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Improving Public Services:
Existing Evidence and Evidence Needs

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Summary

- This report summarises the findings of a PPIW workshop which brought together some of the UK's leading public management experts with Welsh Government officials to discuss the challenges facing public services, the existing evidence about the most effective ways of addressing these challenges and future evidence needs.

- The experts concluded that the challenges facing public services in Wales as a result of fiscal and demographic pressures cannot be addressed without significant reform.

- They agreed that there is no universal theory of public service improvement which can be applied to all services and in all contexts although there are a wealth of practical knowledge approaches that have been effective.

- Experts identified a need for more robust evidence about how to incentivise change in complex interdependent public service systems such as education, health and social care.

- They emphasised the importance of context. A one size fits all approach will not work even in a relatively small country like Wales and there is a need for more evidence about how to ensure that programmes meet the needs of different communities and different types of service users.

- Cultural change is needed to achieve public service transformation. It is important to move beyond short term solutions and risk adverse approaches, and public services have to become better at working across organisational boundaries.

- Policy-makers and practitioners should be encouraged to embrace 'experimental government' which allows testing of what works and we need organisations that are able to encourage, protect and scale up public service innovations.

- Workshop participants identified a range of evidence needs many of which were focused on questions about implementation (the 'how' of public service improvement).

Introduction

The Public Policy Institute for Wales (PPIW) works with Welsh Government Ministers to identify their evidence needs and provide them with timely independent expert advice and analysis. It also supports Welsh Government to be an effective customer for research and advice, and helps external suppliers of research and analysis to engage with the policy process.

In response to Ministerial requests we have undertaken work on a range of issues relating to public services over the last two and a half years, including work on local leadership, future housing need and the funding gap in the NHS. To support incoming Ministers with their evidence needs we undertook a systematic analysis of the current state of the evidence about public service reform and improvement. To help inform this work we convened a workshop which brought together an invited group of leading public management experts and Welsh Government officials to identify existing evidence about public service improvement and discuss future evidence needs. Workshop participants included senior academics and representatives from Y Lab, the Early Intervention Foundation, What Works Scotland, the Institute for Government, the Office for Public Management, the Public Services Transformation Network, Wales Public Services 2025 and the Welsh Government (see Annex 1).

We structured the discussion around four key issues which we believe could be particularly important in Wales over the next five years:

- Public service improvement.
- Innovation in public service delivery.
- Place based approaches and integration.
- User engagement and co-production.

Workshop participants were asked to identify the existing evidence and future evidence needs in respect of each of these issues.

This report summarises the workshop discussion. It is not an exhaustive analysis. It offers a preliminary scan of the evidence and evidence needs which we hope will help to inform our work with Ministers and the Welsh Government's research programme. We begin by summarising the challenges facing public services in Wales and then outline the key messages about existing evidence and areas where workshop participants believed that more evidence is needed.

The Challenges Facing Public Services in Wales

In the years immediately following devolution, the Welsh Government adopted a distinctive approach to public service delivery compared to that which was pursued in England. This centred on two key organising principles: 'citizen centred services' and 'collaboration rather than competition' between service providers. The evidence suggests that this produced mixed results. Public satisfaction with services in Wales has been higher than the UK average but there have been persistent concerns about performance in education and health services. Waiting times for some hospital treatments have been longer than in England and PISA scores and GCSE results suggest that educational attainment has lagged behind other parts of the UK. There is also evidence which suggests that the performance of some local government services compares unfavourably with England and Scotland.

Partly in response to these concerns, Ministers in Wales have advocated a range of public service reforms. The principles of 'Prudent Healthcare[1]' aimed to address the twin challenges of rising costs and increasing demand, while continuing to improve the quality of care. Comparative data on school performance are now published and the Donaldson review recommended far reaching changes in the school curriculum, initial teacher training and continuing professional development. Public service boards put collaboration between councils and other services on a statutory footing and Ministers have been given powers to require councils to work together.

However there are doubts about whether these reforms match the scale of the challenges facing public services. Workshop participants believed that it will be difficult to maintain current levels of service provision if the UK government continues to aim to reduce public spending to 36% of GDP. Following substantial real terms cuts between 2010-11 and 2015-16, the Welsh Government's Resource Budget is expected to fall by another 4.6% in real terms between 2016 and 2020[2]. Wales has a larger proportion of the population over retirement age than the UK average. It has high rates of chronic ill health and child poverty relative to England, and there are significant health inequalities between areas.

All of this means that demand and public expectations are set to rise while budgets fall which means that national and local government will need to take a more strategic approach to budgeting and perhaps now more than ever require evidence that can help identify which interventions are most cost effective.

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[1]   www.prudenthealthcare.wales
[2]   http://www.walespublicservices2025.org.uk/2015/10/30/another-four-tough-years-for-welsh-public-services/

Evidence and Evidence Needs

The state of the system

Despite investment in new technologies and delivery systems, a recent comprehensive study casts doubt on the efficacy of UK central government reforms of the last three decades (Hood and Dixon 2015)[3]. This echoes the findings of other analyses which suggest a mixed picture with some successes but also failures (Burton, 2013). However, there is a lack of robust evidence about what works in public services reform because there has been very little effort to systematically evaluate outcomes over time – in the UK or internationally (Pollitt, 2013a; Pollitt, 2013b). New approaches are often rolled out before their impacts - positive or negative – are known (Burton, 2013; Pollitt, 2013b) and where dramatic improvements are achieved, for example in the case of London schools[4], the reasons behind this are disputed. Much of the evidence that we do have comes from practitioners rather than research and is context specific. As one workshop participant put it 'we are sometimes operating in the gap between knowing what the right answer is and being able to prove it'.

The relatively small scale of Wales and its citizen centred, collaborative model of delivery offer some advantages. In theory co-ordination and sharing learning are easier. However, there is still a lack of interaction both between and within sectors and a risk that close knit policy communities become inward looking.

A summary of the evidence needs in relation to the state of the public service system in Wales identified by workshop participants is shown in Box 1 below.

> **Summary box 1: The state of the system**
>
> **We know:** Wales has much experience of reform and expertise to draw on and the advantage of a small scale with the potential to facilitate co-ordination and shared learning.
>
> **We don't know:** There is a lack of systematic research on public service improvement.
>
> **We need to know:**
>
> 1) How do we build/incentivise systematic learning into the system?
> 2) How do we make best use of the experiential knowledge we have?

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[3] Hood and Dixon's (2015) study of UK central government reforms from 1979-2010 concludes that official figures indicate 'a striking increase in running or administration costs in real terms, while levels of complaint and challenge also soared' (Hood & Dixon, 2015, p.1).

[4] Academic attainment in London schools has improved over the last 20 years but the reasons for this are contested. Some attribute it to the implementation of the London Challenge; others suggest it is the result of demographic change.

Moving away from generalised problems and solutions

The UK has a tradition of highly centralised approaches to public services. Yet much of what we know about public service improvement highlights the importance of local context. Evidence shows that an intervention which works in one place may not be replicable in another, and without carefully planned research it is difficult to work out the enablers and barriers which make the difference. When thinking about what works we need to assess *how*, *why* and *for whom* a policy works and consider how to tailor it so that it is cost effective in different contexts. This goes against the desire to find interventions which can be scaled up and rolled out quickly and nationwide, but it is vital if we are to make the most efficient use of resources by only putting interventions in place where they are likely to make a positive difference.

The workshop participants argued that careful diagnosis of what the problems actually are is preferable to wheeling in some new model or technique, often invented elsewhere, which is supposed to solve a generalised problem such as 'bureaucracy', 'inefficiency' or 'lack of customer focus'. While there may be pressure to implement solutions to problems quickly, time needs to be taken to properly understand problems and consider what has worked to tackle similar problems elsewhere. It is important to understand the problem at different levels (national, regional, local) and from different stakeholder perspectives (service user, workforce, tax payers etc.).

It is important to be clear about policy objectives and communicate them. We need to be precise about what is meant by 'improvement' and what change logic is being applied. Public service performance is multi-dimensional and can include questions of cost, efficiency, effectiveness, equity, access, responsiveness, speed, accountability and transparency. Most reforms will improve some but not all of these. So policy-makers need to be clear about what aspects of performance improvement are the most important. We also need a better understanding of the relationships between different dimensions of performance.

Box 2 summarises evidence needs identified by workshop participants.

> **Summary box 2: Moving away from generalised problems and solutions**
> **We know:** Objectives need to be carefully defined, contexts matters a lot and we need to take time to understand them.
> **We don't know:** How to adapt programmes so that they work in different contexts.
> **We need to know:**
> 1) How do we taken programme X that works in place Y and make it work in place Z?
> 2) What are the change logics?

Data and learning

Public services in the UK have been monitored closely for accountability purposes but not enough use has been made of the data generated for learning and improving. Workshop participants questioned whether we collect the right kinds of information and use it intelligently. Deciding how to make existing data more useful to policy-makers was one of the main evidence needs identified by our experts.

There is also potential to learn from international experience. Other European states which are facing similar fiscal pressures to the UK have made very different choices about public service delivery which means that there is a wider range of policy options than is often assumed. It was also suggested that Wales could do more to learn from other parts of the UK including, for example, place based approaches that have been developed in Scotland.

Box 3 summarises the workshop participants' views on evidence needs in relation to data and learning.

Summary box 3: Data and learning

We know: We have lots of data available.

We don't know: How to use the data we have and how to increase engagement with data in the future.

We need to know:

1) How do we make best use of the data we already have?
2) How do we turn data into tools which are useable intelligence for users?
3) How do we build capacity and interest in data?
4) How do we share learning about effective models?

Simplifying outcome measures

Workshop participants suggested that outcome frameworks in Wales need rethinking. They believed that there is a problem with the way in which we often view outcomes. Population level outcomes have been the focus in Wales for some time, but we need to strike the balance with lower level outcomes. For example, new legislation in Wales will generate more data on outcomes for individuals but what will this tell us about how a service as a whole operates? Further thought needs to be given to intermediate as well as end product outcomes and measures of the same, so that progress of interventions can be monitored earlier on, and thus tweaked, changed or stopped if necessary.

Assessment of the Welsh model of public service delivery is hindered by a lack of comparable indicators, and there are too many overlapping accountability frameworks covering the same citizens and outcomes. Audit and inspection are costly and workshop participants argued that current regulatory systems are excessive, especially during a time of austerity.

Box 4 summarises the evidence and evidence needs in relation to outcomes identified by workshop participants.

> **Summary box 4: Simplifying outcome measures**
> **We know:** Simple, comparable outcome measures work best. The current regulatory framework in Wales was designed for a different context and outcome frameworks need simplifying.
> **We don't know:** How to design a new, simpler regulatory system and manage fragmented accountabilities.
> **We need to know:**
>   1) How and at what level should we measure outcomes?
>   2) How do we simplify outcome measures and the accountability process so that the focus is on practice, not process?
>   3) How do we redesign the regulatory system in Wales to suit the current context?

Supporting innovation

Workshop participants were clear that incremental improvements will not be sufficient to meet the challenges facing public services in Wales. They argued that we need experimentation and a willingness to try new approaches and that the Welsh Government has an important role to play in creating space for innovation. One spoke of the importance of 'failing fast, first and cheaply'.

The barriers to innovation are well documented. They include a risk averse, short-term culture of compliance fuelled by demands for public accountability, uniform standards and continuity of service. The amount of time that staff spend producing measures of processes and complying with regulations was seen as being problematic, as was the way in which career progression and pay structures do not reward innovative behaviour. As a result there is a reluctance to make room for innovation and new programmes are often bolted onto existing services. One expert argued that 'serial piloting is getting in the way of systematic change'. Another said that we need a 'more patient, long term, thought through approach'.

It was recognised that the term innovation means different things to different people. Some regard it as the exploitation of wholly new ideas, other see it as scaling up what has been shown to work elsewhere. Workshop participants suggested that we need to be clearer about how to nurture both forms of innovation. Wales has a long tradition of public service innovation[5] but participants argued for more 'experimental government' which encourages innovative thinking, allows failure, and gives new programmes sufficient time to prove themselves. As well as thinking about innovation in individual services, they argued that we need to look at public service innovation at the system level, and to consider both the supply (research and development) and demand (policy design and service delivery) sides of public service innovation.

As a small country, Wales has plenty of opportunities for people to learn from each other but change needs to become embedded in public services and we need to know more about practical ways that this can be achieved.

Box 5 summarises the participants' views about evidence needs in relation to supporting innovation.

Summary box 5: Supporting innovation

We know: Wales has experience of public service innovation and we are aware of the barriers.

We don't know: How to successfully encourage, protect and scale up innovation.

We need to know:

1) What do we mean by innovation?
2) How do we scale up innovation bearing in mind the importance of context?
3) How do we create space for innovation?
4) How do we protect innovative practices and allow them time to develop and embed?

Joining up services

The UK has been trying to join up public services for years. Place based approaches make sense. However, they are difficult to achieve precisely because they cut across deeply embedded service 'silos' and funding regimes. Participants pointed out that a time of austerity

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[5] For example a long list of free or subsidised service services e.g. free swimming for over-65s, the first to raise a levy on plastic bags, the first to vote to ban smoking in public places, the first to have an Older People's Commissioner etc. Public service reform in Wales has also seen a raft of new bodies over the years to drive forward the transformation agenda including 22 Local Service Boards and the national Efficiency and Innovation Board.

was probably the most difficult to develop collaborative approaches. Spending cuts provide an incentive to address some of these long-standing challenges but it is difficult for organisations to free up the capacity needed to think and act differently. This is particularly true where there is limited evidence about the outcomes of service redesign but significant up-front costs are required to kick-start the process.

There is plenty of research evidence which points to the barriers to joining up. It is difficult to deliver long-term, cross-cutting outcomes within short-term budgets and policy cycles, and service based accountability mechanisms and cultural differences between professions and organisations make working together difficult. Practical barriers to data sharing and incompatible IT systems are a further hindrance to joining up (Wilson, Davison, Clarke & Casebourne, 2015).

We also know what the building blocks required for joining up are. They include clear, outcomes-focused goals which help organisations to match resources to their priorities. We know that local actors need flexibility to form partnerships which suit their contexts. We know that multi-disciplinary teams are needed to tackle complex issues and that co-location can help to overcome entrenched cultural differences and data-sharing challenges. We know that the buy-in and commitment of leaders to partnership working is vital, and that they need to engage with a broad range of stakeholders in designing new approaches (Wilson, Davison, Clarke & Casebourne, 2015).

Workshop participants agreed that we need more robust evidence about which models are most effective in improving service quality for citizens (not just in generating savings) and how best to share learning from these approaches. There are also questions about what powers and flexibilities local areas need to join up services and what levels these are needed at (whether it's a combined authority, local authority or community). The workshop discussion suggested that there is a need for more evidence about how to get the right leadership and governance structures in place and how to ensure accountability where outcomes are shared and leadership is distributed across organisations. It was suggested that new types of local scrutiny could help incentivise a focus on citizens and efforts to join up services (Wilson, Davison & Casebourne, 2016). It was also recognised that the workforce will require training and involvement in designing structures and processes.

Box 6 summarises the workshop participants' analysis of evidence needs in relation to joining up services.

Facilitating user engagement and co-production

Co-production makes sense. Funding and the public service workforce are both being stretched and research suggests that many people are willing to play a greater role in co-producing public services. Service users are practised in negotiating their way through complex public service systems and can therefore provide valuable insights into how they can become better connected. Furthermore, people now expect to have a role in shaping the services that they use and in defining their needs. In this way professionals and citizens can make better use of each other's assets, resources and contributions to achieve improved outcomes and/or efficiency.

However workshop participants identified limitations and barriers to co-production. Capacity is unevenly distributed and co-production is often met with resistance from professions and/or politicians. We lack an overall understanding or agreement on the value and practice of citizen engagement and would benefit from a stock take of what is already going on, where, by whom and how effective it is in achieving its aims. Most public services are partly co-produced already but this is not sufficiently recognised by government and professions. There are also people who are willing to volunteer but who have not found a useful outlet for their resources. Investigating how services and partners can tap into this willingness to volunteer would be useful. Further understanding how others can be attracted to get involved in coproduction, e.g. through social media or through 'nudges' was also identified as an evidence need.

It is important to distinguish between different types of co-production (from co-governance to co-financing or co-delivery) and different ways of involving citizens in services (additive or substitutive roles for individual or collective purposes). We also need to know more about the

roles of citizens and professionals. Co-production may be inappropriate where the users or communities cannot supplement professional expertise and equipment, but in some cases citizens may be best placed and resourced to govern or deliver services. We need a sophisticated conversation about who is best suited to produce what, and what skills or training is needed to make this a reality. There are big culture problems to overcome in this area. The dynamics of service user – professional relationships can often be complex. Exploring how to get collectives to work unselfconsciously together is therefore another evidence need.

Box 7 summaries evidence needs in relation to co-production.

Summary box 7: Facilitating user engagement and co-production

We know: People are willing to co-produce. There are different types of co-production, with different limitations coming with each.

We don't know: How much co-production is already going on, what the role of staff and volunteers should be, how these roles interact and how to make the most of co-production potential.

We need to know:

1) How much co-production is already going on?
2) What are the implications of co-production on the workforce?
3) How do we encourage/support co-production? What skills are needed?

Participants also highlighted evidence needs relating to ways of addressing barriers to change. These are summarised in Box 8 below.

Summary box 8: Changing organisational cultures

We know: There are public sector specific cultural inhibitors to change.

We don't know: How to overcome these inhibitors.

We need to know:

1) How can short term and often poorly informed political inclinations towards 'fashion-chasing perpetual reform' be tamed?
2) How do we balance the tension between the need for patience and the need for experimentation and innovation?
3) What is the best process for incentivising and driving change? What evidence is there about levers which will achieve this?
4) How do we increase interest in and use of evidence and evaluative data by practitioners and public service managers?

Priorities for Future Evidence

At the conclusion of the workshop, we asked participants to vote on which of the evidence needs identified during discussion they believed to be the priorities. Table 1 summarises their views and the strength of support for them. It is noticeable that the majority focused on questions of implementation (the *how* of public service improvement).

Table 1: Prioritised evidence needs in four key areas

Public service reform	Innovation in public services
1. How do we balance the tension between the need for patience and the need for experimentation and innovation? (10 votes) 2. How can short term and often poorly informed political inclination towards fashion-chasing perpetual reform be tamed? (5 votes) 3. Understanding public service productivity and the relationship with efficiency (5 votes)	1. How do we create the space for innovation and the role of top vs bottom? (9 votes) 2. How do we do change management/transformation in public services? (8 votes) 3. How do we measure the impact of innovation? (5 votes)
Place based approaches and service integration	**User engagement and co-production**
1. How can central government foster effective partnerships at the local level? What is its role in doing so? (6 votes) 2. What powers and flexibilities do local areas need to join up around citizens? (6 votes) 3. How do we share learning about effective models? (4 votes)	1. What are the implications of co-production for the workforce? (The role of volunteers vs. staff). (5 votes) 2. How can co-production be used to boost collective outcomes? (5 votes) 3. How can collective co-production build trust and solidarity between citizens - and between citizens and government? (4 votes)

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Annex 1: Workshop Participants

Claire Bennett – Deputy Director, Local Government, Transformation and Partnerships, Welsh Government

Professor Tony Bovaird - Professor of Public Management and Policy, University of Birmingham

Simon Brindle – Director, Y Lab

Claire Bynner - Research Associate, What Works Scotland

Dr Jo Casebourne – Programme Director, Institute of Government

Leon Feinstein – Director of Evidence, Early Intervention Foundation

Sue Goss – Principle Consultant, Office for Public Management

Alex Hicks – Head of the Health Strategy Unit, Welsh Government'

Matt Jenkins – Strategic Budgeting Division, Welsh Government

Dr Kirsten Kerr - Senior Lecturer in Education, University of Manchester

Professor Christopher Pollitt – Emeritus Professor of Public Management, Public Governance Institute, University of Leuven

Robert Pollock – Director, Public Service Transformation Network

Jamie Smith – Principal Research Officer, Welsh Government

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Professor Tony Travers – Professor of Governance, London School of Economics

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- Provides a strong link between What Works Centres and policy makers in Wales; and
- Leads a programme of research on What Works in Tackling Poverty.

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