



Phil Swann July 2011

Public Service Reform

Why making mistakes playing with glue is more important than the white paper.

Asked by the London Sustainability exchange to think about the forthcoming white paper on public service reform, I quickly lost interest in it. Public service reform matters, but I don't think the white paper does. Who can remember the Blair Government's Office of Public Service Reform, let alone what it did?

Better I think to begin with the pressures in society that might require public services to reform.

First and foremost the recession. Have we even begun to appreciate its long term implications? In his new book *The Great Reset* Richard Florida argues convincingly that the long depression of the late 19th century was a key factor in the growth of cities. Similarly suburbia was a product of the great depression of the 1930s. What, Florida asks, will be aftermath of the current economic and financial crisis?

Other pressures include the ageing society and the brewing environmental crisis – both much talked about and analysed but little acted on.

Housing is currently the most pressing issue facing many councils: little investment in social housing, little or no affordable housing, the housing ladder about as tangible as the stairway to heaven, and a dysfunctional market for private rented housing.

Finally there is a mass of evidence that prevention works but an almost complete failure on the part of the wider public service system to cash the prevention cheque.

If those are some of the pressures, what might the building blocks of a reform process be? Here are five candidates.

First, data. The potential for using and presenting data in radically new and interesting ways was illustrated by the FT Weekend Magazine last month. It showed how premiership football clubs are increasingly using highly sophisticated statistical analyses to inform their planning. It was visually stimulating and mentally provocative. I have never seen anything like it in relation to public services.

Second, new technology. I got some of the ideas for this blog having tweeted for help. *Pottermore*, the new Harry Potter website, combines computer gaming, long-awaited new content, on-line sales and, if JK Rowling is to be believed, opportunities for Potter fans to co-produce new material.

What are the lessons from this for public services?

Third, glue. I've recently helped a London borough to review its partnership arrangements. It is not possible to draw the new arrangements in a conventional structure chart. So what will hold the partnership together if it is not hierarchy?

One council leader has tweeted about the school heads in his county wanting the council to be the glue that holds the local education system together.

Is there something about organisational glue that might be important?

Finally I do think that there is real potential in ideas such as payment by results and social impact bonds to enable us to cash the prevention cheque.

What about the reform process itself? I'll conclude with four hints on how to manage the process.

First, keep it local.

I'm not arguing this on the basis of a political principle (though I could), but for reasons take practicality.

Take new IT systems. Compare any national IT programme with the replacement of the poll tax by the council tax in 1993. The former either never happen, don't work or cost zillions more than was budgeted. The latter was supported by half a dozen privately developed systems implemented across over 300 councils and worked from day 1.

Second, learn from failures and history.

Everybody supports honorary failures in principle, most recently the FT's undercover economist Tim Harford in his new book *Adapt*, but few people do so in practice. Interestingly a group of people who did are *The Grateful Dead*. My favourite business book *Marketing Lessons from the Grateful Dead* notes that "The Grateful Dead teaches us to take risks and to experiment, to learn from our failures and successes, and to continually move forward".

By large there is no such thing as a new idea. Most of us know that. But what we forget is that the last time the idea was tried it was almost certainly evaluated. We never look at those evaluations. Could we do more to learn the lessons of history?

Third, watch out for unintended consequences.

For example Florida reminds us that far from reducing the burden of housework the invention of the vacuum cleaner increased the time spent cleaning and rugs were kept out all the time rather than being kept in the attic and only brought out on Sundays.

Unintended consequences can also be exploited to drive change. Think about forest fires. As John Kay notes in *Obliquity* one of the best ways to stop a forest fire is to burn some trees.

Finally, create some space to play.

As any parent knows kids learn a lot from playing. Organisations need to play too, and to learn from it. At its best Total Place was a form of creative space, but could we do more to create space for organisational play?

So, don't wait for the white paper. Instead get out the glue, have fun playing and make sure you learn from the mistakes you will inevitably make.