

IPPR Speech

Made remarkable progress

The government has done a lot for social justice in the last 9 years. Our economic record is excellent. We have produced

- The longest period of uninterrupted growth in modern history,
- lowest sustained interest and inflation rates for a generation.
- Since 1997, two million more people are in work, and the UK has the lowest unemployment for 30 years.

In addition, we have developed specific policies which have made a real difference for working families and the disadvantaged

- Through the use of tax credits and benefits, the income of a typical family has increased by 17 per cent.
- As a result of our New Deal strategies, long-term youth unemployment has been virtually eradicated, with over half a million young people helped into work.
- There are half a million fewer children living in absolute poverty.

But have we done enough?

Have we in the longest period of uninterrupted Labour government in history have we successfully recast the landscape of opportunity in our public services?

We cannot simply hope that existing reforms and investment will fully transform the landscape of opportunity and aspiration. In particular we have to focus closely on raising the life chances of the least well off:

- there are still too many children living in absolute poverty.
- Some particularly in poorer communities experience lower quality public services.

Professionals 40% more likely to get heart bypass operation despite higher fatalities in poorer areas.

Less health professionals in poorer areas

- Still live longer the wealthier the family you are born into. Local Authority with highest male life expectancy (East Dorset) and Glasgow has actually worsened in the past decade
- Social mobility has stalled.

Today's socially immobile thirty somethings were the children of the 1980s who's aspirations were capped so callously

Today's generations are paying the price of policy failure over previous decades. The life chances of the less privileged have not greatly improved the relative social mobility – the odds of a working-class child making good and earning considerably more than his or her parents – have actually worsened.

Today's youngsters are also the first to face the challenges of a genuine world economy and the IT revolution. No longer competing with those in own community or country or continent for employment. But with the citizens of India and China. No future in low skill low ambition life cycle.

Reversing this trend is a formidable task but we must make determined efforts to tackle the barriers to social mobility to ensure that future generations have a real opportunity to fulfil their potential.

Social Mobility is the real prize in public service reform

I am not intrinsically committed to change for the sake of change

Too often politicians of all Parties in the past have appeared obsessed by the process of reform. Too often that debate has been value free.

At the heart of our approach must be the values of Social Justice and the aim of Social Mobility.

All future reforms should be tested not only against the important criteria of efficiency but also on their impact on Social Mobility.

If we establish a consensus on the role of Public Services then any alternative Government would have to justify any attempt to undermine Social Mobility.

The greatest influence on Social Mobility are the drivers of change that affect children.

- Child Poverty
- Family. Not micromanagement of family morality
- Early Years education. Nursery education, report card on expected progress

What is the role of PSR?

A focus on social mobility should also provide a broad framework for our wider programme of public service reform. Sometimes in the past our reforms have seemed unconnected and our rhetoric has suggested that we wanted change for the sake of change. Politicians in all parties appear focused on the process of 'what' structure we want to change rather than the values of 'why' we want change. *A clear commitment to empowering the individual, improving life chances and, ultimately, increasing social mobility should be a common thread running through all of our reforms. We have begun this work but we have further to go and future reforms should also be judged against these criteria.*

This vision – and the policies to deliver it – is a clear difference between New Labour and the Tories. It should be highlighted as one of the unique characteristics of new Labour's determination to modernise Britain's public services and will stand in stark contrast with the Tories' agenda.

No one can really be sure whether the policies of the previous 20 to 30 years will continue to have an adverse impact on social mobility for some time yet. Similarly only time can tell if Labour has already done enough to arrest the decline in social mobility but there are positive signs that we are tackling some

of the key barriers. For example, schools in the most deprived areas have been improving faster than the average; teacher quality has greatly improved; primary standards have risen substantially; health outcomes are improving and waiting times fallen sharply.

But faced with the question of 'Have we done everything we can?' The answer is clearly 'No, not yet.'

We cannot rest in the expectation that the reforms and investment over the past eight years will change the landscape of opportunity and aspiration in the UK. We need to go further with measures both to improve the life chances of children and to ensure adults have second chances. As evidence shows that the key cognitive and behavioural development takes place before the age of 11, we should focus on ensuring that government removes all significant barriers to progression in this crucial period.

Redistribution of Power

The Left has long argued for redistribution of wealth but we have been muted on the redistribution of Power in public services.

1. Making our sense of Progressive Choice credible
2. Enabling citizen to help shape public services

Making Progressive Choice credible

But as well as providing choice, we also need to ensure that choice is in practice exercisable by everyone including the disadvantaged

There is a real difference between Labour's approach to choice and that of the Conservatives.

For them it was about using tax-payers money to escape the public services through patient or pupil passports.

For us it is a progressive choice in contrast to their Advanced Social Darwinism which would see the further advancement of the already articulate.

Despite all the achievements of this Government – and there are many – it is indefensible that hardworking but poorer families have improving, but still poorer public services than others. For some the solution is simply that these families will have to wait their turn. Their argument is that all change is incremental and we will gradually make every public service experience in every community world class. Of course, we all share that vision and the frustration that the reality of the pace of change in government can never match our Party's collective impatience.

But why should some hardworking families have to wait for an improving universalism in public services to deliver eventually what others already rightly take for granted?

The answer must surely be a more ambitious reform agenda which brick by brick dismantles the barriers to social mobility. Child poverty, welfare reform, childcare, primary education.

As a bare minimum, we must ensure that everyone including the most disadvantaged has access to high quality public services. And if our citizens do not have such services in their communities they should have the right to choose to use other providers. Some choose and are able to move house to be closer to better public services, particularly schools. That is their right. But we should not prevent others making the much more modest choice of taking a short drive or a bus journey to see a different GP or use a better hospital.

The argument is often made that poorer families shouldn't have or don't want choice. It is almost as if they are not to be trusted to make the correct decision and that the State should simply provide an 'improving uniformity'. This paternalistic idea is patronising to many hardworking families who make a myriad of complicated choices every day of their lives. Often the problem is that there are rarely public service choices available in many communities.

And surveys clearly show that people on low incomes or living in deprived areas are eager for more choice as a means of accessing better services.

We must also ensure that individuals can take advantage of an extension of choice by giving them clear, straightforward information and advice. We must ensure as far as possible that lack of transport is not a barrier to choice, or that providers do not limit choice by picking and choosing their least problematic clients.

Some of the commentators claim that the extension of choice is a betrayal of Labour's commitment to public services. *They could not be more wrong. Labour's commitment is to the citizen or customer not to the abstract notion of a specific public service delivery configuration. In truth we will be judged as to whether during the longest ever uninterrupted period of Labour government we successfully recast public services so that they deliver for all and that provide the foundation for individuals to fulfil their potential in life.*

But it is not sufficient simply to empower customers and extend the theoretical choices available to them. We need to ensure that choice is credible and universal. That all customers can in practice take full advantage of these new opportunities. This will include ensuring transparency and availability of information about services. At the national level for example, we have Directgov, the web portal providing access to public services all in one place. At the local level this could be through a one-stop shop bringing access to and advice on a range of services together in one place. Or perhaps through specialist roles such as Patient Care advisors.

As my responsibilities include e-Government, I have a particular interest in the role technology plays in enabling choice on how a citizen consumes. IT so far has been about how people consume. Face to face, on-line, on phone. But increasingly it should be about what they consume.

So this is progressive choice, not social Darwinism

In total, if these reforms are made what we will have is a model for progressive choice. Progressive choice will mean:

- Citizens make the decisions not the service provider
 - Choice-based letting allows people to choose their own property
- Devolution of the service to the local level
 - Neighbourhood policing means that there are police teams that patrol particular areas and have much closer contact with local areas
- Voice in shaping
 - Direct payments allow the user to shape the service to their need not the other way around
- Equal opportunity of access to services regardless of financial background
 - In the schools reform, free school transport is extended to children from poorer families to their three nearest secondary schools within a six mile radius
- Information and the ability to make informed choices
 - Supporting voluntary information providers like the Citizen's Advice Bureau which advises 5,000,000 people a year.
- Empowering citizens
 - The NHS Expert Patient programme aims to provide patients with 'self-management' skills to make a real impact on their disease and quality of life.

So this is progressive choice. It is a positive form of choice which is about increasing people's life chances, not assisting the competitive struggle for survival. The reason we are embarking on this ambitious range of public services reform is to make people's lives better. If we get it right we will not just be delivering public service reform, we will also be delivering social justice.

Giving a Voice to all Citizens

Using customer/citizen satisfaction as a driver of continuous improvement.

We need to introduce more responsive public services that more closely meet individual and local needs, particularly the needs of the disadvantaged. This means increasing the range and diversity both of supplier and of services, to be able to offer services that are truly personalised.

It means putting more power into the hands of service users to choose the services that they need and not having services chosen for them.

- For instance, one of the new schemes being offered is choice-based letting which I visited about a month ago. Choice-based letting means that tenants in social housing now get to make bids for properties they want, instead of local councils making housing decisions for them. It puts power into the hands of users. And it seems to be working. Residents know more about the system, they make their own choices about their housing, they are happier, and there is less turnover of council properties.

Giving people more choice also means giving citizens a real input into shaping public services and making sure that citizens have greater control over the service provided.

- Direct payments in social care are a good example of this. Instead of the local council determining the type of care and the provider of that care, users receive a set payment to use how they want. It means that users control the type, time and location of care that they need. So many users have chosen to get care at home from their friends and family at times that suit them, because this is what they need and as a result, it has changed people's lives for the better.

Responsive public services means giving control of services back to local communities and ensuring that services are tailored to local areas.

- So for instance, the government's neighbourhood policing strategy means that there are dedicated police teams that patrol particular neighbourhoods and develop relationships with people in local areas. It means that local people can tell the police about the problems that they actually experience in their actual neighbourhood and get police to act on these.

Tailoring services to everyone's needs means giving people equal opportunity of access to services regardless of financial background, and making sure everyone has a real choice.

- For instance, in our recent schools reforms, we are offering free school transport to children from poorer families to their three nearest secondary schools within a six mile radius. The point of this is to make sure that everybody has the ability to make choices, not just those that can afford it.

So when we get past the managerial language this is what the public service reform agenda is all about. It's about making sure that services are responsive to local and individual needs, it's about empowering citizens and it's about making sure that services meet the requirements of everyone, not just the advantaged few.

Offering more choice will involve a greater diversity of service suppliers including the voluntary sector

Targets

There has been a freeze on new targets if not a reduction since 2004

Schools have to meet more than 200 performance requirements

Local authorities have to make over 1,000 returns to central government, according to the LGA. [2006]

Targets can be framed in two broad ways:

- a. in terms of inputs (eg, police numbers);
- b. outputs (eg, number of people found jobs)
- c. outcomes (eg, confidence in the criminal justice system, fear of crime, patient satisfaction)

Although the centre of gravity of PSA target portfolio was originally nearer the top of this list, it has definitely been moving downwards. While this makes the targets harder to achieve, it makes them more relevant to the citizen, and less constraining on delivery organisations.

There are currently 110 PSA targets (about 7 per department), down from 125 in 2002-4 and 250 originally. But these are not really what people complain about. The difficulty is that Departments disaggregate and cascade their PSA targets. PASC has heard evidence that the central PSA targets had generated 1300 targets for use by the 36 executive agencies. For example it has been claimed that the 12 central PSA health PSA targets were expanded into 44 targets in DH's planning and priorities guidance, which were themselves expanded into 300 separate targets. (These figures only cover PSAs and not the additional regime of financial and efficiency targets and limits that are set.)

As a sweeping generalisation, Departments are less adept than they could be at turning the indicator returns data into policy action.

Such a target could, in principle, be framed in terms of the proportion of 30-year olds whose income quartile or social class was higher than that of their parents, for example. This would be properly outcome-focused, but there would be significant practical limitations. For example, the duration of the target – decades – and the difficulty of constructing a trajectory of intermediate targets, would undermine accountability for achieving it, particularly as responsibility for progress on the target would need to be widely distributed across government.

Nevertheless, the government has an, in principle simpler to meet, child poverty target, owned by HMT and DWP, at which some of the same criticisms could be levelled:

Halve the number of children in relative low-income households between 1998-99 and 2010-11, on the way to eradicating child poverty by 2020. Joint with the Department for Work and Pensions.

(The Government will also set a target as part of the next Spending Review to halve by 2010-11 the numbers of children suffering a combination of material deprivation and relative low income. The target will be met if there is an equivalent proportional reduction to that required on relative low income between 2004-05 and 2010-11.)