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Wednesday 21st October, 6.15 pm
Media Briefing Room, Senedd, Cardiff

An open discussion hosted by **Nick Ramsay AM** (chair)

with contributions from:

- David Rosser, CBI Wales
- Paul O'Shea, UNISON
- Maria Battle, Consumer Focus Wales
- Will McLean, WLGA

Public services: where should the axe fall?

Maria Battle, Director, Consumer Focus Wales

Firstly as you would expect from a consumer organisation I would say ask the citizen, the claimant, the service user, the council tax payer what matters to them, where they think the axe should fall.

They fund public services so they are a vital partner, the beneficiaries of public services, they know what works and they know what doesn't.

There have been lots of reports published from the provider perspective – from the WLGA, the Welsh Assembly Government and others – but not from the user perspective. The user voice has so far been missing from the debate over spending cuts.

There are excellent examples of consumer engagement in Wales and where as a result services have improved and, relevant to today's debate, costs have been reduced.

The overall lesson from these exemplars across Wales is do not focus on the cuts or on where the axe should fall but focus on the service, the real needs of citizens needs what matters to them andthe savings will follow

Really engaging with citizens results in finding solutions together

There are tried and tested methods in how to gather the voice of the citizen, even the quietest voices.

It has to be mutually beneficial it needs to be a continuous dialogue not just at times of budget cuts and kept under review. If as the First Minister has warned there will be up to ten years of public sector cuts then engaging with citizens will need a real and prolonged culture change.

Despite the best intentions of some councils it is not enough to send a draft budget around with the councils magazine inviting comments- we know this results in an awful take up

One of the most impressive ways of improving services and cutting costs is where the service is measured according to what matter to the citizen, their needs rather than key performance indicators imposed from the top.

Many KPIs measure process rather than impact . They can be achieved but they do not actually measure what matters to the citizen, the quality of the service AND they are not cost effective.

A simple example is Housing Repairs- the KPI may be to visit the house within 24 hours of a broken window- box ticked even if no one home and the window is not fixed.

A peoples measurement is to have the actual window fixed which means a visit when they are at home.

The first way results in more work, more staff time on repeat visits and front line staff time receiving calls from disgruntled residents about the service **And** the window remaining broken.

Neath Port Talbot and Bleanau Gwent Councils have developed peoples measurements with great success in some of their services based on John Seddons work.

Neath Port Talbot has achieved some impressive savings in its Disabled Facilities Grants department by carrying out a demand analysis of its clients. In other words, they asked their users what they wanted, and

they used that information to rebuild the service from the ground up using people's measurements.

By doing this they reduced the time that it took to deliver Disabled Facilities Grants by a third, without any extra investment in the service. They reduced the steps that the claimant had to go through from around 300, down to 50 and made impressive savings.

The service was changed so that when a home visit was undertaken, it was done only once, with all the relevant professionals there at the same time, the OHT, the surveyor, the social worker and the builder and made savings

Focusing on the quality of service in Caerphilly in the procurement of school buses for children led them to choose quality over cost and has resulted in a better and safer service for children with seatbelts, buses that are better quality and has saved costs.

These are some of the good examples in Wales of good practice both in listening to the citizen and responding in the way services are delivered and consequently saving costs.

Information about these, the challenges encountered in engaging the citizen and refocusing services and how they have actually been implemented and the lessons learnt needs to be accessible and shared across Wales especially now

We in Consumer Focus Wales are exploring with Public bodies how we can be a conduit to share this practice.

My greatest plea is not to target the non statutory services and the preventative services. Firstly because of the human suffering and secondly because of the knock on cost implications for other public services now or down the line which can actually make this a more expensive option. These decisions have to be made in the whole for now and in the future

Two examples:

Home care, providing services to older people who want to stay at home. Cutting back on these has the potential to lead to more older people being admitted into hospital or residential care and when admitted “ bed blocking”. Much more costly and not what older people want , what matters to them .

I understand that in Torfaen 11,000 of 13,000 older people who were unwell are no longer referred to hospital but are effectively treated at home instead. It’s what the older people want, the service meets their needs and it is much less expensive. Again the focus on the service, the focus on what matters to the citizen leads to less expenditure

Under the Children Act when a child is “looked after” they have the statutory right to services from a local authority, foster care, a social worker etc. When a child is in need these services are discretionary. But if we do not support a child in need , if we do not support their family this has the potential to lead to the tragedies which we are all too familiar and to more children eventually coming into care often too late, with greater and more expensive needs. This can lead to expensive out of county placements the youth justice system, constant breakdowns in foster care support , expensive therapeutic services and a huge negative impact on their life chances of the child.

There are 25,000 children in need in Wales at the moment.

I have often heard from people of all ages from parents of children the special educational needs, older people the unemployed and disabled about their frustrations of being assessed and assessed again for services, the length of forms, the repetition and time wasting. Why if one service such as income support mean tests a citizen can’t that be used by other services such as housing benefit-? Why can’t services share the outcomes of assessments within and between public bodies, be more joined up to cut costs?

I would also make a plea that as well as considering what matters to the citizen when making these decisions about budget cuts the views of frontline workers be sought on what works and what doesn’t. The higher you go up the management chain the further you are away from the

practicalities of delivering the services. For strategies to work they need to be firmly based on operational reality.

The public sector is a major employer in Wales. Living in a part of Wales where the public sector employs 70 per cent of the population, I am greatly concerned about the prospect of unemployment, both the human costs and the impact on the economy of Wales. To save jobs we have to be smarter, we have to work together more effectively to make these savings both for the users of the services and the employees.

We have to base the decisions on where the axe falls based on the evidence and the facts

We are currently undertaking research which explores what people really need from services during an economic downturn. We are taking a long term view, looking at the value of a wide range of services, including libraries, leisure centres and community groups which are vital for social inclusion

The questions we are asking in our research are: what are the services you really value – what would you use in an ideal world? Which services do you feel are important to the make-up of a community?

Some of these services might be suffering a slight drop in user numbers at the moment but this is only a temporary effect of the recession. The loss of these services would add up over time exacerbating social problems and leading to a greater demand on public services a few years down the line.

Research shows the social effects of economic downturns tend to follow a predictable pattern. What this tells us is that, in Wales, the social exclusion effects of the recession are only just beginning to make themselves felt. The strain of financial pressure is a drip-drip-drip effect which follows on a number of years after the economic crash.

What we can expect to see in coming years, and what we have already begun to see, are rises in housing, health and domestic problems, including rises in petty crime, addiction, mental illness and domestic violence.

There is a lot of evidence for the link between recession and ill health. The loss of work and income has an effect on people's health and wellbeing, and this effect tends to be long-lasting.

In Wales we are beginning to see the pattern of people's requirements from public and voluntary services change as the full effects of the recession take hold: we have begun to see an increase in demand for services relating to housing, mental health, welfare and debt advice, and drug and alcohol dependency. Most local authorities have seen rises in Housing Benefit applications and many have seen rises in homelessness applications.

At the same time, local authorities have indicated a drop-off in demand for certain services which carry a cost to the consumer, such as leisure, after school clubs, youth clubs, older people's social support groups, leisure / access learning courses, playgroups and concerts.

This is because consumers are having to tighten their belts, and the things that aren't essential are falling by the wayside. People are making do without the things they'd normally use, and to a certain extent this includes optional extras like sports, evening classes and social events.

A small number of local authorities have already recognised this effect and have made pledges to freeze certain charges with the aim of helping communities through the recession. A recent WLGA survey found that one local authority had put a price-freeze on leisure centre prices. Two local authorities had put a price-freeze on school meals, and one local authority had put a price-freeze on tourist attraction entry fees.

This is far sighted as these services have a vital role to play in helping people rebuild their lives.

To summarise

!. We need to engage with citizens in budget decisions which will enable better-informed decisions and encourage us all to own responsibility for those decisions.

2 To do this public services need easy access to how best to engage with citizens, what has already worked, where and how have savings been made by responding to their needs

3. We need to be smarter in working together within public services and between public services to protect them and jobs during this recession

4. These decisions which have the potential impact for a generation must be based on the evidence, on facts and part of that evidence is what works for consumers.

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