

DEMOS

RECOVERY THROUGH REFORM

LAUNCH PAPER OF THE
FUTURE PUBLIC SERVICES
TASKFORCE

BEN GLOVER



**FUTURE PUBLIC
SERVICES TASKFORCE**
DEMOS

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ABOUT THE FUTURE PUBLIC SERVICES TASKFORCE

Public services today face severe challenges. Yet as the country finally emerges from the shadow of the pandemic, we have a chance to reflect on what future we want for our public services.

Politicians are interested, with public service reform on the lips of those across the political spectrum once again. And away from Westminster, an exciting new public services paradigm has been sketched: a more relational, preventative state.

Yet the country lacks a national public service reform agenda and has done so for over a decade now. This is critical because there is no path to reforming our public services unless there is a clear vision from the centre, even if that vision involves delegating power to citizens, communities and professionals.

We will respond to that gap by producing a new cross-cutting public service reform strategy for central government. This strategy could be the starting point for the first cross-cutting public service reform White Paper since 2011. You can find more details on the Taskforce's approach in the final chapter of this paper.

The Future Public Services Taskforce is led and delivered by Demos. It is funded by four organisations who sit on the Taskforce's Advisory Board:

- Big Society Capital.
- Bridges Outcomes Partnerships.
- CIPFA.
- PA Consulting.

They are joined by five external Advisory Board members:

- Lord Victor Adebawale, Chair of the NHS Confederation.
- Baroness Finn, former Deputy Chief of Staff to the Prime Minister.
- Patricia Hewitt, Chair of NHS Norfolk and Waveney and Deputy Chair of the Norfolk and Waveney Integrated Care Partnership and former Secretary of State for Health and Social Care.
- Chris Naylor, former Chief Executive of Barking and Dagenham Council.
- Jonathan Slater, former Permanent Secretary at the Department for Education.

The views expressed throughout the work of the Taskforce are Demos' only and are not necessarily reflective of the views of the Advisory Board members or the organisations who fund the Taskforce.

To find out more about the Taskforce, please contact **Ben Glover, Head of Social Policy at Demos**, at ben.glover@demos.co.uk. You can also find out more about the Taskforce [here](#).

ABOUT THIS PAPER

This is the first paper of the *Future Public Services Taskforce*. It acts as a foundation for the rest of the work of the Taskforce, describing our analysis of:

- The challenges facing public services.
- The causes of those challenges.
- The role that the Taskforce will play in responding to those challenges.
- How the Taskforce will be structured and organised.

We will publish a series of papers as the work of the Taskforce progresses, allowing us to work in the open and share our ideas as they emerge.

ABOUT THE AUTHOR

Ben Glover is the Head of Social Policy at Demos and leads the *Future Public Services Taskforce*.

EXECUTIVE SUMMARY

The Future Public Services Taskforce will produce a cross-cutting public service reform strategy for central government. This could become the first cross-cutting public service reform White Paper since 2011. This launch paper describes the context facing public services today and how the Taskforce will respond to that context.

This paper argues that additional funding alone will not deliver a public services recovery; we must also see reform. We also believe that these reforms require a coherent vision from the centre of government to galvanise the system, allocate resources and push through resistance to change. Rebuilding our public services requires changes to commissioning, breaking down silos between different agencies and institutions, empowering the workforce, engaging communities, utilising digital technology more effectively and many other changes. Although the solution to many of these issues may be devolving power away from the centre, the reform agenda must start at the centre.

PUBLIC SERVICES TODAY FACE CHALLENGES LAST SEEN IN THE 1980S, 1990S AND 2000S

Public services are facing at least three sets of challenges, which have nearly all been seen in the UK before during the 1980s, 1990s and 2000s. These can be loosely characterised as:

- **1980s challenges:**
 - Major workforce pressures, including mass industrial action.
 - Councils and providers facing severe financial pressures.
- **1990s challenges:**
 - Access problems and waiting lists.
 - Poorly maintained public estate.

- **2000s challenges:**

- Worsening outcomes, particularly with respect to 'complex' problems.
- Declining public satisfaction and trust in government.

That these challenges all coexist today underscores the unprecedented nature of the context in which public services are operating.

THREE STORIES TO EXPLAIN THESE CHALLENGES

In UK political and policy discourse today, a number of different - and potentially competing - stories exist to explain these problems. We consider three stories in this paper:

- **Story One:** Recent crises, such as the Covid-19 pandemic and inflation.
- **Story Two:** Underfunding of public services.
- **Story Three:** Failure to reform public services and to move on from New Public Management (NPM), the last major public reform agenda in the UK.

On Story One, the pandemic and inflation have clearly exacerbated the challenges facing public services today. Yet, many of the issues facing public services today were already evident before these shocks and these issues intensified the impact of the shocks. As a result, Story One alone cannot explain the problems facing public services today.

With respect to underfunding and spending restraint - Story Two - we find that this explains some of the problems facing public services, but cannot provide the full picture.

For example:

- Waiting lists aren't just due to a lack of capacity; they are also related to excess demand. This relates to issues beyond capacity, for example our current public service delivery model and its failure to get upstream and prevent problems before they arise.
- Workforce challenges aren't just about pay or spending cuts; they also relate to accountability regimes commonly developed under NPM-inspired reforms.
- Worsening outcomes existed before the post-2010 spending restraint, particularly in relation to 'complex' problems, such as obesity and loneliness.

Based on this analysis, we argue that additional funding is a necessary but insufficient condition for public service recovery; we also need reform.

WE NEED A NEW PUBLIC SERVICE REFORM STRATEGY FOR CENTRAL GOVERNMENT: THE TASKFORCE'S MISSION

There is no public service reform without political will and the power and backing of central government. Councils and innovative frontline providers can, and have been, doing what they can. But they can do much more if they are better supported and enabled by central government. Hence the need for a new cross-cutting public service reform strategy for central government which must be:

- **Cross-cutting:** The issues facing different public service areas - schools, policing, healthcare - are connected to one another. As a result, attempts to reform specific public services in isolation are likely to fail. We need a cross-cutting reform agenda.
- **Cross-party:** Any plans to reform public services need to build a cross-party consensus. We have seen in the past decade that proposals for change are at constant risk of becoming 'political footballs' that make politicians, civil servants and the public averse to change. Those areas of public service reform, such as the academisation of schools, which can draw on support from across the political spectrum have a greater chance of success and standing the test of time.

- **Visionary:** Geoff Mulgan, the founder of Demos and now Professor of Collective Intelligence, Social Innovation and Public Policy at University College London (UCL), has argued western democracies are facing an 'imagination crisis': that "many people find it hard to picture a plausible and desirable society a generation or two in the future."¹ Geoff argues that this is contributing to the deeply felt sense of malaise, which can certainly be observed in the UK today, in particular our public services.²

THE SEEDS OF THIS VISION CAN BE FOUND IN THE NEW, EMERGING LOCAL PUBLIC SERVICES PARADIGM

Far from the corridors of power in Westminster, councils and frontline charities have been developing an alternative public service delivery approach in the post-financial crisis era.

A new approach which puts the value of human relationships at its core. A new approach which sees all citizens as active partners in the design of public services, rather than passive consumers. A new approach which seeks to build people's resilience, rather than primarily responding to needs. This is often underpinned by the use of new, emerging digital technologies, which can support and enable the development of more preventative and relational services.

Through the work of the Taskforce, Demos will develop these foundations into a new, national vision for public services. The final chapter of this paper provides more detail on the work of the Taskforce.

1 Mulgan, G. *The Imaginary Crisis*. UCL Science, Technology, Engineering and Public Policy Working Paper Series, 2020. Available at: https://www.ucl.ac.uk/steapp/sites/steapp/files/2020_04_geoff_mulgan_swp.pdf

2 Mulgan, G. *The Imaginary Crisis*. UCL Science, Technology, Engineering and Public Policy Working Paper Series, 2020. Available at: https://www.ucl.ac.uk/steapp/sites/steapp/files/2020_04_geoff_mulgan_swp.pdf

CHAPTER 1

WHAT CHALLENGES DO PUBLIC SERVICES FACE TODAY?

In this chapter we identify the different challenges facing public services today. In the next chapter we examine different explanations for the causes of these challenges.

CHALLENGE ONE – ACCESS AND WAITING LISTS

Access

Too often, the public cannot access services when and how they want. These include:

- **GP appointments:** The GP Patient Survey asks respondents: “Generally, how easy is it to get through to someone at your GP practice on the phone?”.³ The survey finds that while many patients report finding it ‘easy’ or ‘very easy’ to find an appointment, that proportion has fallen from 81% in 2012 to 53% in 2022.⁴
- **NHS dentistry services:** A BBC investigation in 2022 found that nine in ten NHS dental services in the UK are not accepting new adult patients for NHS treatment, with a third of all council areas not offering any NHS dentistry services for new patients.⁵

- **Adult social care:** Analysis conducted in 2018 found that the financial thresholds for accessing adult social care in England were 12% lower in real terms in 2018/19 than in 2010/11.⁶ As a result, fewer people are eligible for adult social care; about 400,000 fewer adults received social care services in 2013/14 than 2009/10, because councils have prioritised funding support for those with more acute needs.⁷
- **The police:** Most police forces aim to respond to priority calls - those with a degree of urgency but no immediate risk to life - within an hour.⁸ Yet figures obtained by the Liberal Democrats through Freedom of Information Requests show that police forces are taking on average five and a half hours to respond to priority calls.⁹

Waiting lists and backlogs

Too often, the public cannot access services when and how they want. As a result, there are significant waiting lists in many public services; the country is regularly described as ‘Backlog Britain’.¹⁰

3 Nuffield Trust. Access to GP appointments and services. 2022. Available at: <https://www.nuffieldtrust.org.uk/resource/access-to-gp-services#:~:text=GP%20Patient%20Survey%20respondents%20were,2012%20to%2053%25%20in%202022>.

4 Ibid.

5 Roberts, M. NHS dentists: People having to drive hundreds of miles ‘unacceptable’. BBC News, 2023. Available at: <https://www.bbc.co.uk/news/health-66167563>

6 Ruth Thorlby, Anna Starling, Catherine Broadbent, Toby Watt. What’s the problem with social care, and why do we need to do better?. The Health Foundation, 2018. Available at: <https://www.health.org.uk/sites/default/files/NHS-70-What-Can-We-Do-About-Social-Care.pdf>

7 Ibid.

8 Whannel, K. Police taking over five hours to respond to priority calls in England. BBC News, 2023. Available at: <https://www.bbc.co.uk/news/uk-politics-65388621>

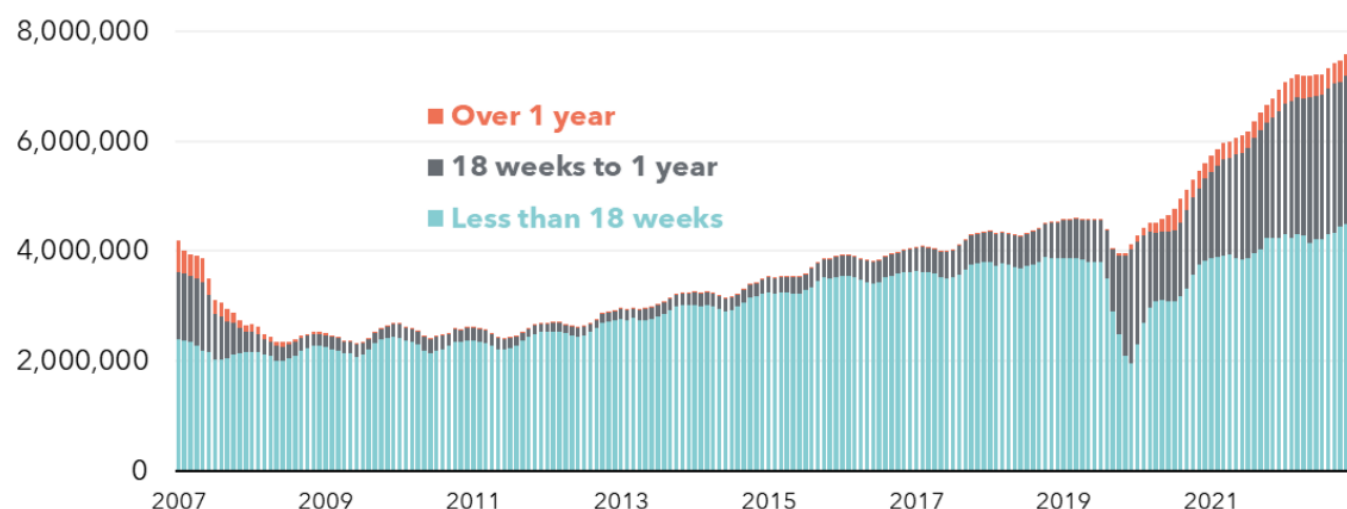
9 Ibid.

10 FT Reporters. Backlog Britain: How public sector delays spiralled to record levels. The Financial times, 2022. Available at: <https://www.ft.com/content/ffdbd69b-1c7e-4fb2-b10a-d62c644bb988>

- **NHS treatment:** 7.2 million people are on incomplete treatment pathways within the NHS in England, according to the Institute for Fiscal Studies.¹¹

FIGURE 1

NUMBER OF PEOPLE ON NHS ENGLAND WAITING LISTS, BY WAIT TIME



Source: Johnson P et al, NHS waiting lists, Institute for Fiscal Studies, 20 September 2022, <https://ifs.org.uk/collections/nhs-waiting-lists>

- **Courts:** Figures released in October 2023 showed that the Crown Court backlog had hit a record high of more than 65,000 cases.¹² 353,700 outstanding cases in magistrates' courts, an increase from 343,842 in August 2022.¹³

CHALLENGE TWO – POORLY MAINTAINED PUBLIC ESTATE

When the public is able to access public services, too often the buildings in which they do so are poorly maintained. This negatively affects the quality of public services and their ability to function appropriately. Issues have emerged across:

- **The school estate:** In September 2023, as schools returned from the summer break, up to

100 schools and colleges were forced to fully or partially close due to concerns about the safety of RAAC concrete used in buildings.¹⁴

- **The prison estate:** Multiple reports by HM Inspectorate of Prisons have often found prisons to be cramped, squalid, overcrowded and unacceptable.¹⁵ Damp cells, unscreened toilets and vermin are regularly found across the prison estate.¹⁶
- **The court estate:** A survey of solicitors conducted by the Law Society found that 64% of respondents had experienced delays in cases being heard in the last year due to the state of court buildings.¹⁷

11 Paul Johnson, George Stoye, Max Warner and Ben Zaranko. NHS waiting lists. The Institute for Fiscal Studies, 2022. Available at: <https://ifs.org.uk/collections/nhs-waiting-lists>

12 The Law Society. Record Crown Court backlog as long wait for justice continues. 2023. Available at: <https://www.lawsociety.org.uk/contact-or-visit-us/press-office/press-releases/record-crown-court-backlog-as-long-wait-for-justice-continues>

13 Ibid

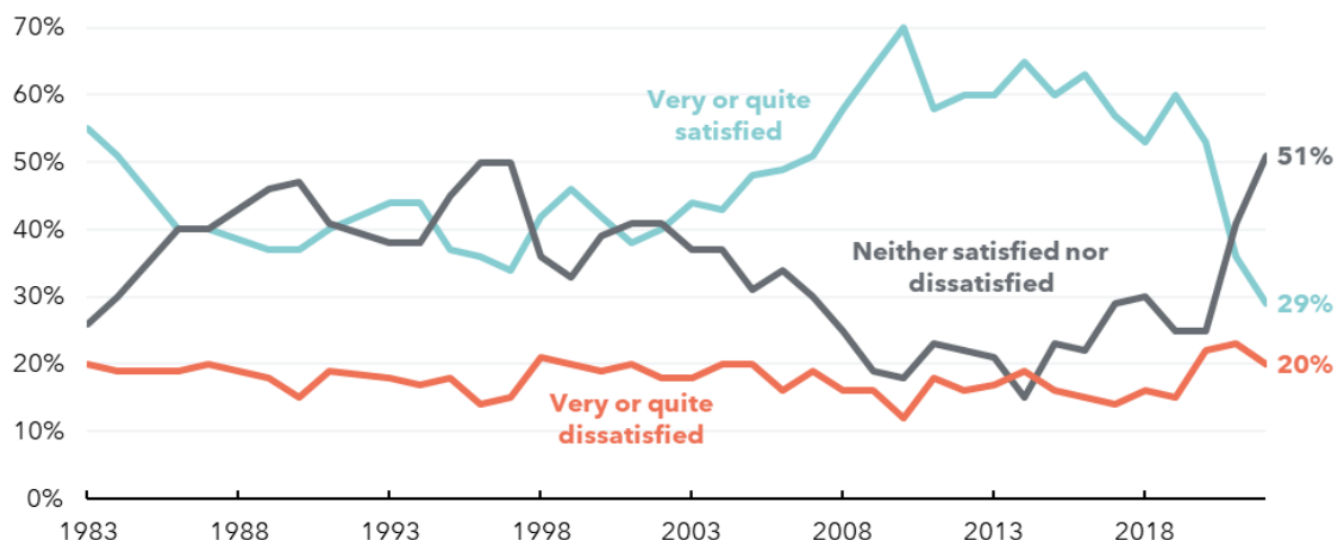
14 Robinson, J. RAAC crisis: Return of pandemic-style home learning for unsafe concrete schools should last 'days, not weeks'. Sky News, 2023. Available at: <https://news.sky.com/story/raac-crisis-return-of-pandemic-style-home-learning-for-unsafe-concrete-schools-should-last-days-not-weeks-12953794>

15 Beard, J. The Prison Estate in England and Wales. The House of Commons Library, 2023. Available at: <https://commonslibrary.parliament.uk/research-briefings/sn05646/#:~:text=Reports%20from%20HM%20Inspectorate%20of,and%20vermin%20at%20some%20prisons.>

16 Ibid.

17 The Law Society. Are our courts fit for purpose?. 2022. Available at: <https://www.lawsociety.org.uk/topics/research/are-our-courts-fit-for-purpose>

FIGURE 2
LEVEL OF PUBLIC SATISFACTION WITH THE NHS



Source: Morris J e tal, *Public satisfaction with the NHS and social care in 2022*, The King's Fund, 29 March 2023, <https://www.kingsfund.org.uk/publications/public-satisfaction-nhs-and-social-care-2022>

CHALLENGE THREE – DECLINING PUBLIC SATISFACTION

Public satisfaction has fallen across a range of public services. These include:

- The NHS:** For more than 40 years, the British Social Attitudes Survey has asked respondents how satisfied or not they are 'with the way in which the NHS is run nowadays'.¹⁸ The survey in 2022 found that just 29% of respondents were 'quite' or 'very' satisfied with the NHS. This represented a fall of 7% and the lowest satisfaction level recorded since records began in 1983.¹⁹
- Adult social care:** Analysis of the British Social Attitudes Survey by the King's Fund and Nuffield Trust found that only 14% of the public is satisfied with social care services.²⁰ Dissatisfaction also rose significantly to 57% of respondents, the highest level ever recorded.²¹
- The police:** The Crime Survey of England and Wales found that between 2017/18 and 2021/22, the proportion of the public that thinks the police are doing a 'good' or 'excellent' job fell from 62% to 52%.²² In addition, overall confidence in local police fell from 78% to 69%.²³

18 The King's Fund. *Public satisfaction with the NHS and social care in 2022: Results from the British Social Attitudes survey*. 2023. Available at: <https://www.kingsfund.org.uk/publications/public-satisfaction-nhs-and-social-care-2022>

19 Ibid.

20 Nuffield Trust. *British Social Attitudes: Survey reveals record level of dissatisfaction with social care services*. 2023. Available at: <https://www.nuffieldtrust.org.uk/news-item/british-social-attitudes-survey-reveals-record-level-of-dissatisfaction-with-social-care-services>

21 Ibid.

22 Richard Brown and Abbi Hobbs. *Trust in the police*. 2023. Available at: <https://researchbriefings.files.parliament.uk/documents/POST-PN-0693/POST-PN-0693.pdf>

23 Richard Brown and Abbi Hobbs. *Trust in the police*. 2023. Available at: <https://researchbriefings.files.parliament.uk/documents/POST-PN-0693/POST-PN-0693.pdf>

However, it is also important to note that while satisfaction across a range of 'human-to-human' services has fallen, satisfaction among transactional services has been more positive. For example, public satisfaction with online tax services is high; 83.4% of users are satisfied, according to HMRC data.²⁴ Satisfaction with the Driver and Vehicle Licensing Agency (DVLA) is also high across many of its services; 93% of users are satisfied with renewing their driving license.²⁵

CHALLENGE FOUR – WORSENING OUTCOMES

Public services play a key role in keeping us happy, healthy and well. Yet on a range of measures, their effectiveness is waning:

- **Life expectancy has stalled and health inequalities are widening:**
 - After increasing for more than a century, improvements in life expectancy stalled in the decade prior to the Covid-19 pandemic.²⁶

- In addition, for certain segments of the population, life expectancy has gone into reverse. Life expectancy among women living in the most deprived 10% parts of England has fallen, with the North East experiencing the biggest falls.²⁷

- **No progress on educational attainment gap in twenty years:** Institute for Fiscal Studies analysis has found almost no change in the 'disadvantage gap' - the difference between disadvantaged and better-off pupils - at GCSE level in more than 20 years.²⁸

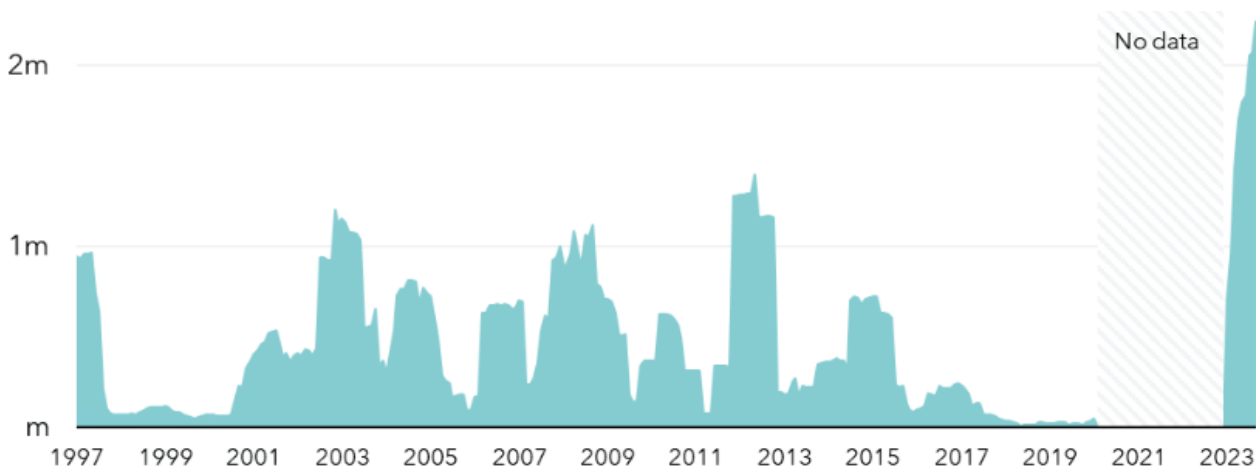
CHALLENGE FIVE – WORKFORCE CRISES

We have also seen the return of crisis to public service workforces, on a scale not seen for decades.

- **Industrial action:** 2022 saw the highest level of strikes in any year since the 1980s, with these strikes concentrated in the public and transport sectors.²⁹

FIGURE 3

WORKING DAYS LOST DUE TO STRIKE ACTION IN THE PUBLIC SECTOR, PAST 12 MONTHS



Source: Office for National Statistics, *Working Days Lost due to strike action in the public sector - monthly ('000's)*, 14 November 2023, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/f8xz/lms>

24 HMRC. Discussion document: Simplifying and modernising HMRC's Income Tax services through the tax administration framework. 2022. Available at: <https://www.gov.uk/government/consultations/simplifying-and-modernising-hmrcs-income-tax-services-through-the-tax-administration-framework/discussion-document-simplifying-and-modernising-hmrcs-income-tax-services-through-the-tax-administration-framework>

25 Driver & Vehicle Licensing Agency. DVLA Customer Satisfaction 2022/23. 2023. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1160678/dvla-customer-satisfaction-2022-to-2023.pdf.pdf

26 Phoebe Dunn, Leo Ewbank and Hugh Alderwick. Nine major challenges facing health and care in England. 2023. Available at: <https://www.health.org.uk/publications/long-reads/nine-major-challenges-facing-health-and-care-in-england>

27 Ibid.

28 Sally Weale. No improvement in school attainment gap in England for 20 years, report says. The Guardian, 2022. Available at: <https://www.theguardian.com/education/2022/aug/16/no-improvement-in-school-attainment-gap-in-england-for-20-years-report-says>

29 Nye Cominetti, Hannah Slaughter and Nadim Hamdan. Labour Market Outlook Q2 2023. Resolution Foundation, 2023. Available at: <https://www.resolutionfoundation.org/publications/labour-market-outlook-q2-2023/>

Staffing and vacancy challenges

Filling vacancies is a challenge now across a wide range of public services. Adult social care is currently experiencing 10% vacancies in its workforce and we are seeing major shortages across a range of other sectors and services.³⁰ More broadly, a survey of public sector employers conducted by the CIPD finds half are reporting hard-to-fill vacancies.³¹ These challenges are leading to a reliance on agency workers in many public services, in particular children's social care, where the use of agency children's social workers is at a record high of 18%.³² This affects continuity of service and ultimately comes at a high cost to the state.

CHALLENGE SIX – FINANCIAL CHALLENGES FOR PUBLIC SERVICE PROVIDERS

The final challenge we see across public services in the UK is major and rising fiscal challenges. This manifests itself in two forms: some councils and providers failing to remain financially sustainable, and a challenging long-term fiscal picture at a national level. Over the last three years, seven local authorities have had to issue a section 114 notice, a signal of effective bankruptcy.³³ This is affecting service provision: crisis and statutory services are prioritised over preventative services; the space to think systemically and holistically about the challenges facing local authorities is also crowded out.

CONCLUSION – 80S, 90S AND 00S PROBLEMS

The public services landscape looks the most challenging for decades. What is perhaps most concerning is the combination of different problem types.

We see the re-emergence of challenges largely unseen since the 1990s:

- **Challenge One:** Access and waiting lists.
- **Challenge Two:** Poorly maintained public estate.

At the same time, we must also contend with a set of challenges first identified in the 2000s and often associated with the New Public Management delivery paradigm. These are primarily:

- **Challenge Three:** Declining public satisfaction.
- **Challenge Four:** Worsening outcomes.

We have also seen the re-emergence of even older problems, which last dogged the UK in the 1980s:

- **Challenge Five:** Workforce crises.
- **Challenge Six:** Financial challenges for public service providers.

The long-term nature of some of these problems, and the re-emergence of problems previously thought to be consigned to history, underscores the need to think more long-term and holistically about public services. In the next chapter, we explore the causes of these problems and explore what to do to begin to address them.

30 Samuel, M. Adult social care vacancy rate hits 10%. Community Care. Available at: <https://www.communitycare.co.uk/2022/04/08/adult-social-care-vacancy-rate-hits-10/>

31 Mayne, M. Half of public sector employers reporting hard-to-fill vacancies, CIPD research finds. People Management, 2023. Available at: <https://www.peoplemanagement.co.uk/article/1822812/half-public-sector-employers-reporting-hard-to-fill-vacancies-cipd-research-finds>

32 BASW. New national rules to curb over-reliance on costly agency social workers. 2023. Available at: <https://new.basw.co.uk/about-social-work/psw-magazine/articles/new-national-rules-curb-over-reliance-costly-agency-social>

33 CIPFA and Institute for Government. Performance tracker. 2023. Available at: <https://www.cipfa.org/policy-and-guidance/performance-tracker>

CHAPTER 2

WHAT IS DRIVING THE CHALLENGES FACING PUBLIC SERVICES TODAY? THREE DIFFERENT STORIES

Having identified the major challenges facing public services today, in this section we explore the causes of those challenges. What is driving the challenges facing public services today?

We consider and evaluate three popular stories: short-term crises, medium-term funding pressures, and longer-term issues relating to public service delivery models and questions of reform.

STORY ONE

RECENT CRISES, SUCH AS THE COVID-19 PANDEMIC AND INFLATION

Many have argued that we today live in the era of 'polycrisis': countries are facing multiple, overlapping and connected crises.³⁴ Recent British history supports this thesis, with the country struck by the worst pandemic in a century and the highest rate of

inflation in decades. How have these crises shaped public services and the problems we saw in the preceding chapter?

Inflation has clearly played a big role in driving the workforce issues seen in public services. Strikes in the 2020s have risen considerably; 417,000 days were lost to industrial action in October 2022, compared to a similar number being lost *per year* in the 2010s.³⁵ It's no coincidence that strikes have returned to the levels last seen in the 1980s, a time when inflation was also high.³⁶

The pandemic also played a major role in causing the spike in waiting lists seen during the pandemic, as described by the Institute for Government & CIPFA's *Performance Tracker*. However, since then the pandemic has had less of an impact. The most recent iteration of the *Performance Tracker*, published in October 2023, concludes that:

"At the time of writing, the pandemic is no longer having a meaningful direct impact on the performance of public services covered in this report. Buildings have reopened, social distancing has been scrapped and the

34 Adam Tooze. Welcome to the age of polycrisis. Financial Times, 2022. Available at: <https://www.ft.com/content/498398e7-11b1-494b-9cd3-6d669dc3de33>

35 Torsten Bell. High inflation is to blame for these strikes, not trade unions. The Guardian, 2023. Available at: <https://www.theguardian.com/commentisfree/2023/jan/15/high-inflation-is-to-blame-for-these-strikes-not-trade-unions#:~:text=A%20better%20guide%20to%20the,low%20inflation%20meant%20fewer%20strikes.>

36 Ibid.

*NHS is no longer taking onerous additional precautions to protect against Covid infections.*³⁷

It is important to note, though, that the Institute for Government and CIPFA *do* acknowledge that there are some remaining “lingering, indirect effects” of the pandemic.³⁸ These are primarily centred on the pandemic’s impact on staff, with absence rates higher than pre-pandemic. However, in the main, we cannot attribute the issues seen in public services today to the pandemic. It appears we need to look to other explanations; see stories two and three.

STORY TWO

PUBLIC SPENDING RESTRAINT AND CUTS EXPLAIN THE PROBLEMS SEEN IN PUBLIC SERVICES

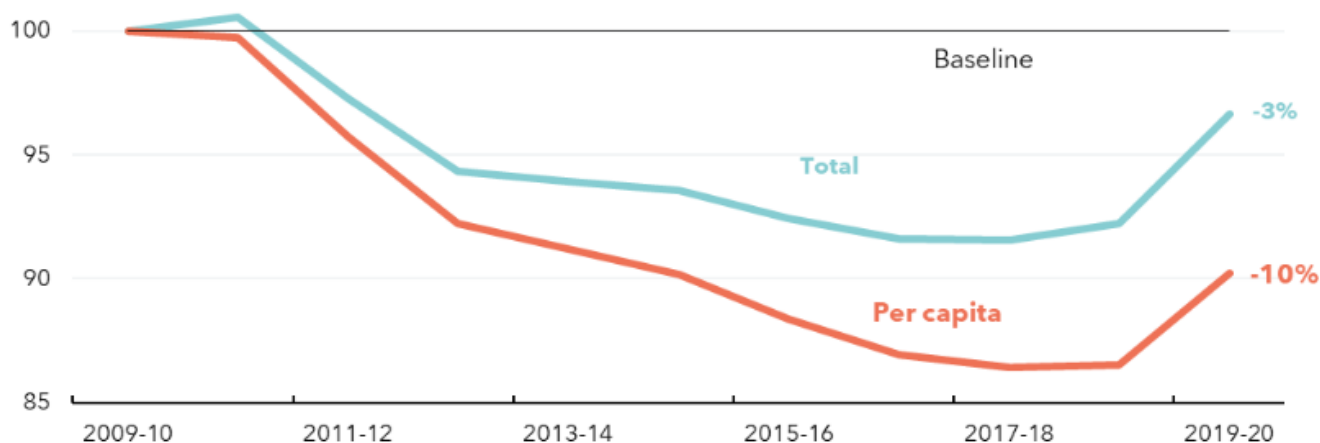
Inflation and the pandemic severely impacted public services, but do not fully explain the issues facing them today. In this section, we consider another frequently posited cause: spending restraint and cuts.

DAY-TO-DAY SPENDING ON PUBLIC SERVICES HAS BEEN SQUEEZED, IN SOME AREAS MUCH MORE THAN OTHERS

Since 2010, day-to-day spending across public services has been squeezed in real terms. Somewhat infamously now, some departmental spending was much better protected than others, with attempts made to ‘ringfence’ the NHS and education, while other budgets - particularly in the criminal justice system - saw severe cuts.

FIGURE 4

CHANGE IN DEPARTMENTAL OPERATIONAL SPENDING, TOTAL AND PER CAPITA, 2009/10=100



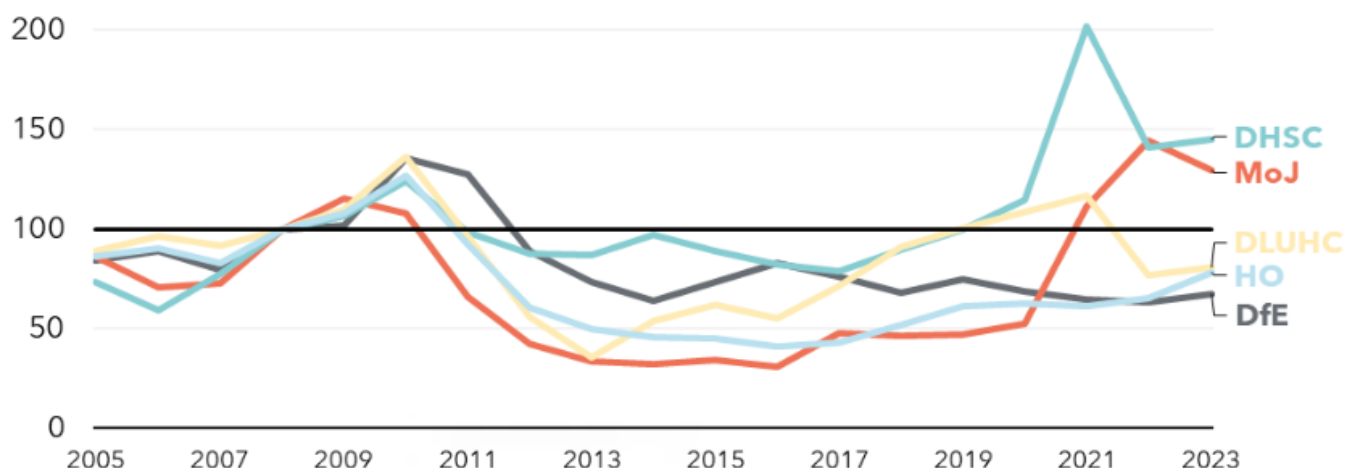
Source: Office for Budget Responsibility, *Economic and fiscal outlook – November 2022*, 16 November 2022, <https://obr.uk/efo/economic-and-fiscal-outlook-november-2022/>

37 CIPFA and Institute for Government. Performance tracker. 2023. Available at: <https://www.cipfa.org/policy-and-guidance/performance-tracker>

38 CIPFA and Institute for Government. Performance tracker. 2023. Available at: <https://www.cipfa.org/policy-and-guidance/performance-tracker>

FIGURE 5

INDEX OF REAL-TERMS CAPITAL SPENDING BY PUBLIC SERVICE DEPARTMENTS
(FINANCIAL YEAR ENDING, 2007/08=100)



Source: HM Treasury, *Public Expenditure Statistical Analyses 2022*, July 2022, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1091951/E02754802_PESA_2022_elay.pdf

Capital investment in public services has fallen considerably

In addition, capital spending has been considerably squeezed across departments since 2010. According to Institute for Government analysis, no department considered in their analysis exceeded 2007/08 capital spending levels between 2011/12 and 2017/18.³⁹ Yes, governments throughout history have tended to underinvest in capital spending, driven by the fact that the rewards accrue years or even decades into the future, rather than being seen in the short-term. But as the Institute for Government describes, “even by the low standard of previous governments, the 2010s were particularly bad”.⁴⁰

Today, central government spending falls into two camps: day-to-day or capital. Because of this, there is no comprehensive way of knowing if prevention spending has fallen or risen in recent years. Yet we do know that certain important areas of prevention spending have seen sharp decreases.

The public health grant, which pays for preventative health measures delivered by councils, has been cut by 26% per person since 2015/16.⁴¹ Furthermore, spending on ‘early intervention’ children’s services has been cut by 50% since 2010/11.⁴²

Prevention spending appears to have fallen

Like capital spending, the benefits of prevention spending are likely to accrue far into the future. Common examples of prevention spending include early-years investments and public health measures.

³⁹ Hoddinott, S. Short-term policy making has trapped public services in a ‘doom loop’. Institute for Government, 2023. Available at: <https://www.instituteforgovernment.org.uk/comment/public-services-doom-loop>

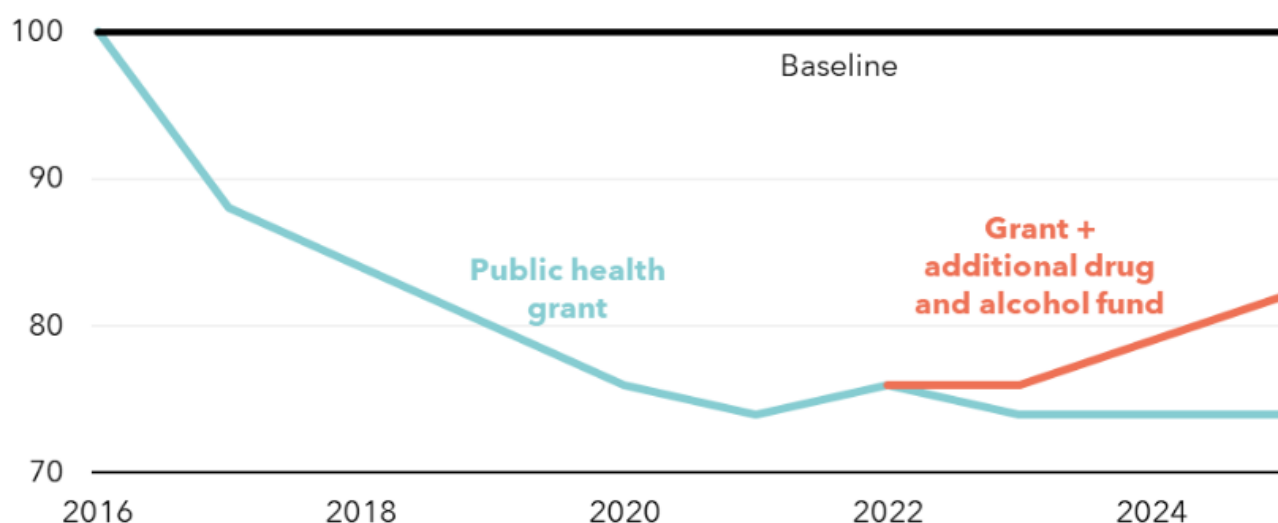
⁴⁰ Ibid.

⁴¹ David Finch and Myriam Vriend. Public health grant: What it is and why greater investment is needed. Health Foundation, 2023. Available at: <https://www.health.org.uk/news-and-comment/charts-and-infographics/public-health-grant-what-it-is-and-why-greater-investment-is-needed#:~:text=How%20has%20the%20value%20of,%2F16%20and%202023%2F24>.

⁴² Action for Children. For children’s services funding, standing still is going backwards. 2022. Available at: <https://www.actionforchildren.org.uk/blog/for-childrens-services-funding-standing-still-is-going-backwards/>

FIGURE 6

CHANGE IN PUBLIC HEALTH GRANT, REAL TERMS PER PERSON IN ENGLAND (FINANCIAL YEAR ENDING, 2015/16=100)



Source: Finch D and Vriend M, *Public health grant: What it is and why greater investment is needed*, The Health Foundation, 17 March 2023, <https://www.health.org.uk/news-and-comment/charts-and-infographics/public-health-grant-what-it-is-and-why-greater-investment-is-needed>

STORY THREE

A FAILURE TO REFORM PUBLIC SERVICES AND MOVE ON FROM NEW PUBLIC MANAGEMENT

Finally, we consider a third story to explain the challenges faced by public services today: a failure to reform public services and move on from New Public Management (NPM).

NPM was a new way of thinking about public services, pioneered in the US and imported to the UK in the 1990s. It sought to bring market principles of choice and competition into public services, recasting the users of public services as customers. It has gone on to inspire waves of major reforms to key public services, including the NHS and schools.

However, since major NPM-inspired reforms in the 1990s and 2000s, things have been quieter on the reform front. As Aveek Bhattacharya of the Social

Market Foundation writes, “Public service reform in the broader sense has also receded somewhat in recent years. In the post-austerity era, political debate has often coalesced on the level of spending rather than how to spend effectively”.⁴³

This is reflected in national policy, which has seen repeated stalling of reform agendas in key public services:

- Proposed reforms to adult social care have repeatedly failed to be implemented and/or delayed. In 2019 the Conservatives’ election-winning manifesto promised to “fix” social care. Despite some initially promising moves, reform has since stalled, with the government delaying the cap and means test reforms until October 2025.⁴⁴ Given this date falls after the next General Election, this casts serious doubts on their future.⁴⁵

43 Bhattacharya, A. *Public service reform in the 2020s*. Social Market Foundation, 2022. Available at: <https://www.smf.co.uk/wp-content/uploads/2022/01/Public-Service-Reform.pdf>

44 Bottery, S. *Reform of adult social care: vanishing over the horizon*. King’s Fund, 2023. Available at: <https://www.kingsfund.org.uk/blog/2023/04/reform-adult-social-care-vanishing-over-horizon#comments-top>

45 Bottery, S. *Reform of adult social care: vanishing over the horizon*. King’s Fund, 2023. Available at: <https://www.kingsfund.org.uk/blog/2023/04/reform-adult-social-care-vanishing-over-horizon#comments-top>

- School reforms have largely stalled since Michael Gove's reforms in 2010-2013. This means there are serious issues with the operation of schools, requiring further reform which has not been forthcoming.⁴⁶

Indeed, in those few public services where changes have been made in recent years - for example the reversal of probation privatisation - these have been centred on the *unpicking* of previous reforms, rather than change motivated by a new or alternative vision. This is symbolised by the fact that the government lacks a *cross-cutting* reform strategy and has done so for some time. The last time we had a cross-cutting public service reform strategy was in the period following the Open Public Services White Paper, published in 2011. Today, the government has no cross-cutting reform agenda; public service reform was conspicuously absent from the Levelling Up White Paper, the most recent major cross-government reform initiative. There are understandable reasons for this absence: Brexit and the pandemic have absorbed significant state capacity. Yet the lack of an agenda, especially in comparison to other periods when public services have been successfully reformed, remains striking.

ANALYSIS

WHICH STORY EXPLAINS THE PROBLEMS SEEN IN CHAPTER ONE?

STORY TWO - FUNDING PRESSURES AND SPENDING RESTRAINT - PARTLY EXPLAINS THE CHALLENGES FACING PUBLIC SERVICES TODAY

We have examined the facts when it comes to public services spending: significant capital spending cuts; some day-to-day spending cuts - centred in certain public services more than others; and significant cuts to prevention spending, with the caveat that prevention spending is not comprehensively tracked by Whitehall. What is the connection between these changes and the symptoms seen in chapter one, if any?

First, these changes are likely to have played an important role in the rise of waiting lists. Take the acute NHS waiting lists seen in Chapter One. In England, adult social care is delivered by councils and since 2010 those councils have seen significant cuts. As a result, spending on adult social care has fallen significantly; research by the Institute for Fiscal Studies finds that mean per-person spending on adult social care in England fell by 31% between 2009-10 and 2017-18.⁴⁷ During this period, the average number of Accident & Emergency (A&E) visits for a person aged over 65 increased by a third, with the Institute for Fiscal Studies apportioning between a quarter and a half of this rise due to cuts to adult social care.⁴⁸ This is a very real example of funding pressures in unprotected areas of spending (adult social care) negatively affecting service performance in a so-called 'protected' area (the NHS).

Second, cuts to capital funding have played a key role in the estate crisis seen across public services. Assuming the money is spent wisely, more capital spending on infrastructure for public services will lead to a better quality public estate; we saw this in the 2000s following higher capital spending levels.

46 Freedman, S. The Gove reforms a decade on. Institute for Government, 2022. Available at: <https://www.instituteforgovernment.org.uk/sites/default/files/publications/gove-reforms-decade-on.pdf>

47 Institute for Fiscal Studies. What impact did cuts to social care spending have on hospitals?. 2020. Available at: <https://ifs.org.uk/articles/what-impact-did-cuts-social-care-spending-have-hospitals>

48 Institute for Fiscal Studies. What impact did cuts to social care spending have on hospitals?. 2020. Available at: <https://ifs.org.uk/articles/what-impact-did-cuts-social-care-spending-have-hospitals>

FIGURE 7

CHANGE IN REAL SPENDING ON LONG-TERM CARE FOR OVER 65s SINCE 2009/10



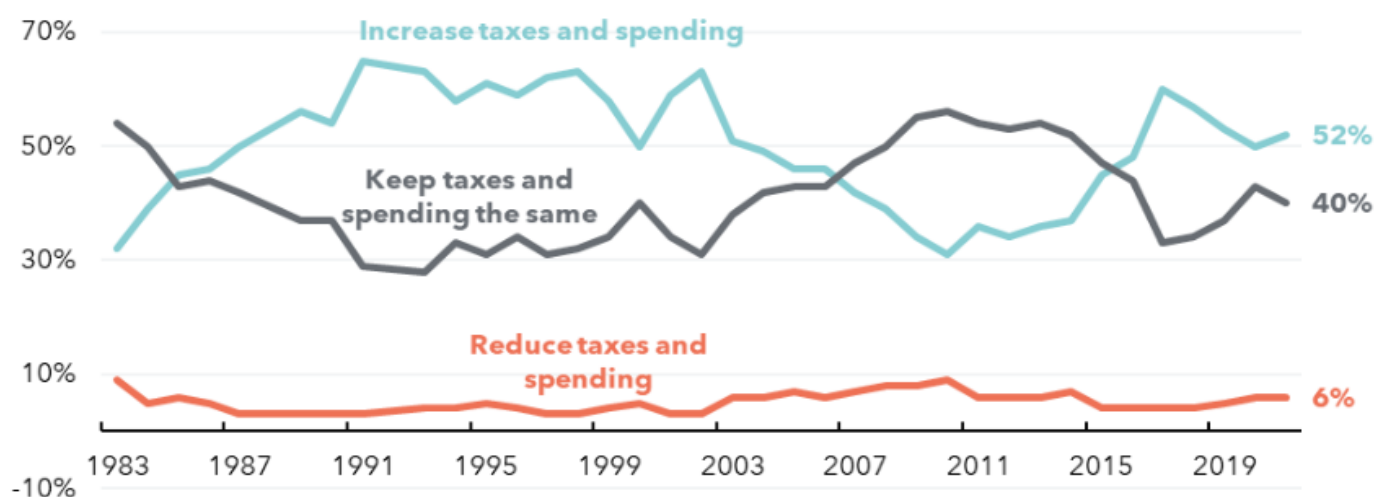
Source: Crawford R, Stoye G and Zaranko B, What impact did cuts to social care spending have on hospitals?, Institute for Fiscal Studies, 7 December 2020, <https://ifs.org.uk/articles/what-impact-did-cuts-social-care-spending-have-hospitals>

Third, falls in satisfaction in public services are likely related in part to spending cuts and squeezes. As the National Centre for Social Research describes, research indicates that public attitudes towards taxation and spending are cyclical; when public spending rises on services, typically “people’s appetite for better public services is increasingly satisfied.”⁴⁹

This is certainly apparent in the UK today. Support for higher taxes and spending has been consistently the preferred position among the public since around 2016; a view which looks fairly settled and has survived major shocks such as the Covid-19 pandemic.

FIGURE 8

PUBLIC ATTITUDES TOWARDS TAXATION AND SPENDING ON HEALTH, EDUCATION AND SOCIAL BENEFITS



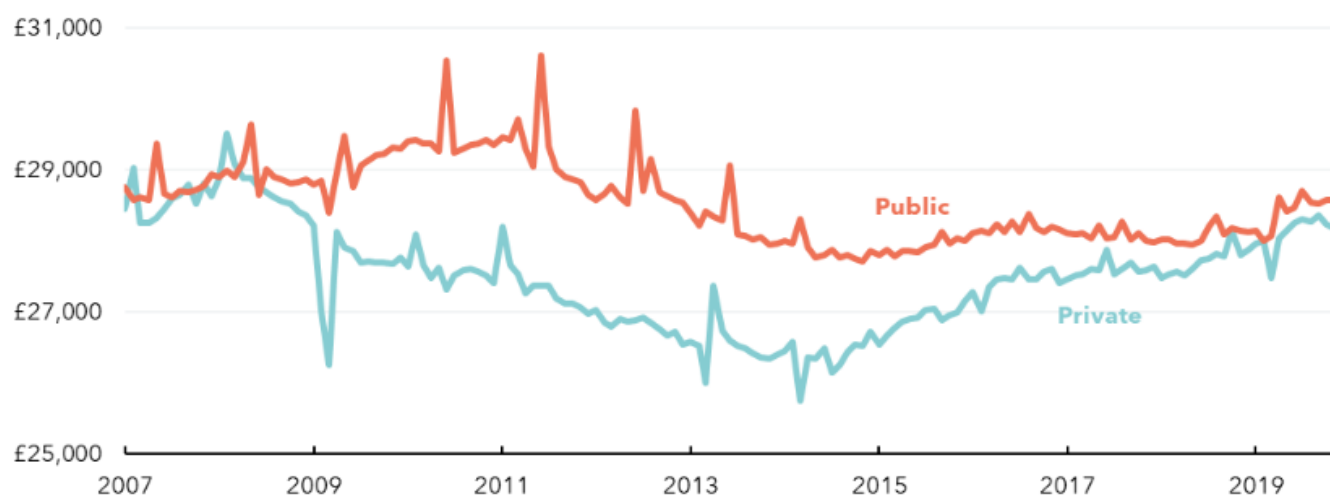
Source: NatCen Social Research. Social attitudes in an age of austerity. Available at: https://bsa.natcen.ac.uk/media/1138/bsa29_key_findings.pdf

49 NatCen Social Research. Social attitudes in an age of austerity. Available at: https://bsa.natcen.ac.uk/media/1138/bsa29_key_findings.pdf

Finally, funding pressures have affected public sector pay. As the IFS has described, public sector pay restraint has led to the gap between public and private sector wages being at its lowest level since the early 2000s.⁵⁰ This has exacerbated recruitment challenges in many key public services, as described by various Pay Review Bodies.⁵¹

FIGURE 9

REAL MEAN EARNINGS THROUGHOUT YEAR, BY SECTOR, 2019 PRICES



Source: Office for National Statistics, EARN01: Average weekly earnings, 14 November 2023, <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/averageweeklyearningsearn01>

BUT FUNDING ISSUES DO NOT EXPLAIN THE FULL PICTURE SEEN IN CHAPTER ONE

Access issues and waiting lists aren't just about capacity challenges - we need to consider the 'demand side'

While cuts and a lack of investment have undeniably contributed to challenges we see in public services around access and backlogs, it's important to consider the *demand side* of public services too. If demand for services outstrips increases in the capacity of public services, you won't see an improvement in access or a reduction of backlogs.

Indeed, this challenge can be witnessed today across many public services. As a House of Lords Committee Public Services Committee report describes, there are several explanations for the

rising demand seen for public services today. Some of these are structural, such as an ageing society, but others are due to rising health issues, such as the increase in the number of people living with multiple health conditions.⁵² The Committee concludes that "In the coming decades, public services will see a significant increase in demand which will not be met with a corresponding increase in the supply of staff."⁵³ As we have seen above, the UK population is growing less healthy; this will drive demand for NHS treatments. This is driven by two factors, beyond the direct funding of public services.

First, the delivery model of public services matters. We have previously argued that acute services need to be more *relational*, that is putting a greater emphasis on the development of strong relationships in the delivery of public services.⁵⁴ That's because human-to-human services are inherently relational,

50 Jonathan Cribb, Alex Davenport and Ben Zaranko. Public sector pay and employment: where are we now? Institute for Fiscal Studies, 2023. Available at: <https://ifs.org.uk/publications/public-sector-pay-and-employment-where-are-we-now>

51 Ibid.

52 House of Lords. Fit for the future? Rethinking the public services workforce. House of Lords Public Services Committee, 2022. Available at: <https://committees.parliament.uk/publications/23110/documents/169292/default/#page=9>

53 Ibid.

54 Mackenzie, P. The Social State. Demos, 2023. Available at: <https://demos.co.uk/wp-content/uploads/2023/02/The-Social-State-Report.pdf>

and appear to have better outcomes when strong relationships are developed and built by public services. Overall, we also need to see a shift to prevention.

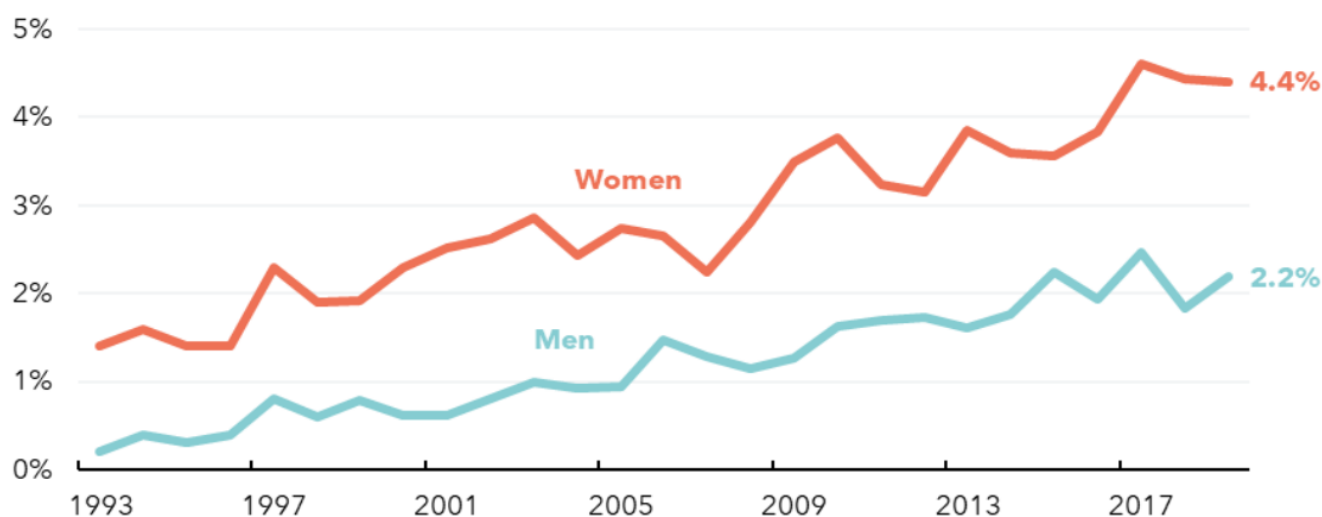
Second, demand for public services is driven by factors outside the purview of public services traditionally. For example, higher poverty - driven by a combination of economic factors and decisions around welfare spending - has major implications for the demand for public services; in 2014 the Joseph Rowntree Foundation (JRF) identified the public service costs of poverty as amounting to around £69 billion.⁵⁵ Social fabric matters too; what the JRF has described as the 'social safety net'.⁵⁶ This operates at the point where the local state and community life meet, so it is not uniform or standardised. At Demos, we have described these as the *foundational factors* that shape people's lives.⁵⁷ Public services could seek to better target these foundations, but they cannot do all the heavy lifting alone.

The same goes for the effectiveness of services - concerns were being raised before post-2010 spending restraint

Before post-2010 spending restraint, concerns emerged about the failure of public services to make inroads on more 'complex' problems. Many argued that New Public Management reforms were (sometimes) effective at dealing with more 'simple' challenges, such as reducing waiting lists or delivering certain transactions more efficiently. But in response to more 'complex' problems - those which had multiple and interlocking causes and complex feedback loops - New Public Management reforms appeared to be making less progress.⁵⁸

This line of argument, first made in the late 2000s, appears to stand in the 2020s. The British state appears overwhelmed by the consequences of complex problems. Obesity - a complex issue with many causes - comes at an enormous and rising cost to the NHS of £6 billion per year and is projected to rise to over £9.7 billion per year by 2050. That obesity has continued to rise during times of higher and lower public service spending suggests something beyond funding is at play here.

FIGURE 10
PREVALENCE OF SEVERE OBESITY AMONG ADULTS (AGED 16 AND OVER)



Source: NHS Digital, Health Survey for England 2019, 15 December 2020, <https://digital.nhs.uk/data-and-information/publications/statistical/health-survey-for-england/2019>

55 Glen Bramley, Donald Hirsch, Mandy Littlewood and David Watkins. Counting the cost of UK poverty. Joseph Rowntree Foundation, 2016. Available at: <https://www.jrf.org.uk/report/counting-cost-uk-poverty#:~:text=this%20gives%20a%20total%20cost,that%20poverty%20damages%20people's%20lives.>

56 Katie Schmucker and Graeme Cooke. Design out deep poverty - strengthen the social safety net. Joseph Rowntree Foundation, 2023. Available at: <https://www.jrf.org.uk/blog/design-out-deep-poverty-strengthen-social-safety-net>

57 Curtis, P., Glover, B. and O'Brien, A. The Preventative State. Demos, 2023. Available at: <https://demos.co.uk/wp-content/uploads/2023/04/the-preventative-state.pdf>

58 Rick Muir and Imogen Parker. Many to Many. IPPR, 2014. Available at: https://tenantadvisor.net/wp-content/uploads/2014/08/Many-to-many_Feb2014_11865.pdf

Workforce issues aren't just about inflation or pay

While workforce challenges are driven in part by short-term issues relating to pay and medium-term issues relating to underfunding and cuts, they are not the only relevant factors here.

The rise of top-down targets and intense accountability under NPM-inspired reforms appears to have negatively affected public services professionals. Take schools. Academic research, drawing on international data spanning 40 countries and 100,000 teachers, suggests that there is "...a modest, positive correlation between school system accountability and how stressed teachers and headteachers are about this aspect of their job."⁵⁹ In the UK specifically, concerns are mounting that the tough accountability regime of Ofsted is severely negatively impacting the well-being of teachers. This has gone as, it is claimed, to be contributing to the deaths of teachers, with "Ofsted inspections" cited in coroners' reports on the death of 10 teachers in the last 25 years.⁶⁰

IT'S CLEAR THAT HIGHER FUNDING IS A NECESSARY BUT INSUFFICIENT CONDITION FOR FIXING PUBLIC SERVICES

Three things are clear from the above analysis.

First, the Covid-19 pandemic and inflation wreaked havoc on public services, but appear to be in decline as important factors, suggesting they alone cannot explain the challenges facing public services today.

Second, the public spending restraint seen since 2010 has undeniably affected public service performance and outcomes.

In particular, we need a reinvestment of long-term funding: more capital investment and a shift towards preventative funding. As we have seen above, increasing capital investment - assuming that the money is spent wisely (e.g. spending linked to outcomes and evidenced with rigour and data) - can be reasonably expected to address the issues seen in the public sector estate. With respect to preventative funding, that is why Demos has called for a third category of government spending – prevention – to sit alongside capital and day-to-day spending.⁶¹

This recognises that some forms of spending are inherently more longer term than revenue, but aren't the same as buildings or roads.

Third, there are drivers which appear to predate the short-term crises and funding pressures seen since 2010. This suggests that a period of funding-led recovery of public services is alone insufficient; we need to shift the delivery model too.

CONCLUSION - WE NEED A NEW PUBLIC SERVICE REFORM STRATEGY FOR CENTRAL GOVERNMENT: THE TASKFORCE'S MISSION

That is where the Taskforce will focus: outlining a new delivery model for public services. Yes, questions of funding are important, but they will not be the focus of the Taskforce.

There is no public service reform without the power and backing of the central government. Councils and innovative frontline providers can, and have been, doing what they can. But they can do much more if they are better supported and enabled by central government.

It must be cross-cutting

The issues facing different public services areas - schools, policing, healthcare, housing - are connected to one another. As a result, any attempt to reform or 'fix' public services in isolation will fail. This is for three primary reasons.

First, the social and economic challenges that the country faces do not fit into neat service boxes; they are often complex, spanning multiple service area boundaries. Second, we need a reform vision that spans different service areas, otherwise competing and multiple visions will potentially undermine different service areas. Third, public services are too siloed today; to resolve this problem, any initiative itself must be 'un-siloed' in how it conceives of and considers public services.

It must be cross-party

Any plans to reform public services need to build a cross-party consensus. We have seen in the past decade that proposals to reform public services are

⁵⁹ John Jerrim and Sam Sims. School accountability and teacher stress: international evidence from the OECD TALIS study. Educational Assessment, Evaluation and Accountability, 2020. Available at: https://discovery.ucl.ac.uk/id/eprint/10127300/1/Jerrim-Sims2021_Article_SchoolAccountabilityAndTeacher.pdf

⁶⁰ Anna Fazackerley, Revealed: stress of Ofsted inspections cited as factor in deaths of 10 teachers. The Guardian, 2023. Available at: <https://www.theguardian.com/education/2023/mar/25/revealed-stress-of-ofsted-inspections-cited-as-factor-in-deaths-of-10-teachers>

⁶¹ Andrew O'Brien, Polly Curtis and Anita Charlesworth. Revenue, capital, prevention: A new public spending framework for the future. Demos, 2023. Available at: <https://demos.co.uk/research/revenue-capital-prevention-a-new-public-spending-framework-for-the-future/>

at constant risk of becoming 'political footballs' that make politicians, civil servants and the public averse to change. Those areas of public service reform, such as the academisation of schools, which can draw on support from across the political spectrum have a greater chance of success and standing the test of time. This is essential in delivering long-term, consistent change, which the short-termism of recent times has limited the scope for.

It must start with a vision

Geoff Mulgan, the founder of Demos and now Professor of Collective Intelligence, Social Innovation and Public Policy at UCL, has argued Western democracies are facing an 'imaginary crisis': that "many people find it hard to picture a plausible and desirable society a generation or two in the future."⁶² Geoff argues that this is contributing to the deeply felt sense of malaise, which can certainly be observed in the UK today, in particular in our public services. We explore this point in more detail in the next chapter.

⁶² Mulgan, G. *The Imaginary Crisis*. UCL Science, Technology, Engineering and Public Policy Working Paper Series, 2020. Available at: https://www.ucl.ac.uk/steapp/sites/steapp/files/2020_04_geoff_mulgan_swp.pdf

CHAPTER 3

WANTED - A NEW VISION FOR PUBLIC SERVICES

In this chapter, we consider two previous visions for public services and how those visions drove reforms. We then examine the new public services paradigm emerging locally in the UK today.

The Mandarin State

The historian Chris Renwick has argued that, "... the welfare state was an intergenerational project" developed in the decades running up to Beveridge's famous 'blueprint' for the post-war welfare state, published in 1942. The vision that underpinned those ideas and eventual report? As Renwick describes:

"Underpinning all these developments was a relatively simple idea: that society could be shaped and controlled according to the will of those in charge. By the mid-twentieth century, politicians, bureaucrats and intellectuals believed Britain could run an economy in such a way that the number of people who were unemployed at any given point would be below a specific proportion of the available workforce. They thought they could keep overall welfare expenditure down, and economic productivity up, by spending more on things such as health services, including public health infrastructure, and schools".⁶³

We call this the *Mandarin State*: the idea that people in Whitehall knew best and could fine-tune and shape the nation and its public services as they saw fit. It shaped the institutions created by the 1945-51 Attlee government - the NHS and social security

system - which remain cornerstones of the British welfare state.

The Market State

Beginning in the 1980s, UK public services saw a series of reforms inspired by New Public Management. An approach to state management grounded in the neoliberal revolution in economic thinking, New Public Management brought free market principles of choice and competition into public services, recasting the users of public services as customers; a *Market State*.

This vision underpinned the Blair government's 1999 White Paper, *Modernising Government*, which laid the foundation for his government's public service reform agenda. A section from that White Paper reads:

"The British public has grown accustomed to consumer choice and competition in the private sector. If our public service is to survive and thrive, it must match the best in its ability to innovate, to share good ideas and to control costs. Above all, the public service must deliver efficiently and effectively the policies, programmes and services of government. Some of our public services achieve this now. But others do not. We intend to bring them up to the level of the best, and make the best even better, by modernising the controls under which they operate, by encouraging new ways of working and wherever practicable by giving the public the right to choose."⁶⁴

⁶³ Chris Renwick. *Bread for All: The Origins of the Welfare State*. Penguin, 2018.

⁶⁴ Cabinet Office. *Modernising Government*. 1999. Available at: <https://ntouk.files.wordpress.com/2015/06/modgov.pdf>

The *Market State* philosophy reached its high water mark during the last Labour government, driving a series of bold reforms to the NHS and schools in particular. That vision was described by then-Prime Minister Tony Blair as having:

“...one goal - to put the consumer first. We are making the public services user-led; not producer or bureaucracy led, allowing far greater freedom and incentives for services to develop as users want.”⁶⁵

The new state emerging locally in the UK

As Phil Tinline describes in *Death of Consensus*, the 2008-09 financial crisis marked the beginning of the end of the neoliberal consensus which dominated British politics from Thatcher onwards.⁶⁶ But we have not yet completed the transition to a new era; old orders are dying but have not gone entirely.

This is certainly true with respect to public service visions. The last major *Market State* attempt to reform a public service in the UK was Andrew Lansley's 2012 NHS reforms. As the Health Foundation describes, “Instead of ‘choice and competition’ being one of the ways the NHS was meant to operate, the Act's intention was that it should be pretty much the only way to run the NHS.”⁶⁷ These changes had a short shelf life: many of the measures were overturned by the 2020 Health and Social Care Act. Policymakers recognise the limitations of the current approach, yet cannot escape the constraints of the *Market State* paradigm.

Where to look for an alternative vision? We might begin with the councils and frontline charities that have been developing an alternative approach. A new approach which puts the value of human relationships at its core. A new approach which sees all citizens as active partners in the design of public services, rather than passive consumers. A new approach which seeks to build people's resilience, rather than primarily responding to needs. This is often underpinned by the use of new, emerging digital technologies, which can support and enable the development of more preventative and relational services.

This new paradigm is a conscious break from the *Market State* philosophy, the last dominant paradigm in public management. It also rejects key tenets of the *Mandarin State*, with its focus on participation and service-user empowerment. These new approaches have inspired recent Demos work on public service reform.

First, inspired by Hilary Cottam's groundbreaking work on ‘relational welfare’ this is about recognising the importance of relationships to public service, and the need to move away from a transactional mindset; we call this *relational public services*.⁶⁸ Second, there is a need to pivot to prevention. As we described in *The Preventative State*, we need to radically shift public services upstream, by reorienting them around the foundations we all need to lead good, healthy, independent lives; not always trying to design a new service or intervention which ‘intervenes earlier’.⁶⁹ Through the work of the Taskforce, Demos will build on and develop these foundations. There is also a need to ensure effective accountability for services; this may require the development of new, alternative forms of accountability.

65 Tony Blair. *Prime minister's speech on public service reform*. Available at: <https://www.theguardian.com/society/2001/oct/16/publicservices.speeches>

66 Phil Tinline, *Death of Consensus* (2022), C Hurst & Co Publishers Ltd.

67 Nicholas Timmins. *Breaking with Lansley's Act*. Health Foundation, 2020. Available at: <https://www.health.org.uk/news-and-comment/blogs/breaking-with-lansley%E2%80%99s-act>

68 Cottam, H. *Radical Help*. Hachette, 2018. Quoted in: Mackenzie, P. *The Social State*. Demos, 2023. Available at: <https://demos.co.uk/wp-content/uploads/2023/02/The-Social-State-Report.pdf>

69 Curtis, P., Glover, B. and O'Brien, A. *The Preventative State*. Demos, 2023. Available at: <https://demos.co.uk/wp-content/uploads/2023/04/the-preventative-state.pdf>

CONCLUSION

TASKFORCE NEXT STEPS & STRUCTURE

In this section we explain how the work of the Taskforce will develop over the coming months, before reporting in the summer of 2024. We will publish a discussion paper at the end of each stage of the Taskforce, allowing us to work in the open and develop our ideas in a collaborative fashion.

STAGE ONE - THE OPPORTUNITY

We will first explore the opportunity for public service reformers: the new local public services paradigm that has been emerging locally in the UK in the post-crash period.

This is how successful reform happens: learning from local experimentation. It's what Beveridge did when writing his famous report; it's how SureStart was developed in the late 1990s, following visits to America by politicians and advisors to see the Head Start programme in action.

In Stage One we will explore the following questions:

- What is the new public services paradigm emerging locally?
- What visions, goals and principles does it embody?
- Is it consistent or are there contradictions within the new paradigm?
- How does this new local paradigm relate to the national? How is the national holding back the new paradigm - and what could it do to further enable it?

STAGE TWO - THE VISION

In Stage Two we will synthesise the new paradigm seen in Stage One into a new, national vision for public services.

We will provide answers to three interrelated questions:

- What vision should public services be guided by in the 21st century?
- What should be the goal of public services in the 21st century?
- What principles for public services will deliver that vision and goal?

STAGE THREE - THE SYSTEM

Stage Three considers how the vision outlined in Stage Two can be put into practice by the central government.

The overall question that Stage Three seeks to answer is: what are the design features needed of the national public services ecosystem to deliver that vision outlined in Stage Two?

We will answer that question by looking at the different levers, and potentially any new levers, that central government has or needs.

This will involve examining:

- Funding mechanisms
- Regulation
- Accountability regimes
- Devolution
- Commissioning models
- Technology

We will also detail *wider enablers*: things traditionally considered outside the realm of public services policy, but are required to shift the system.

STAGE FOUR - THE ROADMAP

Having set out the design features needed to deliver the new vision for public services, our final stage will develop a roadmap to implement those design features.

This document will do two things:

1. Refine in line with feedback received to the discussion papers, then summarise the arguments and analysis made in Stages One-Three
2. Set out policy recommendations in the short, medium and longer-term that central government policymakers could take to deliver the system described in Stage Three.

These will be practical and solution-focused, helping ministers think through the decisions they need to take to deliver transformational change for our public services, not piecemeal tinkering.

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