

APSE: A Vision for the Future

‘2020 Council: Meeting the Challenge’

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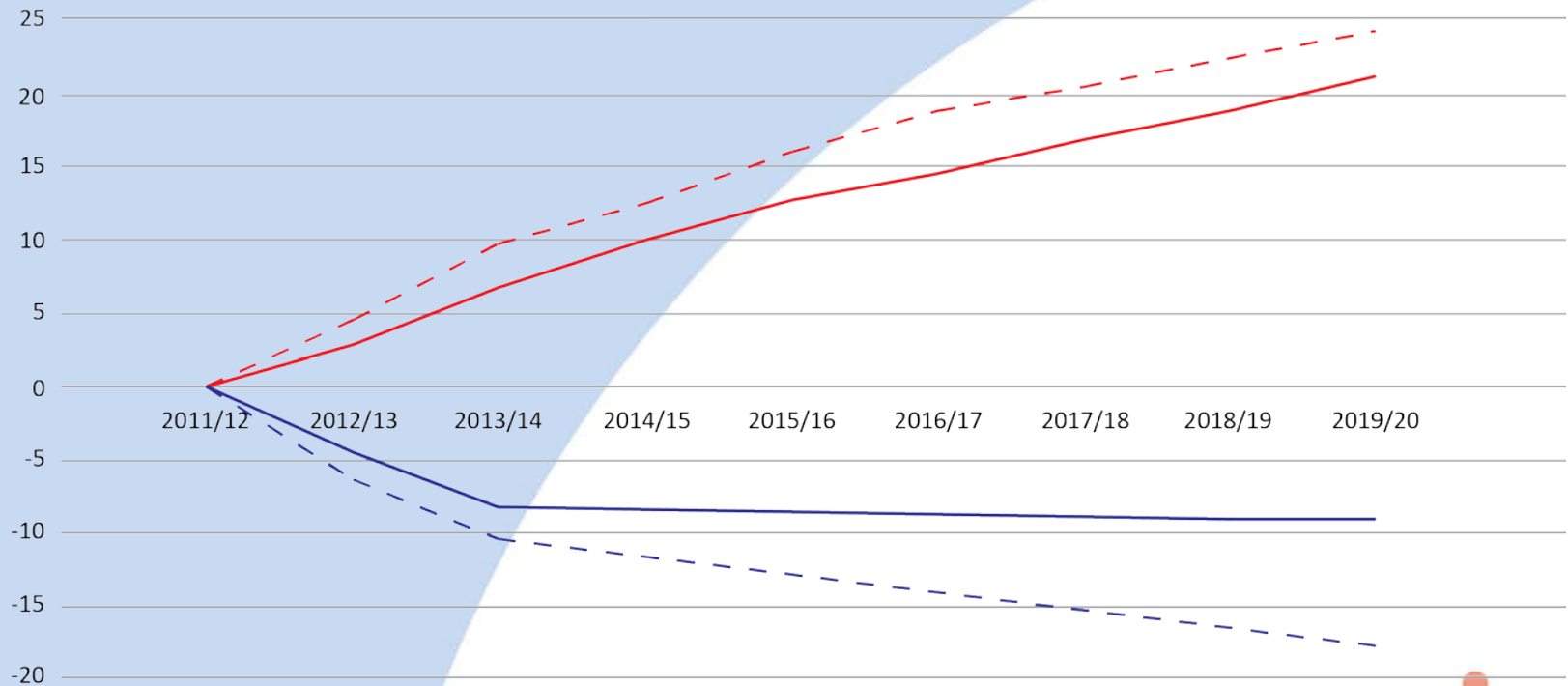
Scope

- Looking towards 2020: economy; public finances; politics
- Versions of transformation
- Transforming ‘transformation’ : prevention and sustainability
- The service and the economic role
- A 2020 vision

The Future Context

- 3% - 4% real cuts per annum: 2013/14 – 2017/18
- £5 billion real reduction in Scottish budget
- Growth in demand: demography, declining real incomes and welfare reform
- Potentially more poor and fragile communities
- Increase in failure demand?

Local Government Finance and Demand 2011/12 – 2019/20 (real terms)



The Political Horizon

- Referendum; centralisation and decentralisation
- Most ‘centralised’ local government system in Europe: number of councils; financial independence; legal control
- Rhetorical commitments to decentralisation -v- ‘everybody knows 32 is too many’
- Representation; choice and accountability.

Versions of Transformation (1): Efficiency and Costs

- Control the wage bill below trend: pay and benefits strategy; workforce reduction; bottom loading (e.g. living wage)
- Internal change programmes: corporatisation; standardisation; lean; BPR, etc.
- Drive value out of procurement: aggregate through collaboration and share pressure with suppliers and contractors
- Shared services: back office and frontline; shared management and specialist capacity; plant and equipment

Versions of Transformation (2): Outcome Focus

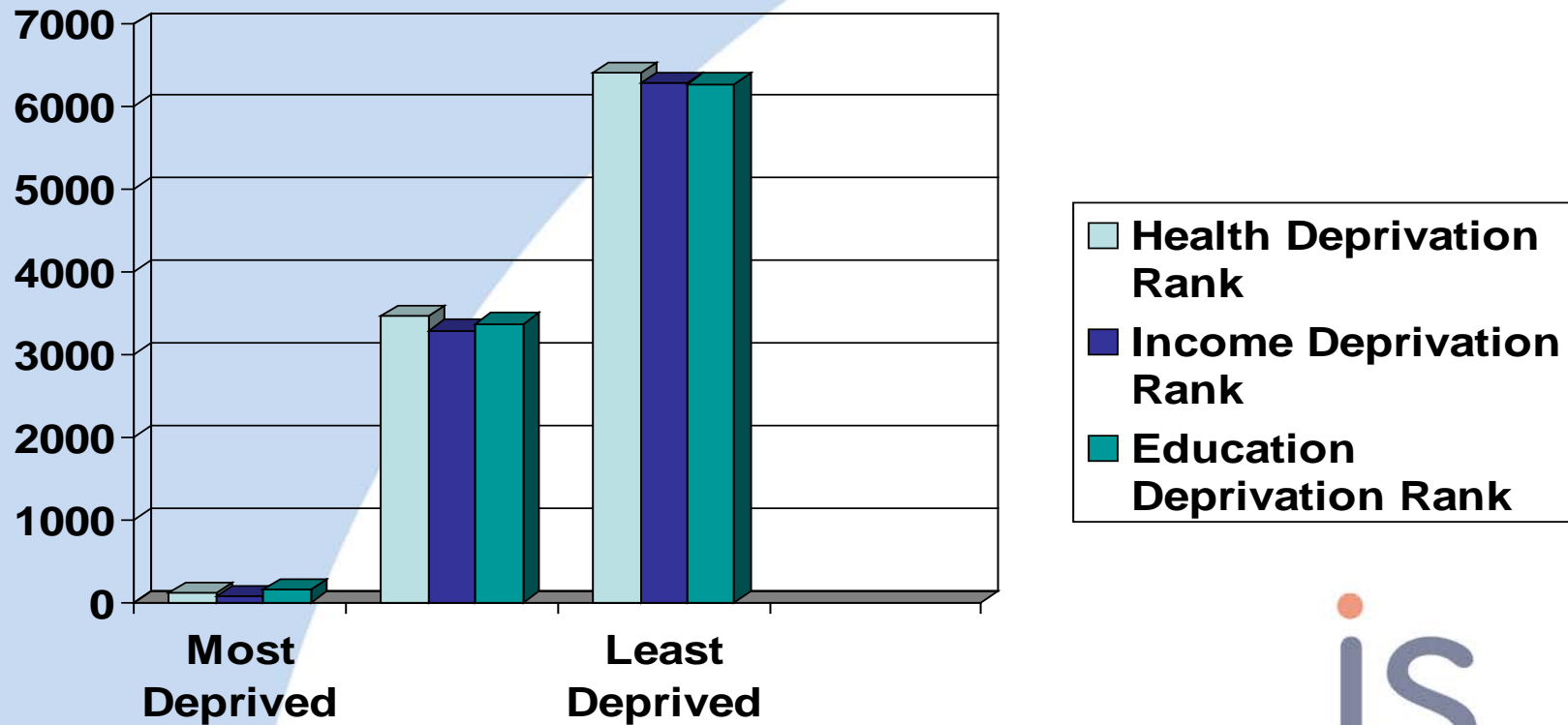
- Reducing inequalities and prevention: targeting
- Integration around customer and community
- Focusing economic and employment capacity
- Working with communities: co-production (safe streets, decent area, etc.)

Points

- ‘Doing the thing right’: ‘Doing the right thing’
- Biggest gains from improving outcomes: taking out ‘failure demand’
- Internal transformation, efficiencies, etc. important but may make integration harder
- Economic capacity underutilised



Deprivation Ranks



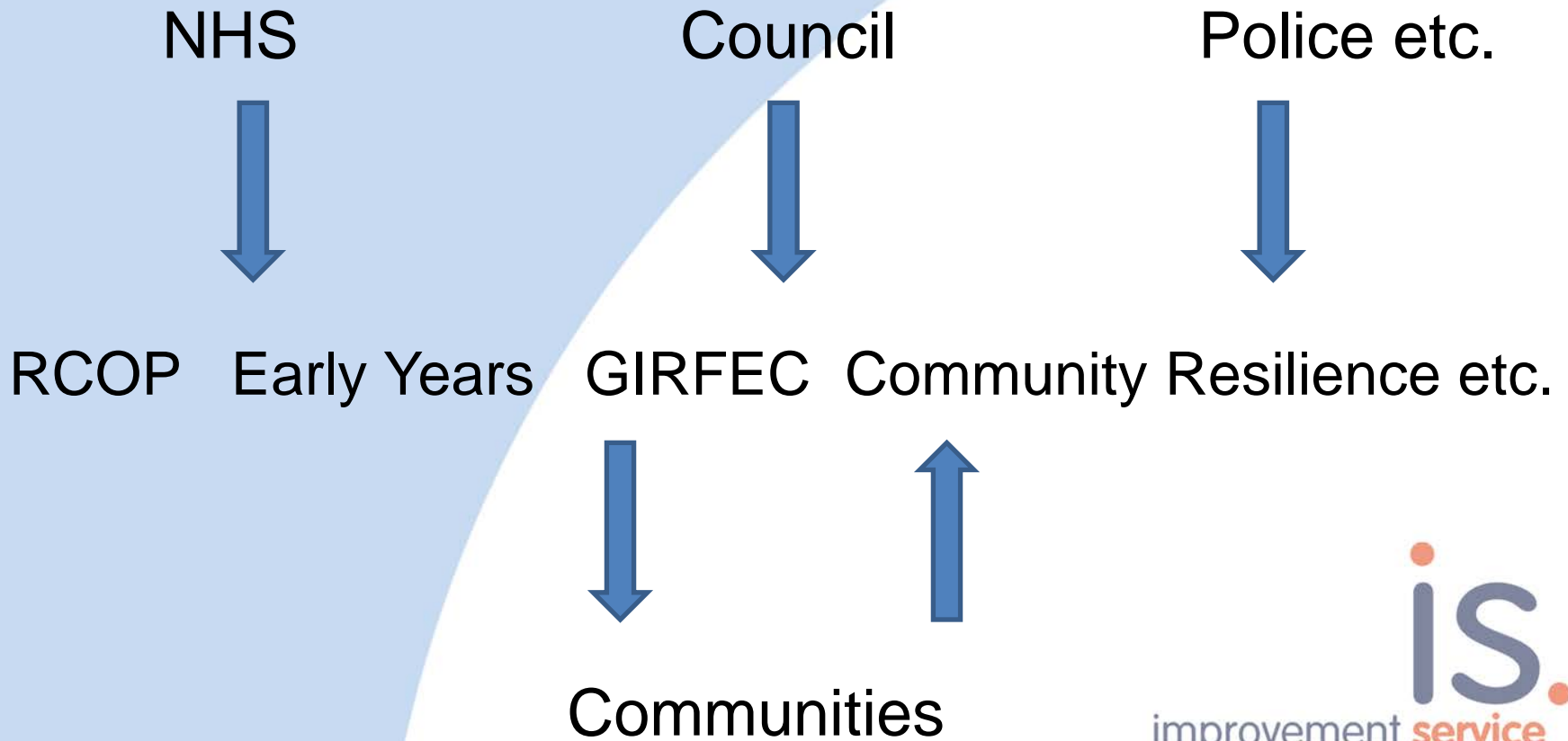
The Service and the Economic Role

- Economic factors shape outcomes
- Secure employment is the most important preventative factor
- Professional services and the economy of poor areas
- Direct services: entry level employment: development, etc.
- Reviewing the mix

Transforming ‘Transformation’

- Prioritising outcomes not just services
- Explicit targeting of communities experiencing poor outcomes
- Focus on resources and capacity not just budgets
- ‘Collaborative gain’ not just partnerships
- Transparency and accountability: duty to improve outcomes

Integration Around Communities



2020 Vision

- Single public service authority for each area of Scotland: all local services democratically governed (50+)
- Other services nationally governed: hospitals; roads (?) etc.
- Services integrated and targeted to improve outcomes and reduce inequalities
- Respect for and openness to community resources: co-production
- Wider range of local taxes and local choices
- Economic capacity fully deployed behind outcomes