



Transformational Change

Round Table | Wednesday, 24 January 2018

Audit Scotland, 102 West Port, Edinburgh EH3 9DN

Background

Societal changes, reducing resources and Scottish Government reform policies (health and social care integration, community empowerment, community justice, education governance, public health reform) are all creating pressure for transformational change across public services to improve outcomes, support the shift towards prevention and involve citizens more in the important decisions that affect their lives. This context was all set out very clearly in the landmark 'Christie' report. <http://www.gov.scot/Resource/Doc/352649/0118638.pdf>

Councils, health boards, Integration Joint Boards (IJBs) and their community planning partners are doing amazing things across Scotland within communities (through locality planning and community empowerment) to respond to these challenges through specific areas of reform such as health and social care, or by leading change at regional level through City Deals, regional economic partnerships and strategic collaboration. The third sector, private sector and communities are also key and active partners in these various programmes of change. There is no single approach being adopted to making this change happen, but there are some important common themes around cultural change, empowerment, innovative use of technology, partnership-based delivery and a real focus on service user and community need.

Despite all of this, we keep hearing that the pace of change and scale of transformation needs to increase to meet the scale of the challenges.

People who are leading change can feel at times like they aren't being given credit for what they are achieving day in, day out within communities and that those who are arguing for an increase in pace of improvement don't understand the nature of what's being delivered and have unrealistic expectations about how long delivering large scale systems change takes. So, what is happening around transformational change in Scotland?

Round Table discussion

To explore these issues the Improvement Service and Audit Scotland held a Round Table with a group of senior public service leaders (officers and elected members), third sector leaders, policy makers and partners (held under Chatham House rules). The Round Table covered a range of issues, including:

- Leadership in a time of change
- Getting the culture right to support staff to deliver innovation and improvement
- Delivering community and user-empowerment (including the role of place-based planning and delivery)
- Partnership working to deliver prevention and improve outcomes, and
- Digital opportunities (new service delivery models, data-driven planning and performance management).

What do we mean by Transformational Change?

Before the round table discussion started in full, attendees were asked to set out their definition of transformational change and what they saw as its key characteristics and challenges.

There was a strong sense that the context in which this discussion was taking was one where transformation (in whichever guise it is expressed) is now central to the thinking of all public service leaders and their partners. It was felt that politicians now have a more clearly developed view of what they want, post-Christie, and are expressing a clear commitment to taking a longer-term view of how public services need to work with partners and communities to break negative cycles of disadvantage through preventative action and the better targeting of public services.

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But...

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Sarah Gadsden, interim Chief Executive of the Improvement Service and Antony Clark, Assistant Director, Audit Scotland, co-chairs of the Round Table

However, the extent to which this ‘rhetoric’ was matched by reality was felt to be open to question and significant questions remained about how this widely shared ‘vision’ was to be delivered.

It was felt that there is generally widespread agreement on outcomes but not on how they are achieved. Fear of accountability prevents leaders from making truly transformational decisions

It was argued by some that seven years on from Christie we still don't yet know what we mean by transformational change or what the end point will look like.

There was agreement on what some of the key characteristics are likely to be: variability; risk; and a focus on outcomes over targets. There was a consensus too that the future will require a need to accept ambiguity and move away from “doing things as they've always been done”.

Some of the barriers to making this change happen were discussed. These included the

varying and often competing goals and objectives of different parts of the public sector, combined with a pressing need to re-draw the boundaries between what the public sector does and what the public do for themselves – that public debate, it was felt, has yet to truly begin in earnest in Scotland.

Some participants argued that fundamental structural change is needed to move away from money being the main driver in public services. Others disputed this view and felt that improved leadership, not structural change, was key.

There was a common view that there needs to be greater acceptance among politicians and the civil service that the public sector is part of a system and does not hold all of the answers. A big culture change is required to accept the role of the public sector alongside that of the third sector and private sector. It was felt that given increasing complexity and uncertainty the public sector needs to enter into a collective space with other sectors and explore the ‘edges of the system’ for solutions, given that core services still need to be delivered alongside delivering transformational change.

Disappointingly, it was felt that there’s often a gulf between the collaborative leadership styles that people claim we are committed to in Scotland e.g. at the Scottish Leaders Forum (SLF) and what’s happening on the ground.

Looking forward, and in the context of Scotland’s New Financial Powers, it was argued that there should be a stronger role of the Scottish Parliament in setting an ambitious improvement and transformation agenda.

Leadership

The group discussed how public service leadership needs to evolve collectively from the ‘New Public Management’ approaches that the current generation of leaders has worked with over the last 15-20 years to reflect the increased complexity and uncertainty of the “new world” and seek solutions beyond the traditional sources (e.g. looking more to communities and service users as part of the leadership solution moving forward).

Based on decades of mixed experience of partnership working in CPPs and other settings, participants felt that conventional leadership beliefs about partnership working being important but secondary to individual organisational goals now need to be challenged. Examples were cited of some Chief Executives seeing success in a CPP setting as defending their core organisational priorities and resources, with little appetite for the risk involved in the more radical resource challenge and re-alignment that will be needed to transform services against a backdrop of reducing resources.

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Gemma Diamond, Senior Manager and Derek Hoy, Auditor, Audit Scotland

The Round Table participants identified some good examples of leaders giving up power and allowing staff the opportunity to fix problems (e.g. Wheatley Group). But too often there is a fear of giving up control and empowering staff.

The structural and accountability challenges created by Scotland’s complex public sector environment were discussed in depth. In particular, its impact on the ability of organisations to develop shared goals and focus on longer-term outcomes. Whilst participants struggled to identify any easy answers there was widespread concern that the way in which power is currently embedded across messy inherited structures and cultures creates barriers to change. The complex funding and performance reporting structures that Scotland’s 31 integration authorities (IAs) operate within, and the impact of national performance targets in the health service, were both cited as clear examples of how accountability structures can either distort behaviour or act as a brake on innovation and change.

Some concerns were raised about how the current culture associated with managing change in both the public and private sector is developing. There was a view that sustainable transformation should take place over time and not feel chaotic. But a culture of “move fast and break things” was increasingly being valued, with “fast” grabbing the attention. Some participants felt that the people who are grabbing the headlines and attention amongst

politicians are those who have adopted more short-term ‘break and shake-up’ approaches to change, rather than people who are managing long-term change with care and deliberation.

There was a general feeling that the Christie vision of prevention, community empowerment and improved outcomes remains compelling but held back by the “immediacy of now”. For that reason, we need to look at how people, particularly front-line staff, can be supported in delivering that imagined future. Public sector leaders and staff also need to find better ways of communicating to people outside the system (e.g. service users) how they are trying to improve services, and why they need to change. The routine use of jargon isn’t helping us get the message across.

Culture

The group identified countless examples of organisations (Perth and Kinross Council, East Ayrshire Council, Wigan Borough Council, etc.) which have embarked on successful programmes of staff empowerment that are making a real difference for both staff who work for the council and the people who use council services.

“The Christie vision of prevention, community empowerment and improved outcomes remains compelling but held back by the “immediacy of now””



Mark McAteer, Director of Strategic Planning and Performance, Scottish Fire and Rescue Service; Stephen Gallagher, Interim Director of Local Government and Communities, Scottish Government; James Fowlie, Director for Integration and Development, COSLA, and Councillor Graham Houston, Vice Chair, COSLA at the Round Table

However, important cultural challenges were cited when working across organisations and sectors. There was much talk of multiple cultures, not just a single mono-culture, both across and within organisations (e.g. between council departments or NHS professional disciplines). The classic example that was cited was the difficulty in marrying the different cultures in social work and the NHS and how this can impact on clients. The treatment path clients take can vary depending on whether their first point of contact is with Social Work or NHS, based on the different cultures in those organisations. Therefore, whilst collaborative working is key to delivering transformational change there are inherent difficulties in bringing together two or more different cultures.

It was felt that, in the context of City Deals and local service delivery, greater consideration now needs to be given to the different cultures and values of the third sector and private sector and how they interact with and impact on public services.

There was a view expressed that councils talk about their commitment to a culture of community empowerment, but what they really mean is ‘empowerment on their terms’. More positively, the consensus was that the spirit of Christie has taken hold, particularly in councils, but that it might take a generational shift to truly create a community-focused culture across the public sector. But in doing so we need to balance the need to maintain high levels of professionalism across public services with delivering effective community empowerment.

The generally negative view of public services in the media (often based on true, but perhaps atypical bureaucratic organisational responses or major service failures), was discussed. It was felt that whilst the media has an important role to play in holding public bodies to account

when they fail to perform effectively, the general media tone on public services was felt to be unhelpful, particularly as it was felt that most people go into the public sector to help and make a difference and over the last few decades public bodies have begun transforming themselves to become much more flexible, responsive and focused on the needs of the communities that they serve.

The group discussed the impact of reducing head count on staff, services and outcomes. Its impact has created a huge strain across the public sector which transformational change is adding to. People are being asked to absorb the strain rather than the system absorbing it by having honest discussions with communities about what the impact of reduced funding means for the range and depth of public services that can now be delivered.

The consensus was that if the reduction in head count across the board has resulted in shaking up cultures in some cases this has been by accident rather than design. Particular challenges were highlighted in managing headcount reductions in planned and rational ways when urgent and pressing budget reductions were needed.

Looking to the future it was felt that the opportunities that digitalisation, robotics and moving services online presents has barely begun to be considered across the public sector. Optimists in the room saw a bright transformational future through technology, others expressed fear about the breakdown in relationships between staff and with service users – relationships that are crucial to achieving positive outcomes.

Community empowerment

It was felt that local authorities are committed to community empowerment but are unsure what this means to communities. Communities are generally keen to be involved in decision making but not necessarily in delivering services themselves, so care needs to be taken in how far the community empowerment idea is pushed and what can be expected from it.

We need to understand the variability across communities in terms of their expectations of the public sector. Some recent examples were cited of decisions taken that could see people lose faith in the idea of community engagement/empowerment, e.g. the Judy Murray Tennis Centre. This was opposed by local residents and planners as it was on green belt land but received ministerial approval because it was considered to be in the national interest.

“Councils talk about their commitment to a culture of community empowerment, but what they really mean is empowerment on my terms”

The view was that the Community Empowerment Act is the start of a long journey. It can be used to set the tone but will not necessarily change hearts and minds. Critical mass is needed for real change to happen and the impetus from existing policy changes like Self Directed Support, which are already beginning to empower some service users, could help.

The focus in some parts of the country on very localised place-based planning is potentially very important but it was felt that we need to make sure professionals are not air lifted in to “help” communities plan for themselves as this will not further empowerment.

Partnership working

The group had a wide-ranging discussion on the impact of increased partnership working across the public sector over the last 30 years. Overall, there was optimism for the future tinged with a sense of missed opportunities about how well partnership working had truly delivered any kind of strategic systems-wide improvements in areas such as inequality of health outcomes, the persistent educational attainment gap, and the way in which drug and alcohol misuse continues to blight some communities.

That said, it was felt that partnership working is now so well embedded across the public sector, with many professionals at the coal face sharing a common focus on the people they serve irrespective of professional background or sector that with better leadership much more could be achieved.

Several participants highlighted the fact that partnership working at an operational level was going on before Community Planning and other partnership structures were in place. Several participants saw the need to push power and authority towards front line workers and let them find solutions through their relations with service users. This it was felt might help guard against the community empowerment agenda being compromised by public bodies 'imposing' their priorities on communities, stifling local choice and innovation.

There was some discussion of regional partnership working. It was noted that City Deals, as well as being new, also bring significant new funding streams with them from both the Scottish and Westminster Governments. It was felt that inevitably this can act as an 'energiser' and catalyst for people to work together because there is 'something in it for them' – i.e. new money. The broader point was made that it may be easier to make change happen when you are starting with more of a new 'green field' situation (City Deals), rather than dealing with complex 'brown field site' (e.g. Community Planning) with its complex history.

