

# Learning update:

Following on from our last update on 'Learning from difference', the theme of this month's learning update is 'Changing conversations to change value'.

As the title of the recent Total Place Senior Leaders meeting on 6th November suggests, Pilot Places are now grappling with the question of 'Are we being bold?' – are we learning and changing what we do to create better public value at an acceptable cost to the taxpayer?

In this edition, we offer four pieces that start to address this question. John Benington from the Warwick Business school challenges us to review our thinking about 'Public Value' rather than 'service provision' and outlines some useful questions to examine value creation and value destruction in our systems. Barry Quirk talks about how Lewisham are focussing on 'overlaps' as a way of examining collaborative working by agencies in the Borough. This leads into a piece from Phil Swann looking at how Dorset, Poole and Bournemouth are thinking about the shift in expenditure from 'Intervention to Prevention' with all the fiscal and political dilemmas that brings. And finally, Tony Reeves offers us his Leadership Polemic on how Bradford City is using Total Place to rethink the relationship between citizens and the State in the context of their Gateway programme.

Changing  
conversations to  
change value



Total  
Place

## Leading on learning

One of the roles the Leadership Centre for Local Government is playing in Total Place is to offer some co-ordination of learning across the places as the projects move forward. In each Learning Update, we will choose a theme which has arisen in those conversations and produce an editorial for you on that subject.

This issue's theme is:

'Changing conversations to change value'

## Total Place – 'Changing conversations to change value'

by Karen Ellis, Leadership Centre Advisor. Drawing on concepts being developed by Sue Goss, OPM

One of the key initiating ideas for Total Place was the intention to create a process with a combined focus on customers, costs and culture – no easy task! One way in which pilots are doing this is to convene and facilitate new kinds of conversations in their Places:

- Between professionals and the public
- Between managers and leaders from different organisations and sectors.
- Between politicians and communities.

The conversations range from small scale negotiations to the development of new Governance groups and large creative events.

In the first half of the Programme, these conversations have been about building trust, creating new relationships and generating new ideas. One of the key learnings for many participants in Total Place is that conversations really do change things – unexpected agreements and unpredictable new moves are showing up in a wide range of stories coming out of our pilot areas.

As we move into the next three months of work, Places are shifting at least part of their attention to honing and prioritising their ideas and to the complex task of assessing the costs and benefits of their proposed interventions. Sue Goss (OPM, Total Place Adviser) describes this cycle of opening and closing as the 'accordion' process of Total

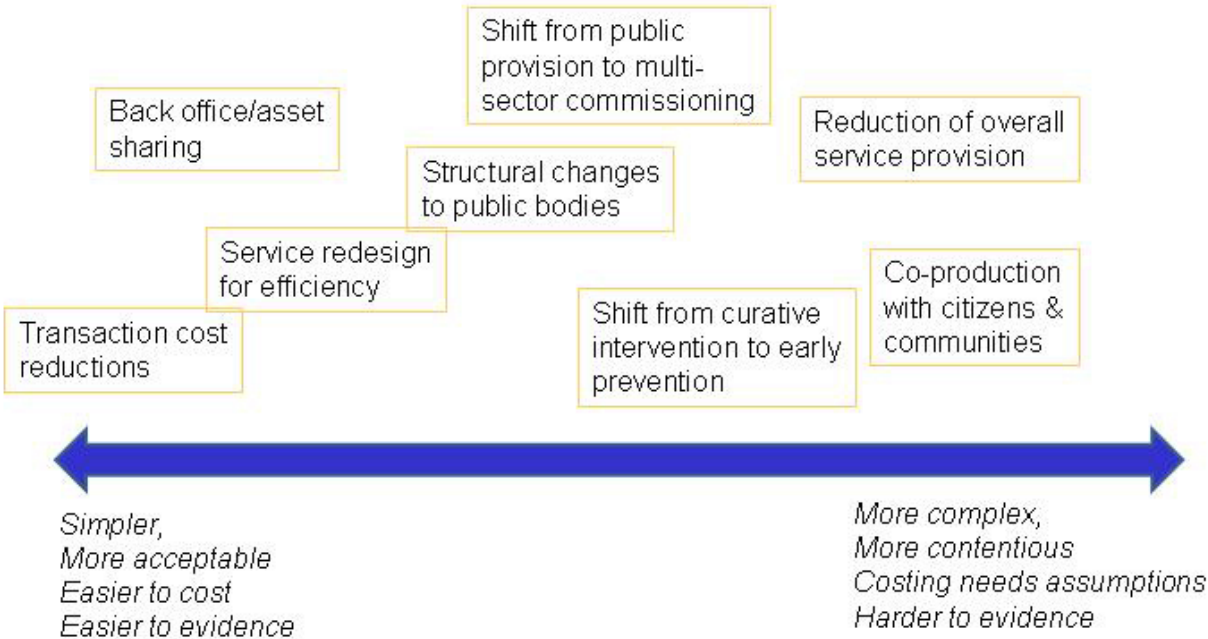
Place. She sees it as a perpetual dynamic within this type of change work – the periodic widening of the conversation to include more people, generate creativity and raise questions, followed by a narrowing back to the leaders and the 'engine room' of the work, allowing for sifting, negotiation and forward planning.

Of course, 'Total Place' as a set of ideas, activities and conversations will continue to cycle on in Places long after the 'official' close of the pilots - both within the initiating themes and as 'the way we do business'. Nevertheless, our attention is now inevitably shifting to the next major watershed - the production of the pilot place reports. In these reports, pilot teams will start to make sense at a practical level of what they are learning about what they do, how they do it and how they need to change. And, as we talk to advisers, programme managers and local leaders, we are noticing a genuine dilemma in the desire to 'prove' the value of a Total Place approach, both fiscally and in terms of benefits to customers. That dilemma can be stated as follows:

'The more innovative or contentious a new idea is, the harder it is to cost or evidence to the level of detail that creates certainty'.

Following my conversations with Sue, we have tried to illustrate this dilemma using the spectrum in **Figure 1**. Sue is currently working up this idea into a more detailed article for publication.

Figure 1. The spectrum of change for public provision

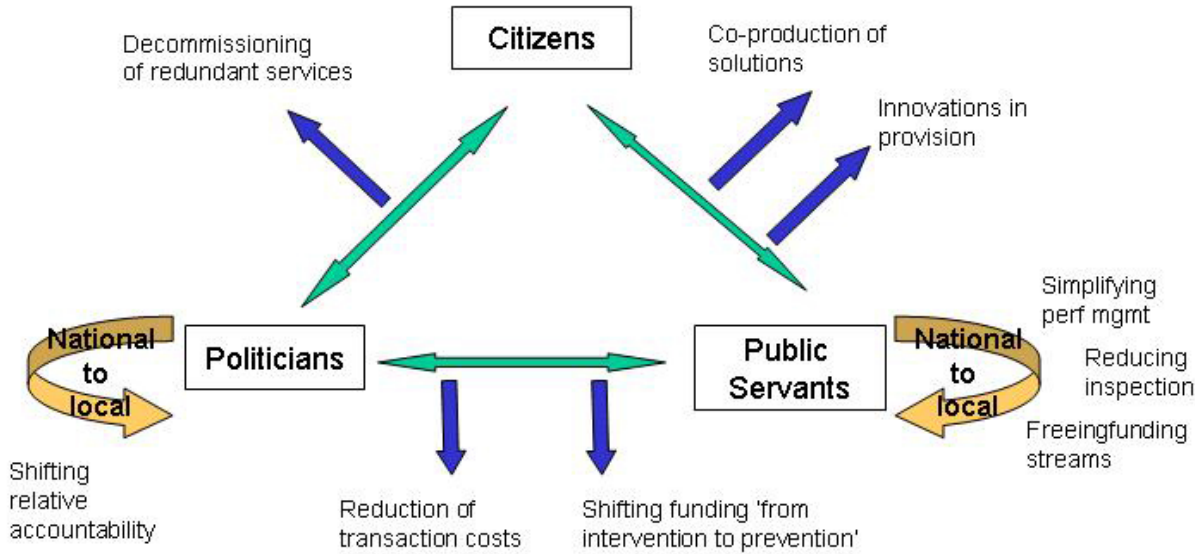


**The spectrum of change for public provision**

Originator: Sue Goss, OPM

Figure 2. Total Place: Changing the way we think together

**Total Place : Changing the way we think together**



Originator: Karen Ellis

So how does this fit with the idea of changing conversations, within pilots and between pilots and national colleagues in Whitehall and Parliament? One way of looking at the link between conversations and changes in social provision is illustrated in **Figure 2** – each potential change requires a different sort of ‘new conversation’ or at least a new **style** of conversation. This new style can be simply described using one of the emerging mottos of Total Place ‘from Parent-Child to Adult-Adult’. It is a style that **maximises** direct and open requests, sharing of positions and **minimises** spin, ‘managerial’ speak and hiding behind non-functional professional jargon. And, for those of us steeped in the ‘language games’ of our professions, political ideologies and organisations, it’s pretty hard to maintain! Even more so, while the pressure for concrete answers, evidence and ‘good ideas’ grows...

The question for Total Place at this stage in the process is how can we push ourselves to be radical in these new conversations rather than just

resorting to the conventional answers? How do we balance the ‘quick wins’ of the solutions at the left end of my arrow with the potential for massive (albeit longer term) gains on the right. Especially when we can’t ‘prove’ that ideas like co-production and publicly agreed decommissioning will actually lead to expenditure savings rather than just identifying yet more un-met needs.

One way might be to recognise that some ideas coming out of the pilots will be fairly black-and-white, costable, based on evidence. Others will be in the more challenging, more radical grey areas, where we can’t predict results but we can make some guesses using our qualitative reasoning and professional judgement. In these days of hard targets and evidence-based everything, it can be hard to hold our anxiety for long enough to let the ‘grey data’ through – but if we don’t, we run the risk of losing much of the thinking that has been at the centre of Total Place...



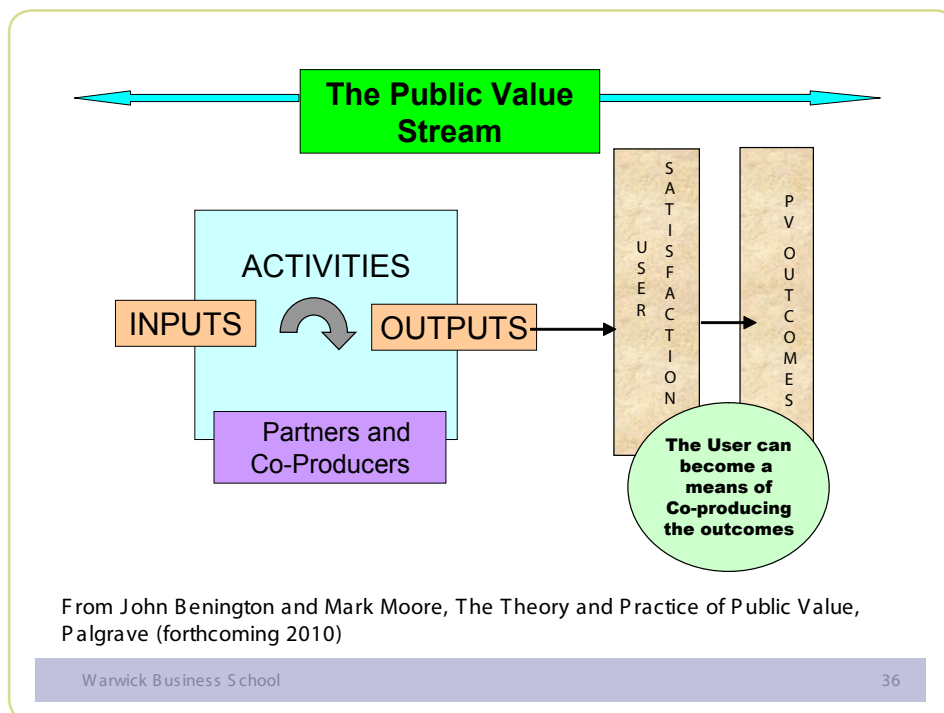
## Turkeys and tensions within Total Place - Paddling up the Public Value Stream

by John Benington, Emeritus Professor, Warwick Business School

There is a tension within the Total Place programme between two apparently contradictory pressures. On the one hand, we are encouraged to innovate and to improve the quality of public services, through greater collaboration between organisations and with citizens and local communities. On the other hand, there is pressure to reduce the quantity of public expenditure, through greater coordination of funding flows, elimination of duplication and overlaps between public services.

Several of the Total Place pilot projects have identified the risk that this could result in public authorities suggesting cuts in their own budgets – like turkeys voting for Christmas.

An alternative approach is beginning to be discussed and tested by some pilots, (e.g. Leicestershire, Leicester and Rutland). This involves applying Public Value Stream Analysis (PVSA) to some of the complex problems facing citizens and communities (e.g. alcohol and drug abuse).



**Public Value Stream Analysis** begins by asking three key questions:

- What does the public most value in this situation?
- What will add most value to the public sphere?
- What are the key outcomes we most want to achieve jointly with citizens, communities and other stakeholders?

We then work backwards from the specific outcomes we want to achieve and trace in detail the stream of activities and processes which help to achieve (or hinder) those outcomes. As we trace that stream, we identify which activities create value, which allow value to stagnate or are equally destructive.

### Value creation:

Public value is often co-produced at the very front-line of public service (e.g. between teachers and pupils in school class rooms; between nurses, patients and families in hospital wards; between police and local people, businesses and voluntary organisations in neighbourhood communities).

- Where specifically in the process is public value being built?
- How do we support and strengthen these points in the value stream and concentrate resources there?
- How do we strengthen these processes of co-creation of public value at the front-line?

### Value stagnation:

This is where increased quality, productivity, and VFM can be achieved.

- Where in the process is public value lying stagnant or idle?
- How do we remove the blockages, and free up the flow?
- How do we re-align, re-energise and re-mobilise the efforts of de-moralised staff behind the achievement of public value outcomes for citizens and communities?

### Value destruction:

This is where most savings can be made.

- Where is public value being subtracted or destroyed?
- How do we eliminate waste and leakage from the public value stream?
- How do we stop doing things which add little or nothing to the production of the public value outcomes we want to achieve?
- How do we remove unproductive stages or activities which interfere with or interrupt the creation of public value outcomes?

This type of analysis creates potential for a much more forensic approach to changing our processes, creating more value for the citizen at less cost to the tax payer.

# Looking for overlaps

by Barry Quirk, Chief Executive, Lewisham Borough Council

Let's first be clear what "Total Place" is not. Total Place is not a totalising vision for public services - it is not a localist version of utopian welfarism. Some may wish it were: and some seem to hope that it still might be - but its focus is much more practical than its title. If it were called the "operational efficiency programme" (the Treasury study that spawned it) it would have attracted little attention. Operational efficiency sounds like a remake of W.E. Deming's quality management from the 1950s: all control charts and statistical process controls. Instead "Total Place" is an approach to improving accountability, performance and cost-effectiveness in local public services.

Locally in Lewisham, we are one of the trail-blazing pilots of Total Place. We think that it is a real help in getting us to shift a gear in collaborative working. We had our first public management forum across the whole public sector in Lewisham in 1995, so working together has a long and strong tradition locally. In our pilot, the police and probation service are involved, as are our health service partners and others.

In a lot of collaborative work, professionals identify "gaps" in policies, in services and in needs. They then develop their services together so as to better meet these needs. This process of "gap identification" is central

to increasing effectiveness. It helps to join-up services and target them on particular client groups. People that previously received no service or a very partial service. However a lot of the time it simply doesn't reduce costs. Anyone can improve service reach, coverage and effectiveness at greater cost. The real task of public management is to do so while lowering costs.

To achieve that goal in Lewisham, we are looking to identify "**overlaps**" in policies, services and activities. We hope to identify how services can be improved at lower overall costs - by reducing overlaps, eliminating waste and duplication and improving productivity. This is easier said than done. But by a careful study of four different areas we hope that we can make progress.

Our practical focus is on:

- The overlapping activities of policing, probation staff and Council youth justice work.
- Overlaps in adult social care and health care.
- The growing number of worklessness initiatives.
- Lowering the cost of our collective asset base and energy usage as a public sector in Lewisham.





# Prevention is better than cure...and cheaper too?

by Phil Swann, Programme Director at Shared Intelligence

That's certainly true of the Bournemouth, Dorset and Poole pilot, the focus of which is to shift expenditure from paying for older people in acute hospitals and long term residential care to investment in community services and preventative activity. The aim being to help older people to live independent lives for longer and to spend less.

This focus on preventative activity often comes with the caveat that the benefits are hard to quantify. That's most certainly not the case in relation to services and support for older people. There is a mass of evidence on, for example, the financial benefits for the NHS of action to prevent older people from falling or of befriending initiatives.

Take Brenda for example. An 86-year old living alone in rural Dorset, Brenda often got confused and depressed at night and dialled 999. She was frequently taken by ambulance to an acute hospital and admitted. This cost the NHS £19,000 over a year. Since a local group arranged for her to be phoned once a day – and to have the number of a volunteer to phone if she feels depressed – she has not called the ambulance once and her visits to her GP are much less frequent.

What is difficult is to actually realise those benefits in hard cash. At the same time as expenditure on preventative activity in Bournemouth, Dorset and Poole has increased, so has the number of older people avoidably admitted to acute hospitals. The Total Place pilot is exploring two areas in response to this conundrum.

First, we are adopting a whole systems approach – not looking at preventative activity in isolation, but in tandem with a fresh look at acute provision and the shape of community services and intermediate care.

Second we are exploring whether a shock to the system is necessary. We are asking ourselves whether acute hospital provision is like the M25: as long as the capacity is there it will be filled.

If that is the case should the response be to decommission capacity, to introduce the health equivalent of the bus lane on the M4 into London? And if so, what evidence will local managerial, political and clinical leaders need to back that brave step?



# Bradford's new philosophy

by Tony Reeves, Chief Executive, City of Bradford Metropolitan District Council

## Leadership perspective

Bradford is working on a 'Gateway to integrated services' - young people leaving care, young offenders leaving prison and older people leaving hospital.

The reason I was keen for Bradford to participate in the Total Place pilot programme was because it offered the chance to pursue some ideas that had been emerging in discussions with colleagues and partners in Bradford over recent months. It was an opportunity to step back and look at the organisations from a customer view point - end to end. And embark on a new philosophy of people and place; before institution.

There was a general view emerging that we needed to move away from a top down, prescribed and initiative led approach to public service delivery in this country to a much more flexible, empowering approach from central government, which allowed local organisations to come together, engage citizens in a more meaningful way and shape public sector interventions to secure the best outcomes for individuals and communities.

I have described this process as rethinking the relationship between citizens and the state at a local level. I think this has been an issue for some time, but the inevitable public spending crisis makes this reconsideration of the role of public services in people's lives more urgent.

There is a key role, in my view, for local government to lead this process of change. Not by dominating the debate, but by bringing partners together and getting alongside people and communities, helping them to secure their wellbeing. Such a process would be less 'paternalistic' and would lead to informed and empowered citizens exercising real choice in the type, design and delivery of local interventions. This would also have the potential to shift the balance between the public and private spheres of peoples' lives with more emphasis on personal responsibility.

Shifting this balance is not straightforward and will undoubtedly be contentious. For it to work, we will need to take a holistic view of the life circumstances of individual citizens rather than approaching issues from a single agency perspective. For example, our recent research has shown that a small proportion of repeat offenders plan to re-offend in time for Christmas because they have little or no outside support to get them over this period. The result is a cost of £200,000 per offender to the tax payer and an ever decreasing spiral for the offender. We are now trying to understand how we might work together across agencies to shift this dynamic.

Total Place offered the opportunity not just to test and develop the approach within a national pilot framework but to build a local methodology for deconstructing public services, putting service users centre stage and systemically improving the way we do things to secure better outcomes and/or reduce costs. What makes the Total Place approach different is that it allows us to build a robust business case to justify local action and to prove to Government the case for change.

All of this is quite theoretical at this stage and it is early days in our pilot work. The signs, however, are positive with exciting and powerful issues starting to emerge and a real desire from Whitehall to engage in the process.

With thanks to  
Karen Ellis and the knowledge  
management team.