

**SURREY COUNTY COUNCIL****CABINET****DATE: 23 JULY 2013****REPORT OF: MR DAVID HODGE, LEADER OF THE COUNCIL****LEAD OFFICER: DAVID MCNULTY, CHIEF EXECUTIVE****SUBJECT: PUBLIC SERVICE TRANSFORMATION****SUMMARY OF ISSUE:**

Updating the Cabinet on Surrey's approach to public service transformation and seeking agreement of proposed next steps.

**RECOMMENDATIONS:**

It is recommended that:

1. The Cabinet welcomes the Secretary of State for Communities and Local Government's endorsement and recognition of Surrey's approach to public service transformation and confirms its support for the forward programme of work.
2. Specifically, the Cabinet asks officers to develop outline business cases for consideration at the October 2013 Cabinet meeting.

**REASON FOR RECOMMENDATIONS:**

Public service transformation will significantly improve services and outcomes for Surrey residents and generate financial savings. By working as "one team" with partners, public service transformation will focus resources away from expensive, high cost responses towards prevention and earlier intervention.

The Council is working closely with partners to develop its plans for public service transformation in Surrey. This report sets out the background and proposed next steps.

**DETAILS:****Background**

1. The Chancellor's Budget Statement in March 2013 referenced the Government's four whole place community budget pilots and announced that further support would be provided for areas interested in developing the community budget approach through the creation of a new Public Service Transformation Network. The Network will aim to disseminate the learning from the whole place community budget pilots and encourage application of the principles to a larger number of areas.

2. Following the announcement, local authorities were invited by the Department for Communities and Local Government (DCLG) to put forward an expression of interest to become one of the areas to work intensively with the Network on public service transformation.
3. The Leader of the County Council submitted an expression of interest on behalf of all key public sector partners in Surrey on 12 April 2013. This set out the Council's and partners' ambition to develop a community budget approach in Surrey and become involved in the Public Service Transformation Network.
4. At the LGA Conference on 3 July 2013 the Secretary of State for Communities and Local Government announced that Surrey has been successful and is one of nine areas who will receive support. The other areas are: Bath and North East Somerset; Bournemouth, Poole and Dorset; Hampshire; Lewisham, Lambeth and Southwark; Sheffield; Swindon; the West London Alliance (Barnet, Brent, Ealing, Harrow, Hillingdon and Hounslow); and Wirral.
5. The types of support that the Network is likely to offer include access to learning, tools and expertise from the existing four pilots, facilitating discussions with government departments, and some resource to support the development of the proposals. There is an expectation that the county council and its partners will also contribute resources, and share learning with other areas as part of the Network as the programme develops.

## Proposals

6. The six strands of focus for Surrey's Public Service Transformation programme are set out briefly below.
7. **Emergency Services Collaboration.** This strand will aim to transform the way the emergency services in Surrey work together, with the joint aims of improving performance and responding to the changing pattern of demand, and reducing costs by removing overlaps between the services. It will focus on six key areas: the potential for a single control and dispatch function across the emergency services; developing a combined Civil Contingencies Unit; combined operational response for certain incident types and in specific areas; joint operational support and back office functions; a joint prevention programme; and shared governance.
8. **The Surrey Family Support Programme.** The Surrey Family Support Programme has already established a new model of collaborative working which improves the effectiveness and efficiency of partnership working and early interventions with families, and is Surrey's response to the Government's 'Troubled Families' initiative. This proposal will aim to build on the work already underway by scaling up the current model for 1,050 troubled families to include up to 7,000 families with multiple and complex needs. Examples of family cohorts which would be included are: families living with domestic violence; offenders and ex-prisoners; families with mental ill-health and or drugs and alcohol misuse; and families who frequently visit A&E.
9. **Dementia Friendly Communities.** This strand will aim to improve outcomes for people with dementia and reduce reliance on acute care, by providing a greater level of support for individuals, both within and by their communities.

Building on the work already undertaken through the Ageing Well programme in Spelthorne, this programme will work with the North West Surrey Dementia Local Implementation Group to invest in developing community capacity to support people with dementia and their carers.

10. **Better Use of Public Sector Assets.** This strand will aim to give additional impetus to existing work on rationalisation of the public estate in Surrey to reduce its overall size and cost, improve the efficiency of use, generate capital receipts, and facilitate co-location of services and front and back offices across the county to support regeneration. This will involve working closely with the Government Property Unit, which was launched in Guildford on 25 June.
11. **Increasing Youth Participation.** This strand will aim to build on the success of the Council and its partners in reducing the number of young people who are not in education, employment or training (NEETs) in the county. Two proposals will aim to increase participation rates among young people aged 16-19. The first would consider the opportunities to develop the 14-19 educational offer to young people, to provide new vocational pathways which would support participation in ways that respond better to the needs of a wider range of young people, rather than focusing on a more specifically academic route. The second is focused on local integration of the information, advice and guidance offer variously provided by schools, the county council and the National Careers Service.
12. **Transforming Justice.** This strand is at an early stage of development. Discussions with key partners are underway with the objective of making more significant progress in the autumn. The focus will be on more integrated working and case coordination to reduce offending and reoffending, reducing costs to the police and criminal justice system.

### **Development of the Programme**

13. All the strands offer important development opportunities for Surrey which will improve services and outcomes for residents as well as optimising use of resources. Partners have endorsed the proposals and have been involved in developing them further since the original expression of interest in April 2013.
14. Programme arrangements are being developed by officers to support this work. The next stage will involve the development of outline business cases for each of Surrey's public service transformation strands with partners. These will demonstrate the potential improved outcomes and an early indication of the financial benefits that could be realised along with the level of resources required to deliver them. The business cases will be considered by Cabinet in October 2013, with the intention that subject to Cabinet agreement, savings can be taken into account in the Council's Medium Term Financial Plan from 2014-15 onwards. The timescale for bringing final business cases and implementation plans to Cabinet is likely to be February 2014.
15. The Chancellor's Spending Round announcement on 26 June 2013 set out a variety of measures intended to support places across the country to transform local services at scale and pace. The business cases will aim to take advantage of these additional sources of funding and policy reforms where possible. These include:

- a £45m capital fund for the fire and rescue service alongside a £30m resource fund from the local government settlement to encourage greater collaboration between the fire service and other emergency services
  - a £50m innovation fund for police forces to work jointly with each other and with local authorities on new and more efficient ways to prevent crime and ensure people feel safe
  - a £100m collaboration and efficiency fund to help local authorities to cover the upfront costs of working with each other and encourage better ways of working
  - £200m additional funding for the Government's Troubled Families programme, to extend the support available to a further 400,000 families
  - £3.8 billion of funding for a pooled budget for health and social care services to work more closely together in local areas, aimed at delivering better services to older and disabled people, keeping them out of hospital and avoiding long hospital stays
  - £200 million for local authorities from the NHS in 2014-15 for investment in new systems and ways of working.
16. Work will begin with the Network over the course of the summer to develop a Joint Statement of Intent, setting out key objectives, milestones and responsibilities across partners including what support the Network will provide. The support will be bespoke to Surrey and, in the early stages, will be aimed at developing the proposals alongside partners.

#### **CONSULTATION:**

17. The proposals have been developed through a range of discussions and events during May and June, involving Members and officers from across the Council and partners. Partner involvement has included Surrey District and Borough Councils, Surrey Police, Surrey and Sussex Probation Trust, South East Coast Ambulance Service and Surrey Clinical Commissioning Groups.

#### **RISK MANAGEMENT AND IMPLICATIONS:**

18. There are no direct risk management implications arising from this report.
19. Risks associated with the programme will be identified and managed as part of overall programme management.

#### **Financial and Value for Money Implications**

20. Public service transformation is intended to reduce overall public expenditure in an area by refocusing resources from expensive, high cost responses towards prevention and earlier intervention. The case for transformation is clear with significant potential improvements in the effectiveness of local services, increasing value for money and improving outcomes for residents.
21. More detailed work including financial analysis and modelling will be required to determine where the potential efficiency gains will accrue across partners. Investment and risk-sharing agreements will be developed as part of the

development of detailed business cases and implementation plans to be brought to the Cabinet in February 2014.

#### **Section 151 Officer Commentary**

22. There are no direct financial implications in this paper since the detailed financial analysis will take place in development of the business cases in advance of October 2014. Once identified all costs and savings will be evaluated and reflected in the forward budget planning process with effect from 2014/15 onwards.

#### **Legal Implications – Monitoring Officer**

23. At this early stage, there are no legal implications arising directly from this report. As the individual work streams are implemented, there may be legal implications which will need to be addressed in more detail at the time.

#### **Equalities and Diversity**

24. There are no direct equalities implications arising from this report so it does not require a specific Equality Impact Assessment. Where appropriate, Equality Impact Assessments will be completed as part of the development of the specific proposals.
25. Public service transformation will improve outcomes for residents, including the most vulnerable such as children, and adults with dementia. The detailed implications will be assessed as part of the development of business cases.

#### **Corporate Parenting/Looked After Children implications**

26. A number of the proposals could have a potentially positive impact on looked after children including the Family Support Programme, Increasing Youth Participation and Transforming Justice.

#### **Safeguarding responsibilities for vulnerable children and adults implications**

27. None of the proposals are likely to have significant implications for safeguarding responsibilities, but safeguarding implications will be considered as part of the development of business cases.

#### **Public Health implications**

28. A number of the proposals could have a potentially positive impact on public health including the Family Support Programme, Increasing Youth Participation, Creating Dementia-Friendly Communities and Transforming Justice.

#### **WHAT HAPPENS NEXT:**

29. Programme arrangements will be further developed to support this work in discussion with Public Service Transformation Network officials.

30. The development of business cases for each strand with partners. These will indicate the potential scale of the financial benefits that could be realised along with the level of resources required to deliver them.
  31. The outline business cases will be considered by Cabinet in October 2013, with the intention that savings can be taken into account in the Council's MTFP from 2014-15.
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**Contact Officer:**

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**Consulted:**

Leader and Deputy Leader  
Council Leadership Team  
Surrey Leaders  
Surrey Chief Executives  
Chief Finance Officer  
Relevant Heads of Service  
Senior managers and staff within Directorates  
Police and Crime Commissioner/Chief Constable/Surrey Police  
Surrey and Sussex Probation Trust  
South East Coast Ambulance Service  
Surrey Clinical Commissioning Groups

**Annexes:**

None

**Sources/background papers:**

None

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