

POLICY BRIEFING

June 2017

Welcome to our NLGN ‘Policy Briefing’, exclusively for our members. This briefing collates the most interesting reports that we have come across over the last three months.

This briefing is organised into the following headings:

- Devolution, Growth and Industrial Strategy (p1)
- Public Service Reform (p1)
- Digital Public Services (p2)
- Employment and Skills (p3)
- Organisational Development (p4)

■ DEVOLUTION, GROWTH AND INDUSTRIAL STRATEGY

No more standing on the sidelines - Developing effective approaches to city leadership in an era of devolution and austerity	The University of Sheffield / Crook Public Service Fellowships	Link
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This paper draws on practitioner and academic knowledge to explore the role and impact of local place based leadership. The research identified the key characteristics of effective local leadership and provides powerful examples of place leadership. The research also raises concerns about devolution: the concentration of power in ‘civic elites’; the creating of complicated governance structures; and the focus on traditional approaches to economic growth. Furthermore, too many local leaders define their role too narrowly; remain siloed; and are cynical about integrated and innovative place leadership. The paper argues that the local state could and should act differently order to realise the full potential of the city. The paper also proposes a framework for assessing the quality of local leadership that may help address the issues of local leadership and help to the first wave of metro-mayors and their partners.

■ PUBLIC SERVICE REFORM

Leading Across the Health and Care System - Lessons from Experience	The Kings Fund	Link
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The NHS is shifting away from competition and fragmentation towards collaboration and integration through the adoption of new care models, sustainability and transformation plans (STPs) and accountable care systems. However, local progress has been constrained by the ongoing encouragement of competition, fragmentation, inconsistent regulation and the need to deliver targets and savings. Informed by the King Fund’s knowledge of new care models, STPs sustainability and transformation and accountable care systems, the paper identifies five ‘success’ factors for local system leaders. These are:

1. Develop a shared purpose and vision
2. Have frequent personal contact
3. Surface and resolve conflicts
4. Behave altruistically towards each other
5. Commit to working together for the longer term

Open Innovation in Health: A Guide to Transforming Healthcare through Collaboration	Nesta	Link
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This report provides a guide to ‘open innovation’ for policy and decision-makers in health. ‘Open innovation’ describes new forms of collaboration between: public and private sector organisations; practitioners and researchers; and citizens and patients. ‘Open innovation’ differs from more traditional approaches to collaboration as it’s informed by the knowledge of practitioners and the needs of patients, not just professionals and managers. The guide identifies opportunities for open innovation initiatives to:

1. Respond to gaps in the innovation system
2. Capitalise on existing strengths and resources
3. Start small and simple
4. Gain support from health leadership
5. Build strong relationships with health services at different levels
6. Support teams of innovators
7. Provide opportunities for interdisciplinary working
8. Focus on innovators as well as innovation

A Whole New World—Funding and Commissioning in Complexity	Collaborate	Link
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This paper explores how both commissioning and charitable funding respond to complexity, considering how funders should manage their resources effectively in a very complex system. It proposes a new paradigm to replace the outdated approach of ‘new public management’. Public service delivery is increasingly complex, and yet we still have overly simplistic ideas of ‘transformations’ that start with a problem, deliver a service and expect a result. This is shown in our commissioning structures, funding strategies and schemes like payment by results. Outcomes are created by people’s interaction with whole systems, not by interventions or organisations. The report proposes a new paradigm for complexity funding, which is both ‘human and systemic’.

■ DIGITAL PUBLIC SERVICES

What Next for Digital Social Innovation? Realising the Potential of People and Technology to Tackle Big Challenges	Nesta	Link
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Digital social innovation (DSI) is when people “collaborate using digital technologies to co-create knowledge and solutions for a wide range of social needs”. The DSI4EU project has been supporting DSI across Europe since 2016. This report considers DSI evolution, the challenges and what should be done to realise the potential of DSI. The report finds that the most common technologies are: Social Media/Networks; Crowdsourcing & Crowdfunding; and Mobile & Web Apps, and the most common areas of activity are: Education & Skills; Participation & Democracy; and Culture & Arts. The report also makes six recommendations for policymakers and funders:

1. Support DSI through funding mechanisms.
2. Invest in intermediaries and the support infrastructure for DSI.
3. Invest in and enable DSI approaches within existing civil society organisations.
4. Enable peer learning and the spread of best practice.
5. Conduct further research into the supporting conditions and models for growth and sustainability of DSI.
6. Use public procurement to advance DSI.

Inventing the Future: TechUK Manifesto 2017 - How Global Britain can shape our Digital Future	techUK	Link
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A key challenge for the next government will be to create a modern and open digital economy that works for everyone in the 2020s. This manifesto provides a set of policy recommendations grouped under five headings:

1. **Making Brexit a Success for Tech:** The next Government must secure a tech-first trade deal; maintain cross-border data flows; make the UK a hub for global tech talent; provide confidence, stability and certainty throughout the negotiations; and place tech at the heart of Global Britain’s new trade relationships.
2. **Achieving Economic Renewal Through a Modern Industrial Strategy:** The next Government must boost investment in R&D; harness the power of tech to solve the UK’s “productivity puzzle”; make the UK the best place to start-up and scale up; create an open and dynamic regulatory framework; and help attract investment in world class digital and data infrastructure.
3. **Building the Smarter State:** The next Government must put tech at the heart of Government; unlock the next wave of digital transformation; develop expertise within the Civil Service; address the barriers to digital innovation in health and social care; and innovate by instinct in the defence supply base.
4. **Nurturing the Skills for the Jobs of the Future:** The next Government must introduce digital skills from an early age; create an apprenticeship programme; support girls and women to work in tech; develop a clear and ambitious policy on the future of work and lifelong learning; and open-up to the pioneers and innovators of tomorrow.
5. **Creating a Safe and Secure Digital World:** The UK must build upon its strong cyber security credentials; invest in public sector cyber security; protect end-to-end encryption; and enable SME investment in cyber security.

■ EMPLOYMENT AND SKILLS

Extending Working Lives – A Devolved, Lifecourse Approach to Enabling Work Beyond the State Pension Age	IPPR North	Link
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The UK’s population is ageing. The ‘effective age of retirement’ (the average age at which people leave the labour market) is rising, and today, over 10% of people aged 65 and over are working. Pensioner inequality is high and is set to worsen. Policy should encourage people to plan for the longer working lives. However, opportunities to extend working lives are unevenly distributed. Health is poorer in deprived communities and among people with physical jobs. Low-paid workers in physically demanding jobs can find themselves in a ‘double bind’; with poor health and an ongoing need to work. The report IPPR’s makes a set of recommendations for combined authorities, local enterprise partnerships and central government:

1. Adopt a ‘lifecourse’ approach to extending working lives. Where ‘lifecourse’ involves the preparation for retirement.
2. Develop regional generational accounts for the planning and evaluating of interventions. These can inform limited fiscal devolution to support ‘invest to save’ models.
3. Establish ‘lifecourse work centres’ consisting of local enterprise partnerships, businesses, trade unions and health authorities. Centres would coordinate local opportunities for older workers, provide an age-friendly alternative to the Jobcentre Plus, and engage with older workers and civil society groups.

■ ORGANISATIONAL DEVELOPMENT

How Do You Know Your Council Is Performing Well in Adult Social Care?	LGA	Link
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This briefing is primarily aimed at elected members, summarising the lessons from sector-led improvement processes on how members and councils more widely can create the conditions for excellent performance in adult social care. These conditions are:

- Getting the culture right: Learning from mistakes, being open and honest, and taking responsibility for continuous improvement
- Getting the systems right: Robust performance management systems and consistent data collection and reporting systems to underpin this
- Measuring progress: towards collaboration with other place-based services. The briefing encourages members to be partnership-oriented, and understand how the performance of adult social care and NHS services are dependent on each other.

Labour Market Outlook Spring 2017	CIPD	Link
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This report is based on a survey of employees to forecast trends in employment in the UK. The report suggests that based on intentions of the employers surveyed, employment will grow in Q2 of 2017, but at a slightly slower rate than previously. There has been a fall in confidence in the public sector, particularly the education sector. Some of the other findings include:

- A small majority (56%) of employers reported that they are currently having difficulty filling vacancies in their organisation
- 12 per cent of private sector firms say that Brexit has led them to consider relocation of some or all their business operations abroad
- Over one in six (15%) public sector employers predict that their organisation will have a pay freeze compared with less than one in ten (9%) private sector employers.