come to help them with washing and dressing. A neighbourhood police officer might get to know their particular streets and residents and be able to prevent and detect more crime that way.

Most people assume that some services can be purely transactional and some are best delivered through relationships. We want to make the case that far more services can benefit from the relational model than is conventionally assumed. Bin collection and postal delivery have often been cited as good examples of purely transactional services, for example. But recently, a government consultation on public health suggested that refuse collectors and postal workers could provide a low level of community surveillance, looking out for older people who are struggling to get to the door, for example. This is only going to be possible if they have a regular route and some level of connection to the community they serve.

Increasingly, the parts of services that can be completely standardised, and dealt with as transactions, will be delivered digitally, enhanced

with things like web forms and chat bots that make services easier to access for a proportion of the community. This change – and one expedited during the pandemic – presents us with an opportunity to use human beings involved in our public services more effectively to do what human beings do best: relate to one another. But this can only happen if we invest in infrastructure, processes and technology that give frontline professionals back the time and energy to spend building up relationships and making the most of their human capabilities.

In the coming months we'll explore how to accelerate innovation and digital transformation to improve services while freeing up time for more public service professionals in local government, the justice system, and employment support to build up strong, long-term relationships with the people they serve.

To make the most of the relationship between the service user and the professional, professionals in different public services also need to get better at working together, coordinating action and funding around people, communities, places or networks. There is nothing more disempowering and alienating, especially for a vulnerable person, than to be sent from pillar to post between services, or given conflicting advice and information. We know from approaches like the 'team around the child' in children's services that bringing professionals together across silos can be vital in humanising connection and enabling people or families to resolve their problems. The same can be true at the place and community level, where it can be transformative to bring funding together into a single pot, controlled horizontally to affect outcomes, rather than in line with different public sector verticals.

## **RELATIONSHIPS BETWEEN THE SERVICE AND THE COMMUNITY AT LARGE**

Millions of people put themselves forward to volunteer in the NHS during the pandemic. It was enormously challenging for the health service to adapt to the idea of mass voluntary participation in an essentially professional service. But, as time went by, it became clear that volunteers could transform the capacity of the service, as well as reach people and communities that conventional methods could not reach. All our public services should learn from this example of what can be achieved when formal services and civic society act in concert.

Employment services are more effective if service users see them as allies not enemies, and if the community at large wants to help unemployed

people to find work. Social care is more effective if vulnerable people have the support of their family, friends and neighbours alongside formal paid carers. Children's services can reach more people in need if neighbours, teachers, and friends report their concerns. Recycling rates are higher when people see the value of separating their waste.

When we see public services as individual transactions between one citizen and the state, we miss the opportunity to leverage the community more broadly. So in a relational model of public services, leaders should be looking for opportunities to build relationships with the diverse communities they serve, whether through formal volunteering, community engagement, delivery partnerships, collaboration in service design or simply friendly outreach. This is inevitably far easier when services are devolved to the local or community level, and have the funding and flexibility to adapt to local circumstances, but we cannot just adopt a 'sink or swim' approach to community services. Community organisations need to be able to lean into the support and infrastructure of national and local government, as well as service providers, innovators and technology providers. The great challenge we face is how to leverage the best from both sides, building an agile, relational model at the local level that can interface effectively with the analytic power and innovation capabilities of large organisations.

## **RELATIONSHIPS BETWEEN CITIZENS OR SERVICE USERS**

The final set of relationships are those between individuals. These are essential for a number of reasons. First, because public services are, inherently, an act of community. Their legitimacy and effectiveness alike depend on strong relationships between the people who make up a society. It requires continual effort to build the relationships that support that feeling of solidarity, especially in increasingly diverse communities. Second, because relationships are core to the way almost all human beings exist in the world. Relationships are core to our health, our happiness, our employment prospects, our safety, and our resilience. Public services and the welfare state too often treat people as atomised individuals, without recognising that most people are part of families and communities. Strengthening those relationships usually leads to better outcomes for all.

So the final pillar of relational public services should be a commitment to actively foster and develop the relationships between individuals within a community or network. That could mean Jobcentres working

to forge networks of current and former jobseekers, skills volunteers, and employers. Job Clubs could become a formal entitlement, so those who lose work don't lose social connection just as they lose their income. Jobseekers could be permitted, and even encouraged to bring their family or supportive friends to group sessions with their work coach, to help map out a way to leverage the network to find work, meet caring obligations, or overcome obstacles to success.

A relationships mandate could mean health services actively establishing and encouraging peer to peer patient networks, in collaboration with the voluntary sector. It could mean hospitals building communities of their patients and supporters. It could mean schools actively supporting parent-to-parent networking and mutual support. It could mean opening school facilities after hours and in the holidays for community activities or parent-to-parent meetups. It could mean multi-generational living, community facilities and better street design to let children play safely with their neighbours.

Over the coming months we will be exploring how to support and expedite this kind of hyper local delivery with large scale partnering, structures and services. Progress will be impossibly slow, impossibly patchy and impossibly expensive if we expect every community to invent everything from scratch. Shared platforms of data, insight, learning and technology have the power to make these innovations both possible and affordable.

## **BENEFITS OF THE RELATIONAL MODEL**

"Connection, confidence and control." This is the mantra of an initiative called Healthier Fleetwood, developed in one of the most deprived areas of the country, which is transforming health outcomes not by treating illness better, but by changing the community to give people the strength and capability to help themselves. A&E attendance is down 20%, compared with an increase of nearly 5% for patients in the surrounding areas. Members of the community are transforming their own health: exercising more, eating more healthily, and improving their mental health, too.

Healthier Fleetwood is an archetype of the relational model of public service reform.

- It seeks to build strong relationships between the services and the people they serve: putting the service user in control actively strengthens that relationship because it builds mutual trust and respect, replacing a hierarchical model where the professional dictates what should happen and the citizen resents and rejects being told what to do.

- It is embedded in the community it serves: at every stage the programme was designed with the community at large, to build up collective will and enthusiasm for change.
- And, finally, Healthier Fleetwood focuses on connecting citizens together, in peer-to-peer groups doing everything from gardening to singing. By building up relationships and connection between people within the local area, the programme has built social capital that strengthens the community's capability to actively prevent and resolve problems before they need action by formal health services.

This kind of programme shows what can be achieved with a new approach. Relational public services have the potential to fix problems more successfully than the transactional model of trying to do things to people. And in addition, as we will explore in the coming months, they have the potential to:

- Build public support and legitimacy for the taxes needed to pay for the services
- Bring volunteer capacity into public services to enable us to deal with backlogs
- Build wider social cohesion and wellbeing to put downward pressure on a wide range of social problems including poor mental health, care needs, and anti-social behaviour.

## **SYSTEMATISING THE CHANGE**

Demos has been writing about the value of relationships in human societies, and the importance of a relational approach to public service, for more than 25 years. In 1995, our founder Geoff Mulgan wrote *The Other Invisible Hand*, which argued that the state could only deliver services successfully if it also worked to mobilise community, voluntarism, compassion, and relationships. In the mid-2000s, we published a series of papers on the relational state. That included *Reimagining Government*, which argued state legitimacy could only be increased if the state worked to build up the capacity of citizens and communities to solve their own problems, and *Journey to the Interface*, which concluded:

*"Learning to have more intimate relationships with people and seeing service as support rather than as a commodity may not only generate the outcomes we are looking for, but also offer the route to securing the legitimacy that public services in the twenty-first century so desperately need."*

In other words, the ideas in this pamphlet are not new. Neither are they exclusive to us. Beyond Demos, pioneers and thinkers have been exploring for decades how to turn service into relationships,

and how to foster community responses and social capital, and many of the best local authorities and public service leaders are already driving forward these kinds of innovation.

New Local, a community think tank, argues for what it calls the “Community Paradigm” of public service delivery, and recently they have been chronicling on their website a whole range of innovative, pioneering work happening in local authorities up and down the country (including the example from Fleetwood). Hillary Cottam, in her book *Radical Help*, argues that we need localised models of long-term, relational support for people and communities, rooted in place and people. She argues for what she calls “New Power”, subverting hierarchies and putting communities in charge of their destinies. The list of thinkers and pioneers could fill pages – and in our programme of work over the coming months, we will highlight and explore those stories in depth.

The challenge is that so many of these pioneering approaches gather their strength from their uniqueness. They are tailored not just to the needs but also to the capabilities of the flesh and blood humans who deliver, take part in, and benefit from them. So national policy thinkers have tended to assume that community-based or relational models cannot be scaled, or replicated. Therefore, they will never be able to meet national expectations of service delivery, so often set by national political debate and campaigns. Over the coming months we want to challenge that assumption and explore how we can pursue community politics from the national stage.

Fundamentally, the goal is to build the infrastructure to allow local communities to design and develop their own unique approaches. This requires four things:

- A new wave of devolution from national to local government, and then from local government to community organisations.
- Cross-service collaboration in local areas, so that funding can be brought together across public service silos and investment be targeted on outcomes instead of outputs.
- Investment in technology and infrastructure to support innovation at the local level.

- Humility from public service leaders at all levels, shifting the goal from trying to get people to do what the experts want them to, to building up community and individual capacity and capability to resolve their own problems in their own ways.

Of course, we know that social capital is not equally distributed across the country: richer areas are more likely to have strong connections between people; more likely to have people with the time and resources to dedicate to volunteering or community development. So the areas with the greatest need have the lowest capacity, while the areas with the lowest need have the greatest strength. A *laissez faire* approach to community-led public services would clearly be unjust, inequitable, and harmful to society as a whole. But that insight must not be used to destroy the argument for this kind of reform. The urge to nationalise in the interests of equity is misguided for three, key reasons:

- First, as we saw during the pandemic it results in homogenisation, often making services far less well adapted to the needs of vulnerable people.
- Second, it doesn’t actually resolve the inequities. Poorer areas still struggle the most even when the national state tries to standardise.
- Third, and most importantly, it disempowers and disenfranchises the people services need to support. In the short term, an external fix may look like a solution, but it perpetuates the root causes, and wastes the opportunity of using public services to build the social capital that is lacking in that area.

In essence, we need a two-sided approach. Where community relationships are already strong, public services can be more successful by operating with and through those communities. Where community relationships are weak, public services can be a catalyst for strengthening them – providing the resources and infrastructure to bring people together to solve their problems. But while public services can play a key role in building social capital, we shouldn’t expect them to do all the work alone. That’s why other approaches to strengthen relationships in communities should be taken in tandem with an overhaul of public services.

# OUR PROGRAMME OF WORK

This programme will help us develop a detailed plan for public services that put community and relationship building at their heart. We will be exploring in more depth through this programme, including with the public, three focus areas of public service. We would love to hear from members of the public, practitioners, innovators, and academics interested in any or all of these issues. The preliminary questions for our inquiry are set out to the right. We look forward to hearing from you.

[hello@demos.co.uk](mailto:hello@demos.co.uk)

**Employment and back to work services:**

evidence shows the networks and relationships of people who are out of work often take a hit, and that makes it harder for them to find work. How can we build up social capital as part of back-to-work support and the welfare system? What role do job clubs and community networking have to play in job search and career advice?

**Local government:** Local government is at the heart of every community, and often best suited to build local civic pride, inter- and intra-community relationships, and strengthen resilience through stronger social bonds. How can the 'build back better' agenda put local people in the driving seat through devolution and community decision-making? What's the role for everyday democracy in regeneration funding – like parks and high street funds – to help build community cohesion?

**Justice and policing:** We understood that community relationships are key to crime prevention since the founding of the modern police force. But how can we put communities into our policing system more effectively, so that the process of policing and rehabilitation build community strength over time? What role is there for community and restorative justice and victim support? What role can volunteers play in our justice system, and how can community service be used to build local social capital?

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