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## SECTION III

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To provide better public services, the Government continues to address issues that cut across departmental boundaries, devising solutions focused on the needs of those using the services – whether it’s a person, an organisation or a local authority. In addition to services, solutions to some of the biggest challenges do not fit neatly within traditional departmental structures. Better joint-working at the centre of government can directly enhance co-ordination at local level, by eliminating unnecessary bureaucracy and barriers between agencies. Seven cross-cutting issues have therefore been examined in depth as part of the 2002 Spending Review.

## BACKGROUND

**24.1** The Government established seven cross-cutting reviews to look systematically at issues that cut across departmental boundaries as part of the Spending Review. The seven were:

- Science and Research – Chapter 25
- Services to Small Business – Chapter 26
- Public Sector Labour Market – Chapter 27
- Children at Risk – Chapter 28
- Tackling Health Inequalities – Chapter 29
- The Role of the Voluntary Sector in Public Services – Chapter 30
- Improving Public Space – Chapter 31

**24.2** Cross-cutting reviews have been conducted in recent Spending Reviews as a way of addressing critical issues that cut across departmental programmes and policies. The Government’s January 2000 *Wiring It Up* report made a number of recommendations designed to tackle weaknesses in handling policies and services that cut across responsibilities of more than one department. Main recommendations included:

- ministers and senior civil servants should create a culture in which cross-departmental policies and objectives are valued as highly as purely departmental ones;
- cross-departmental policy making should be improved by involving outside experts and front-line practitioners more fully and at an early stage - in order to focus on what users of public services actually need, not what it is convenient to provide;
- greater use of budgetary flexibilities, such as cross-departmental budgets and pooling of funds where appropriate.

**24.3** An example of how the Government has acted on this approach is the creation of Sure Start following the 1998 Comprehensive Spending Review, an innovative programme dedicated to improving outcomes for young children and their parents living in poverty. While the Sure Start Unit sits within the Department for Education and Skills (DfES), management and Ministerial responsibility is shared across both DfES and the Department of Health. Based on its success, an expanded Unit will be created as a result of this Spending Review, drawing together responsibilities for Sure Start, childcare, and early years education.

Another example is the Criminal Justice System (CJS) Reserve, established in the 2000 Spending Review, which brings together the Home Secretary, Lord Chancellor, and the Attorney General in developing and implementing cohesive measures to transform and modernise the criminal justice system as a whole, looking across departments and institutional boundaries. In this Spending Review, the joint decision making has been enhanced by further pooling of funds from each department into a separate Criminal Justice System IT Budget.

## OUTCOMES

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**24.4** For each of the seven reviews, advisory groups were formed which included a broad range of stakeholders such as non-profit organisations, local government, experts, academics and service providers. Reviews consulted widely to learn first-hand what works, and what doesn't, in tackling these complex issues. This section sets out the key outcomes of each review. These include the following:

- the **largest sustained growth in spending on science for a decade**, with some £1<sup>1</sup>/<sub>4</sub> billion additions in spending by 2005-06 compared to 2002-03 – including an average increase of 10 per cent a year in real terms for the DTI Science Budget;
- a new information pack for **start-up businesses** giving entrepreneurs simple clear advice, and making it easier to start a small business. This assistance, coupled with a two year extension to the Phoenix Fund of £50 million, will particularly help small businesses in disadvantaged areas. **Business.gov** will help make sense of the array of government services and requirements by tailoring e-delivery services around the customer;
- **strengthening preventative services for vulnerable children at risk**, supporting existing local partnerships of voluntary and public sector providers, piloting new models to create accountable integrated services for the most disadvantaged children. This will ensure a more holistic approach to family and community support including education, social services, health, housing, childcare and other key services, and getting preventative services to be delivered earlier and more comprehensively, in order to break the cycle of poverty and social exclusion;
- a more comprehensive approach to **tackling inequality in health outcomes** across socio-economic groups and geographic boundaries by improved focus of programmes and resources on deprived areas and the most vulnerable – in particular health, education, and housing – as well as increased efforts on smoking cessation, better nutrition and exercise, and other preventative health care services; and
- the Government will increase funding to build capacity in the voluntary sector by 20 per cent and will drive forward the joint agenda with the sector reflected by the Compact published in 1998, respecting their unique and independent role in energising communities and delivering civic renewal. In addition, to increase the scope and scale of voluntary and community sector services, a new **investment fund worth £125 million over three years** will provide funding to help overcome barriers to effective service delivery, and to modernise the sector.

## SPENDING PLANS

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**24.5** Additional funds to address cross-departmental issues have been included in the departmental spending plans set out in Section II. In some cases, these funds have been drawn together into ‘pooled budgets’, looked after by a single department but managed by a cross-departmental group of Ministers. In other cases, departments have used other mechanisms to improve coordination of their policies and programmes – for example, shared or coordinated targets in the Public Service Agreements or Service Delivery Agreements.

**24.6** In addition to the funds included in main departmental settlements, the Government will continue the Policy Innovation Fund, created two years ago, worth £150 million over the next three years, allowing new policy innovations to be piloted and implemented, with matched funding from departmental budgets.

