



SOLACE (Scotland) Conference 2011: *Better for Less* **3-4 March 2011** **St Andrews, Fife**

This paper provides an account of the 2011 SOLACE (Scotland) conference, which was held at the Old Course Hotel, St Andrews, Fife.

Held in the run up to the elections to the Scottish Parliament, and in the context of a growing public debate about the nature and organisation of public services in Scotland, the conference took as its theme 'Better for Less'. The conference provided an opportunity to share ideas with colleagues, to learn from others who have experience of dealing with major organisational change and to hear from leading politicians and commentators at a critical time for public services in Scotland.

The conference started with an interactive session on the work of the Christie Commission on Reform of Public Services in Scotland from Dr Alison Eliot, one of the Commissioners. In the following session, Professor John Curtice of Strathclyde University explored the political climate and upcoming Scottish Parliament elections. The key working sessions examined service transformation, looking at how change management, workforce planning, and ITC could be used to achieve Better For Less. The final session offered the chance to hear the views of senior politicians from the five Holyrood parties ahead of the election.

Chair's Introduction

Ronnie Hinds, Chief Executive, Fife Council and Chair, SOLACE (Scotland), welcomed delegates to the SOLACE (Scotland) conference and to St Andrews. The conference was taking place in a context of debate of public sector reform, and at a time of unprecedented reduction in financial resources, and these two themes were reflected in the conference title, 'Better for Less'.

Ronnie Hinds reiterated that SOLACE is not opposed to reform, and contended that the 1996 re-organisation of local government had been an improvement on the previous two-tier system, allowing the development of Community Planning. He noted, however, that previous re-organisations limited councils' ability to develop services, and that such costs should not therefore be incurred lightly at any time, especially not during a time of financial pressure.

He gave an overview of the key points from SOLACE's response to the Christie Commission:

- One of the most positive developments of recent years is a focus on outcomes, although there is still more to do to fully integrate this approach. Outcomes must be important, relevant and measurable.
- Performance and improvement must be at the heart of what we are trying to do. SOLACE advocates the extension of Best Value to the whole of the public sector, but acknowledges that this requires a focus on performance. Benchmarking is essential, both as a driver of improvement and as part of the duty of performance reporting.
- Innovation is crucial, for example, through new models of service design and delivery

The key role of the Chief Executive, he argued, is to create grounds for optimism, instil confidence in staff, and provide hope to those who use public services. He emphasised the fundamental importance of leadership, noting that Chief Executives must take risks if they are to continue improving services.

The Work of the Christie Commission on the Reform of Public Services in Scotland

Dr Alison Elliot, Convenor of SCVO and member of the Christie Commission on the Future Delivery of Public Services in Scotland, gave an overview of the Commission's remit and membership. She advised that the Commission was due to report in June. At that time, it was in the evidence-gathering stage and due to start undertaking discussion events across Scotland.

She posed three questions for discussion with conference delegates:

- How best can our public services achieve positive outcomes for and with the people of Scotland?
- How best can wider organisational arrangements (including functions, structures and processes) support and enable the delivery of effective services?



Alison Elliot

- What shared values and ethos should underpin Scotland's public services, and how best can they be embedded in the delivery of public services in the future?

In discussion, Alison Elliot was asked whether the Commission would be able to take account of consultations on the future of Police and Fire, and what would happen if the three reviews reached different conclusions. She advised that the Christie Commission had been alerted to the existence of the other reviews, and would have access to them. There was no preconception that they all had to come up with the same answer. She pointed out that the Christie Commission is "not the only show in town", and that all discussion on public service reform cannot stop because the Christie Commission exists.

Alison Elliot suggested that within the Commission's remit, there is the implication that public services are not currently "innovative, seamless and responsive", and asked whether this was the case. In response, the following points were made:

- There are many examples of good practice across the country, but the public debate tends to focus on failure.
- We need a debate about the barriers to improvement
- A lot of momentum has been built up in recent years, but the key challenge now is sustaining that against a backdrop of financial challenges.
- The downsizing which authorities are having to go through makes capacity for change more limited

Alison Elliot was asked whether the civil service will be part of the Commission's deliberations on public service reform. She advised that it is not part of the Commission's remit, other than in relation to specific outcomes and as part of its remit regarding the public service ethos.

In discussion, it was suggested that equality of opportunity should be fundamental to the public service ethos. This then leads to considerations of universal versus targeted provision, and moving resources to those who need them.

There was discussion about what innovation means, with Alison Elliot asking views on any potential tension in the Commission's remit to be both innovative and evidence-based. In discussion, it was suggested that innovation does not mean without evidence: often, innovative practices are the result of years of working and building up evidence.

Alison Elliot was asked what local government needs to do to demonstrate to the Commission that it is part of the solution, not part of the problem. She advised that the Commission would welcome lots of examples of good practice.

Scottish Politics in an Age of Austerity

Professor John Curtice, University of Strathclyde, gave an overview of the upcoming election, noting that it was being fought in very different political circumstances from previous ones. Specifically, the SNP have been in power for the first time and therefore have a record to defend; Labour is no longer in power in Westminster; public sector spending is being cut rather than increased; and, the Scotland Bill to give the Scottish Parliament greater tax powers is being passed.

He gave an overview of key SNP measures that have been delivered - the Council Tax freeze; the abolition of the graduate endowment; and the scrapping of small business rates - and those that have not been achieved (e.g. Referendum Bill; local income tax; class sizes of 18 for P1 to P3; minimum alcohol pricing). The lesson, he said, is that it is possible to run a stable minority government.

He discussed constitutional preferences, noting that support for independence has, at best, flat-lined since the SNP came to power.

He described Labour's strategic position as being different this year, in that it does not have to defend its position at Westminster. Labour is likely to present itself as the best defender of Scotland's interests.

John Curtice suggested that, this year, the election will not be about numbers of teachers, nurses or police. Instead, we can expect debates on: the freezing (or otherwise) of local government funding; the delivery of services; and which services should be free at the point of delivery.

He gave an overview of the projections of different opinion polls, and possible outcomes. He suggested the risks are that the key issues are 'fudged' and Westminster dominates. Delegates should 'expect the unexpected'.

In discussion, John Curtice was asked about possible positive outcomes of the election. He suggested that voters may vote on the record of the SNP and promises of Labour because neither is in power in Westminster.

John Curtice was also asked whether turnout was likely to improve. He advised that the Scottish Parliament turnout tends to be lower than Westminster. He explained that the 2007 turnout went down because of the number of invalid votes, and suggested that going back to two ballot papers will help. He did not expect the AV referendum to increase the vote.



John Curtice

Collaboration Technology

Max Wide, Director of Strategic Development, BT, considered how local authorities might respond to the unprecedented budget reductions following the 2010 election. He outlined a number of approaches:

- Some local authorities will 'trade' their way out, buying and selling services
- Others will set out to merge (managerially) or share (services)
- Some will step back from being monopoly service providers
- Some local authorities will say they are not in the business of doing certain things any longer.

He noted that a debate is emerging about whether transformation should be about joining together and becoming bigger and centrally-driven; or whether it is about making things smaller and more local. He encouraged delegates to think about what their organisations would want to do in the future, and align technology to strategy.

Max Wide argued that Shared Services need not be about ‘cataclysmic collisions’; but rather about people working together. He gave an overview of technologies that allow people to collaborate live on documents. He argued that a lot of traditional approaches to organisational development do not work: new forms of organisational development begin to happen when we begin to admit previously excluded voices. Achieving better for less is about asking fundamental questions about our services and whether people find them useful. Collaboration technology can allow us to look at what is useful for people.



Max Wide

Martin Swales, Chief Executive, South Tyneside Council, described his council’s transformation process. The council’s re-shaping had focused on whole families and economic regeneration. There was a focus on new modes of delivery, new skill-sets, and more agile delivery.

He noted that progress involves risks. Assembling the right skillset – and in particular a new management team – was not easy. The council had moved from 4 Directorates to 3 Services, and from Executive to Corporate Directors. Commercial skills had been brought in, and the workforce reduced by a third.

South Tyneside Council had adopted a whole place approach, focusing on working with partners in the borough, rather than across boundaries. He described the strong emphasis that South Tyneside Council placed on partnerships, and in particular its long-term, strategic partnership with BT.



Martin Swales

In discussion, both speakers were asked about the required skillset for senior managers. For Martin Swales, the right attitude was crucial: “it’s all about the job”. Clarity, determination and resilience were also critical attributes. According to Max Wide, senior managers need to be creative under pressure, and focus on what works for communities.

Both were asked about consultation with communities. Martin Swales advised that South Tyneside Council undertakes an annual consultation regarding its budget. This year, the consultation involved asking very difficult questions about different scenarios, e.g. who do you feel happy about

delivering your services? He also described the work that the council undertakes 6 times per year with its 100 top managers.

Max Wide suggested that conventional polls can lead to a passive relationship, where residents simply comment on what they think of what councils are doing. He emphasised the importance of a mature dialogue about funding decisions.

Organisational Transformation

The next session offered two different perspectives on organisational transformation. **Rashik Parmar, Chief Technology Officer, North East Europe, IBM UK Ltd**, gave an overview of the four primary phases of the 'typical commercial formula' for transformation: standardisation; consolidation; rationalisation; transformation. He advised that Shared Services has been common within industry since the 1980s, and gave an overview of IBM's procurement transformation.



Rashik Parmar

Fiona Young, Director, Consulting, Deloitte MCS Ltd, argued that communities are key to confronting challenges and need to be at the heart of transformation. She argued that the community perspective is not always at the forefront when transforming, and that this is a missed opportunity. Giving an overview of a number of successful examples of social enterprise and community involvement in service design and delivery, she argued that local authorities have to relinquish managerial control in order to innovate: councils need to create momentum and capacity and enable communities to access the relevant expertise.

In discussion, the following points were made:

- Learn from what has worked elsewhere, but don't just replicate – understand your locality
- Community programmes work best when the issue is personal to the community and there is both investment and an inspiring leader
- The public sector needs more 'thought leadership' – i.e. trying to get people to think differently. It is not just about leadership leading, but also about leadership enabling.
- To be a leader you have to ask the right questions, and you have to listen
- We should not underestimate people's desire to give something back and the desire of the third sector to be involved in the process of change.
- The social enterprise movement is self-reliant, and wants to have conversations with local authorities across departments.

The Political Future

John Wilson MSP, SNP
Murdo Fraser MSP, Conservative
Patrick Harvie MSP, Green Party
Michael McMahon MSP, Labour
Cllr Elizabeth Riches, Fife Council Liberal Democrats

Chair: Glenn Campbell, Politics Today

The conference concluded with a 'Question Time'-style panel, featuring politicians from the SNP, Labour, Conservative, Liberal Democrat and Green parties. The BBC journalist Glenn Campbell fielded questions from the floor on issues including:

- The sustainability of the Council Tax freeze.
- Public sector reform, and in particular the structural reform of Scottish public services
- The proposal to have a single Police Force and single Fire and Rescue Service
- The future of Single Outcome Agreements, after the 2011 Holyrood election
- Overnight election counting.



Closing remarks

Summing up, **David Martin, Vice-Chair of SOLACE (Scotland) and Chief Executive of Renfrewshire Council**, noted that a number of key themes had emerged: innovation; the importance of leadership; and the role of the community. The challenges faced by Scottish local government are significant, he added, but the conference was invaluable in showing just how those challenges could be addressed.