CHECK AGAINST DELIVERY
‘PUTTING THE PUBLIC BACK INTO PUBLIC SERVICES’

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AT THE GUARDIAN PUBLIC SERVICES SUMMIT

2 FEBRUARY 2005

Much of this conference will focus on important issues in the management of public services. We are aiming for high quality so it is vital to discuss the best way to achieve it. But clarity about our desired outcomes is vital if we are to have a sensible debate about effective strategies. And outcomes are not a technical matter but a political one. To put the point simply, if you are trying to develop a minimal safety-net welfare state that is the option only for those who cannot buy anything better, then the way you go about it is different than if you are trying to create a universal welfare state designed to change the country.

I want at the outset to make clear the political frame of reference that I bring to these debates. They provide the tests of success.

- I believe our country suffers from inequalities in life chances that are damaging to individuals and damaging to the country as a whole.

- These inequalities are stark when it comes to the chances people have to fulfil their potential, whether in education, at work or in the community.

- The remedy does not only depend on public services, but to a significant degree it does.

- So the test of our public services is not simply how they turn inputs into outputs, but how they help people improve their lives.

Public services are not only organised to meet an efficiency target; they are in the end justified on the grounds of our substantive goals for society and our moral concerns about equity. These questions, and how we answer equity as well as efficiency goals, run through my presentation today.

My argument is that public services can be made safe for a generation if we engage citizens in the design and delivery of services. Safe for a generation in the support that taxpayers offer for their funding. Safe for a generation from neglect – malign or benign – that allows them to stagnate. Safe for a generation from the loss of personnel, nerve and innovation that are the lifeblood of a lively and effective public realm. Safe because citizens know that the public service is shaped by them and around them.
The key to this shift is not simply improvements underway, of which all public servants should be proud. That improvement is the foundation. But the public want more. They want investment and innovation that does not simply improve the quality of what is provided; they want that investment and innovation to help change, often radically, what is provided. From disabled people on benefit to parents of gifted children to adults with diabetes, they want services redesigned around their needs, and they want a say in defining those needs and the delivery of those services.

They are right to want those things, and with their help I think they can be delivered. But the British people will have to make a choice. Between a narrative which says that investment and reform has failed, that universal services cannot meet individual need, that the core values of the public service ethos are a relic of a collectivist past. And an argument that says investment and reform have shown what is possible, that universal services are precisely the right basis on which to pool risk and respond to diverse need, and that we can make entrepreneurship within the public sector a defining part of the public service vocation. It is a key choice for our generation, because it will determine the shape of the country for many years to come.

From Improvement to Transformation

In the 1980s and 1990s, the question at conferences like this was ‘should public services survive’. The public sector seemed to be on a knife-edge. Governments ideologically committed to the philosophy of public bad-private good – to the notion enunciated in Geoffrey Howe’s first budget speech in 1979 that the public sector was the source of the British malaise not its solution - proclaimed the weakness of public service, and did everything to prove themselves right: funding was erratic when it was not falling, success meant opting out not chipping in, the value base was dismissed as archaic.

But the public were not persuaded. They remained loyal to the essential value of a free, needs-based public realm. But they wanted to know that improvement could be delivered. So by 1997, the question had changed: the Government was elected and re-elected to answer the question ‘could public services improve’.

I believe there has been a resounding and affirmative answer to that question:

- service changes have delivered a 23% fall in premature cardiac deaths, above all amongst our poorest citizens
- primary schools standards have improved fast, and faster than any other country, especially in our poorest areas;
- New Deals for young unemployed, older unemployed, partners of the unemployed and lone parents have helped over a million people into work
- and instead of taking 20 months, 84% of decisions on new asylum cases are made within two months
Now we have the opportunity and responsibility to ask and answer new questions. First improvement has to be universalised: the fact that over 70% of lessons in secondary schools are now judged to be good or better, rather than 40%, is a huge step forward. However the public want the figure to be 100%.

But once they get improvement they want more – not just a good lesson but one tailored to the needs of their son or daughter. So the question is reframed: it is can public services be transformed around the needs of the users of those services?

Again I believe the answer is yes; and the key lies in the engagement of users of services, not treating them simply as passive recipients but engaging them as active partners in the creation and development of high quality services; call it empowerment or engagement, putting the public back into public services is the key to their transformation.

**Bringing the Public Back In**

There are three main reasons why the public is coming centre stage:

- We live in an increasingly diverse country, where not only are needs and aspirations different, but people are more confident that they have a right to an opinion about how they are treated.

- The ‘active welfare state’ is based on rights and responsibilities for the individual as well as the state. More and more of what Government wants to achieve requires the engagement of the citizen. Think of public health, or safe neighbourhoods, or raising pupil performance: all depend on public services, but all depend too on the way citizens help themselves.

- Third and most important, there is increasing evidence that services which have gone from improvement to transformation have done so through concerted engagement with service users. Public services can only help people take up opportunity and feel more secure if they give confidence as well as care, empowerment as well as standards.

We know from the Employment Service, schools, health service, the criminal justice system that on the ground various strategies are being used to engage the public in service delivery. Some are based on choice; others on voice; what is common is the partnership of professional and public in delivery:

- we know that from the intermediate care now offered to help elderly people stay out of hospital and stay out of residential care

- we know that from the neighbourhood wardens helping to create a safe and secure neighbourhood

- we know it from the 200 Tenant Management Organisations that have taken over responsibility for estate management
In each case the hard-working professionals have engaged the efforts and energies of the public, and delivered a different but better service. They have recognised that the biggest untapped resource in education provision is not teachers but pupils; the biggest untapped resource in health is not doctors and nurses but patients; the biggest untapped resource in social care is not social workers but citizens.

Here is a model of investment and reform which seeks to get the three key drivers of change working together – the drive from the top in the form of strategy, resources, accountability, the drive from professionals, in the form of diversity of supply, innovation by and cooperation between providers, contestability; and the drive from the public, in the form of choice and voice from the citizen. Together the three hold the key to a more personalised service, with continuous improvement at the heart of every service.

So the time is right to defend the gains being made by public servants on behalf of the public, but also to take the next step to effect fundamental change in the quality of citizen experience. Whether through NHS Direct or curriculum choice for pupils or local coalitions against anti-social behaviour or the Neighbourhood Improvement Districts discussed by John Prescott on Monday, the aim is the same – to ensure that public services work with the unique needs and capabilities of the individual.

The Lessons of Reform

The lessons for me from those public services that have made the leap are as follows:

a. There is no substitute for getting the basics right. It is pointless trying to involve the citizen if they cannot get an appointment with their GP, if the school is not well run, if the social services department is dysfunctional. Gateshead today has a reputation for stunning artistic endeavour, but the transformation started from the fact that only 3 out of 10 000 bins are missed in any round.

b. The first role of Government is to mandate outcomes not regulate processes. It is outcomes that should be our primary concern. This is the heart of the New Relationship with Schools developed in the DFES: internal and external accountability will now focus on a small number of key outcomes, making self-improvement the primary driver of school improvement.

c. Professionals at the front line need financial and legal flexibility. That is the power of the reforms to the Employment Service and the way it works. Personal Advisors now have flexibility over budgets to meet individual needs. Evaluation shows the result is more flexible and effective services. What counts is not the number of boxes they tick but the number of people they help back to work.

d. Citizens need real power. This needs choice and voice – they support each other. Direct payments give individual disabled people choice about services provided for them, from transport to social services. The results have been greater effectiveness and greater efficiency.
e. Government must sponsor innovation; that means new providers with alternative ways of doing things. These providers can come from public, private or voluntary sectors. They are vital not as a way of launching a mass takeover of public services, but as a way of keeping up innovation and renewal.

f. Incentives for staff across services and at every level, and for citizens, need to be aligned. This has been a key driver of progress in tackling anti-social behaviour. Over 3000 ASBOs and 40 000 Fixed Penalty Notices have been the product of cooperation across police, council and the court system. That is not an accident; it has been the result of deliberate changes in policy, structure and strategy.

g. And in all of this culture matters. You cannot empower citizens if you do not empower staff. If they are more afraid of making a mistake than they are inspired by getting a result then they will settle for second best.

Conclusion.

Michael Barber has a compelling presentation which says transformation of delivery depends on the combination of bold reform and high quality execution. But I think there is a further dimension in the mix, and that is the role of the citizen.

It is sometimes argued that the market is dependent on millions of individual decisions while public services depend on a few decisions at the top. Yet the contrast is fundamentally untrue: the collective good is made up of millions of different, sometimes intimate decisions and experiences about the way people lead their lives. These decisions depend on relationships – more or less equal, more or less deep, more or less extended, but always a two way exchange between public and professional.

It is in that relationship that the strength of public services lies. It is a relationship in my view enormously strengthened over the last decade, and ready to strengthen further over the next. Generalise what is already the best and we truly will make public services safe for a generation. That is what is at stake in the months ahead.