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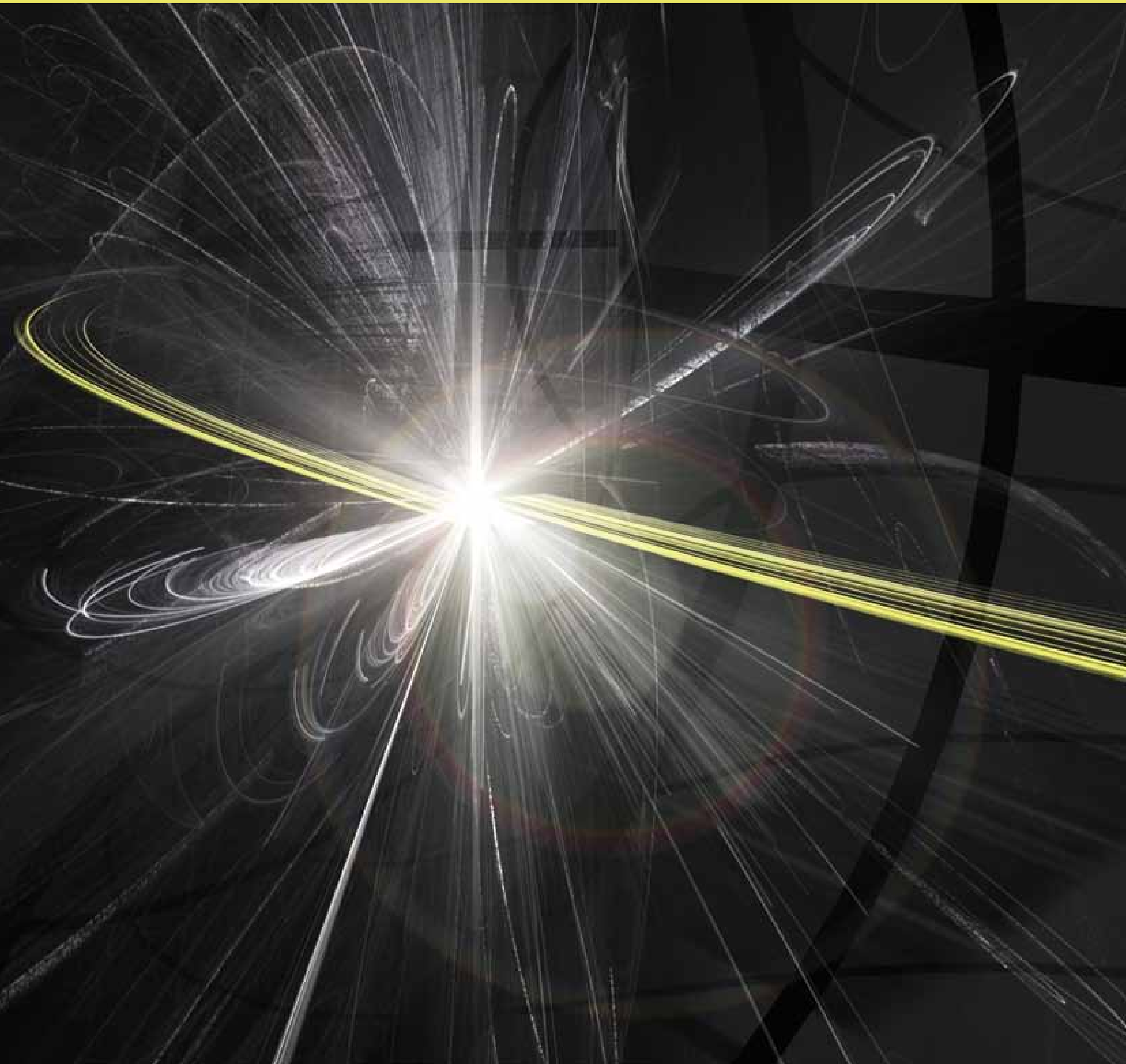
Understanding Society

Evolving public services, evolving public opinion

July 2012



In brief

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Foreword

Welcome to the summer edition of the Ipsos MORI Social Research Institute's Understanding Society. In this issue we consider public service reform in the UK, and the future challenges they face in meeting public expectations and changing needs at a time of severe spending constraints.

The government has made much of its desire to make public services and central government more efficient, claiming to have delivered "cashable efficiencies" of £3.75 billion just in the first ten months in office. But aspirations go further than that, with ambitions to transform the way services operate and to open government up to new ideas, new ways of delivering services, and to new technology. As Francis Maude, Minister for the Cabinet Office said, "we need to be on the cutting edge ensuring our services are fit for the 21st century – agile, flexible and digital by default".

Much of the government's narrative centres on putting the citizen at the centre of the system. To make this a reality and design services that will meet users' requirements, the relationship between public services, the state and the citizen and how to engage service users needs to be just as much part of the debate as budget cuts.

To help contextualise the current challenges, we are delighted to have an interview with former Secretary of the Cabinet and Head of the Home Civil Service, Gus O'Donnell. Now raised to the peerage as Baron O'Donnell, of Clapham in the London Borough of Wandsworth, he considers how the public sector and civil service changed during his time working for three different prime ministers, and the challenges ahead.

Also in this edition, we are very pleased to have an interview with Tim Kelsey, who after a year as Director of Transparency and Open Data at the Cabinet Office, is to become National Director for Patients and Information at the new NHS Commissioning Board. Tim sets out his vision for how technology can help transform aspects of patients' interactions with health services and free up resources. This is closely connected with attitudes to privacy and data-sharing, and we also discuss research carried out with Deloitte on what citizens, as customers of business and users of public services, feel about the collection, use, and sharing of data.

We are also extremely grateful to Jenny Grey, Executive Director of Government Communication for Number 10 and the Cabinet Office, for her view on the future of her profession. Jenny discusses the role of government communicators in the current austere times, and how they can employ new techniques and cross departmental boundaries to achieve their aims.

This edition also includes our analysis of:

- the latest on perceptions of public services, and the social values these are based on;

- how technology can transform charitable giving;

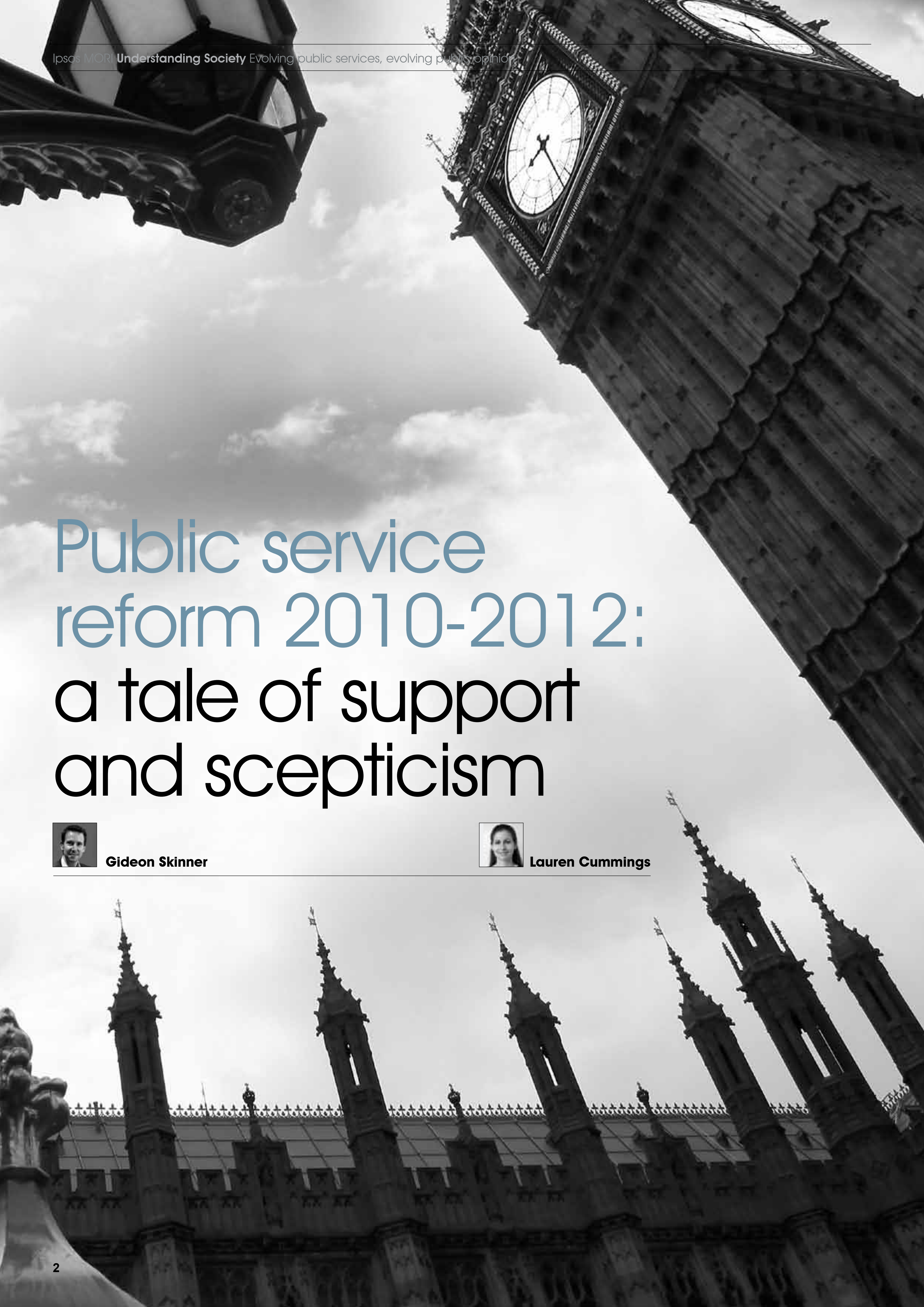
- the role of regulators; and

- the impact on public services if Scotland decides on independence.

An understanding of public attitudes to public services in Britain should be an essential component of the reform process, and we hope you enjoy reading our latest thoughts on this. At the Ipsos MORI Social Research Institute, we remain committed to sharing the messages from our research in the belief that a better understanding of public opinion will lead to better social outcomes and service design.

As always if you would like to discuss any of the issues raised here, please get in touch.

Bobby Duffy
Managing Director,
Ipsos MORI Social Research Institute



Public service reform 2010-2012: a tale of support and scepticism

Gideon Skinner

Lauren Cummings

Against the backdrop of the eurozone crisis and a UK economy in double-dip recession, the March 2012 update on progress against the priorities set out in the Open Public Services White Paper made the case that radical public service reform was even more critical given the deteriorating economic conditions in the UK and Europe and the intense demand from the public for high-quality public services.[1]

> *The case for radical reform has therefore become even stronger over the last six months.*
>
> **Oliver Letwin MP and Danny Alexander MP**

If the update on the White Paper is a picture of continuity, reflecting the same principles set out eight months before, the debate about public service reform in the think tank sphere combines more familiar lines of argument with fresh ideas from around the world.

Think tanks have been warning that the government needs to take a longer term view of public service reform for several years now. The 2020 Public Services Trust made this case in June 2009 when it published its report exploring citizen demand in 2020. More recently the IPPR has taken up the baton, publishing *The Long View* in June of this year.[2] Both reports highlight the impact of demographic and social trends on the future of public services, and argue that governments of the future will face increasing cost pressures, in many cases "irrespective of the current public finances".[3] They make the case for government leading "a public debate now on the kind of choices that will confront us"[4] and warn against short-term imperatives preventing preparations for those future scenarios that are very likely to confront us within the next couple of decades.

Think tanks are increasingly looking for inspiration from abroad

In the context of intense fiscal pressures, think tanks have begun to look to the developing world for alternative ideas. The 2020 Public Services Trust makes the case for "widening the lens" to capture as many ideas for public service innovation as possible, and in particular from developing countries, which often have to contend with high levels of demand from citizens in the context of severe fiscal constraint.[5] The Serco Institute examined the case of India in particular, where social entrepreneurs have stepped in where the state was absent, finding "frugal" but innovative ways of delivering high quality public services, often to very deprived populations who cannot afford to pay. In line with the government's principle of decentralisation, *Frugal Innovation* argues that allowing 'bottom-up' solutions to local public service problems to flourish may result in services that better meet citizens' needs.[6]

> **Think tanks have been warning that government needs to take a longer term view of public service reform for several years now.**

Civil service reform plan reveals some major changes

Meanwhile, the government has also been moving forward on another front. Amid at times heated debates about the role of management consultants, academics and think tanks in the policy-making process, the Cabinet Office published its report on civil service reform in mid-June.[7] The report calls for some radical changes: a smaller, more strategic civil service; improved policy-making capability, including piloting the commissioning of policy development by academics and think tanks; sharpened accountability; improved performance management systems and an improved employment offer (see our interview with Gus O'Donnell for his take on some of this).

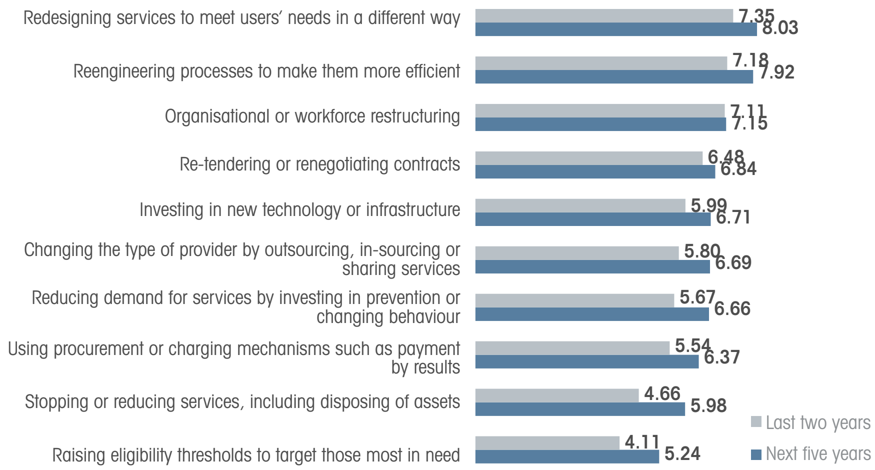
The Institute for Government, which made recommendations for civil service reform in March 2012 and followed this up with the publication of seven tests of an effective reform plan, has reacted fairly positively to the plan. According to its verdict, the plan establishes a clear direction for reform that applies to most civil servants and addresses the main strategic issues. The dual civil service leadership is working well and senior civil service leaders appear committed to implementing the plan. The think tank's report does raise some concerns, however, including whether or not there is the right political support for the plan, and the lack of clarity about how reviews and reform actions will be resourced.

Implementation of public service reform will rely on public sector leaders

Of course, it is not unreasonable for the government to stick to its original plans for public service reform. In summer 2011, public sector leaders identified changes in government policy as one of the top three strategic risks to the public sector

Public sector leaders think redesigning services around users will lead to most significant improvements

How significant have/will each of these possible approaches been/be to improving the way your organisation delivers services over the past two years/in the next five years?



Base: 202 Senior public sector managers in the local government and health sectors, 27 June – 22 July 2011

Source: Ipsos MORI Public Sector Leaders survey

over the period 2011-2016.[8] Reform takes time, so standing by the principles and focussing on their implementation is probably wise.

If the priority now is implementation, then the beliefs and attitudes of public sector leaders to the reform process become of paramount importance. Public sector leaders, unsurprisingly, identified budget cuts (67%) as the most pressing strategic risks in the summer of 2010, and this was still the case (64%) in the summer of 2011.[9] Related to this, they are concerned about the implications of budget cuts for the delivery of core services and the maintenance or improvement of service quality. Like some think tanks, public sector leaders also worry that short term financial challenges may lead to cost increases over the longer term, for example if strategic investment in infrastructure does not occur or the public sector sheds staff with critical niche skills.

> ***"I think we're all a bit short term at the moment and it's that longer term strategic perspective that's often missing I think."***
>
> **– Local Authority Chief Exec**

In spite of this, our research suggests public sector leaders are already changing the way they approach service delivery. Local authorities are looking to shared services to help them make cuts, with 84% believing that the long term rewards of such an approach justify the short term challenges.[10] In education, many schools are choosing to convert to academies to reap the perceived benefits of increased autonomy from local authorities, including targeting resources where they are most needed and adopting innovations to the curriculum.[11] In both the local government and health sectors, the strategy that most sector leaders rate at least a 7/10 in terms of improving the way their organisation delivered services over the last two years, and looking forward to the next five years, is 'redesigning services to meet users' needs in a different way', with redesigning processes to increase efficiency and organisational or workforce restructuring also recognised as significant. Stopping or reducing services and raising eligibility thresholds to target those most in need are rated as least significant – although there are some signs they could grow.[12]

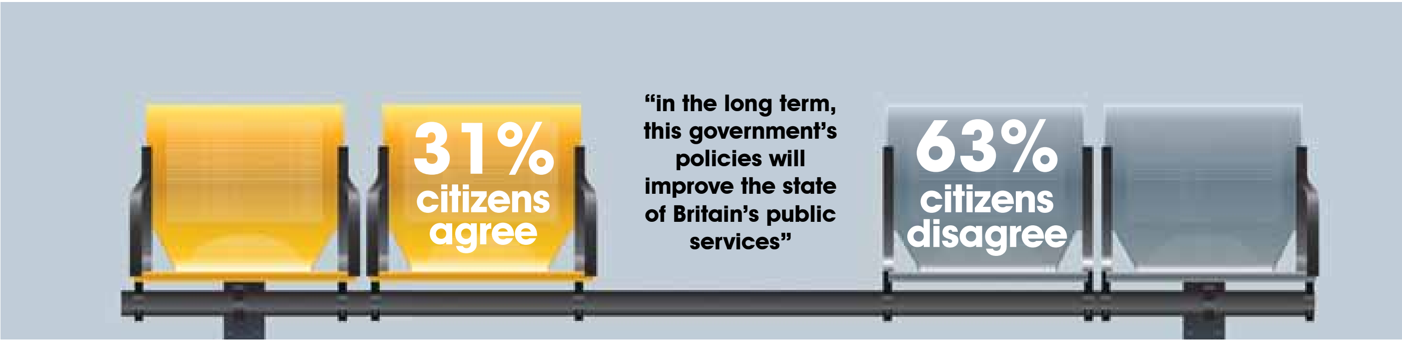
The public is both supportive and sceptical of public service reforms

This narrative about putting the citizen at the centre may be the longest-running element of continuity in the debate about public service reform, as again Gus O'Donnell points out with his recall of John Major's innovations in this area. If the government and public sector leaders are to ensure this happens, then they need to understand the public's views on the proposals and, crucially, the way reforms are implemented.

The reform programme itself has been greeted with both support and scepticism by British citizens. The Open Public Services White Paper (July 2011) set out five principles for reform: choice, decentralisation, diversity of provision, accountability and fair access.[13] Citizens are broadly in favour of most of these principles in theory, but with some important caveats in terms of how they are implemented in practice.

> **87%**
> of the public agree that patients should be involved in making decisions about the care that they receive from the NHS

On choice, for example, we have found that 87% of the public agree that patients



should be involved in making decisions about the care they receive from the NHS, and that 85% feel confident about choosing a GP surgery.[14] However, there is concern that more vulnerable groups, such as those who do not speak English well or are unable to read and write, may in practice struggle to seize the opportunities to choose.[15]

There is also some appetite among citizens for a degree of involvement in local public services, with 48% expressing a desire to get involved in decision-making at the local level.[16] One reason for this may be the level of mistrust of "experts", as two-thirds disagree with the statement, "In general, the people in charge know best".[17] In reality, however, depending on the specific issue, citizens want varying levels of engagement, from simply wanting to know more, to wanting a say, to actually wanting to get involved.[18]

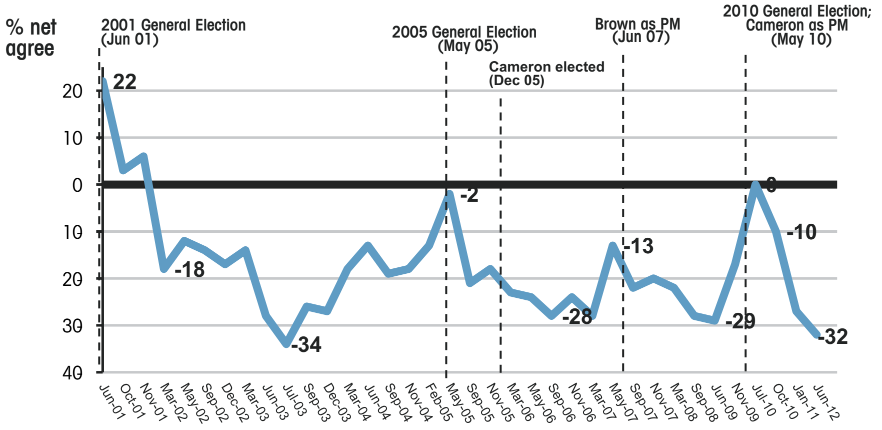
Research for Accenture suggests that in terms of diversity, citizens do support the idea of a variety of providers being involved in public service provision, as long as the government retains ultimate responsibility for overseeing public services.[19]

With regards to accountability, our report for the 2020 Public Services Trust found that while the public sees accountability in public services as important, it is less of a priority than fairness and customer service standards.[20] This may reflect that accountability is not at the forefront of most people's minds until something goes wrong, when it takes on critical importance.

Finally, fairness in public service provision is extremely important to most citizens. Fifty percent of Britons understand fairness in terms of making sure that everyone has the same opportunities, regardless of their start in life,[21] which is broadly in line with the White Paper's stated aim that public service provision should primarily focus on the same opportunities being available regardless of background.

Confidence in the government's policies for public services has fallen

Do you agree or disagree… "In the long term, this government's policies will improve the state of Britain's public services"



Base: c. 1,000 British adults 18+ each month

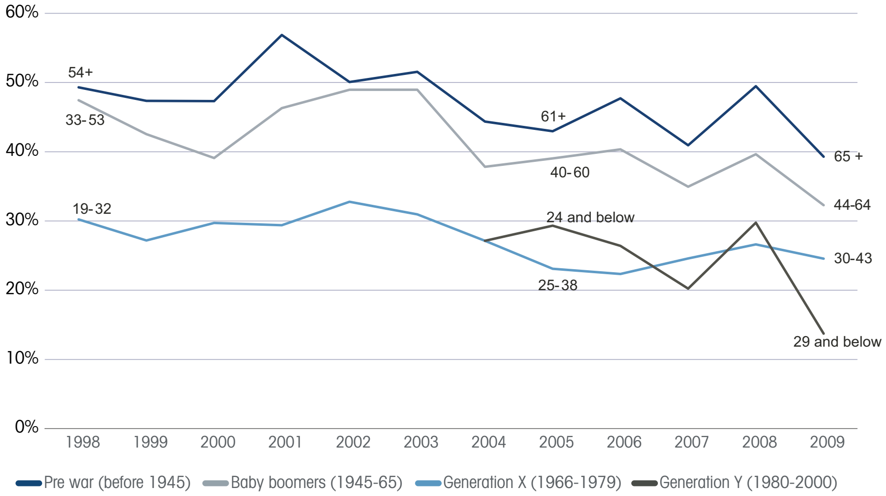
Source: Ipsos MORI Political Monitor

Public opinion is gradually shifting but citizens remain divided on many key issues

There is, however increasing scepticism about the necessity of some elements of the reform programme, in particular, the cuts in public service expenditure. In 2010, the public were behind cutting spending in order to pay off the national debt, with 58% agreeing this was necessary, and more than half of these strongly so. From early 2011, however, British citizens began to question the need to cut spending on public services. As of June 2012, only 46% still thought this was necessary to reduce the debt, while 44% disagreed, and so the public is now divided on this issue.

New generations driving society's changing views towards welfare

Total % agree "the government should spend more money on welfare benefits for the poor, even if it leads to higher taxes":



Base: c.2,000-4,000 GB Adults for each wave of British Social Attitudes Survey

Source: BSA

Furthermore, over the course of this parliament, citizens have become more worried about the future of public services. Shortly after the election, the same proportion (45%) of people agreed as disagreed with the statement "in the long-term, this government's policies will improve the state of Britain's public services". By June 2012, disagreement had risen to 63%, the same as for public sector leaders in summer 2011. Expectations for the quality of individual services are also low, with more people believing policing in their area, education and the NHS will get worse in the next few years than get better.[22] Putting this in the context of longer term trends reveals public opinion in this regard is at an almost historic low.

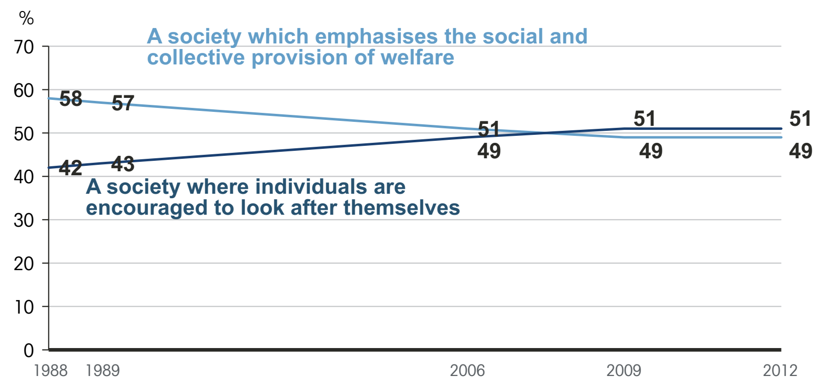
Of course, that expectations are low is not surprising given the financial challenges facing public services, and as noted above, there is still support for the argument that public spending needs to be taken under control. Reflecting on the recent past, people also continue to feel (65%) that the government and public services have tried to do too much and people should take more responsibility for their own lives. At the same time, however, more are worried (68%) now than in 2010 (50%) that government and public services will do too little to help people in the years ahead, which may well be driving some of the increased concern about the future of public services and the impact of spending cuts.

This division and often contradictory nature of public opinion on many of the core issues of public service reform reflects an as yet unresolved debate about the kind of society British citizens desire. Over the last twenty-five years or so there has been a clear shift away from a more collectivist, welfare-orientated society, towards one that encourages individuals to look after themselves. Furthermore, new cohort analysis of British Social Attitudes Survey data by Ipsos MORI shows a clear pattern, whereby younger generations are less in favour of spending more money on welfare benefits for the poor if it leads to higher taxes, than older generations, suggesting that this shift may become entrenched.

Although this change in the ideal society Britons want to see is clear, it has happened slowly, and has shown no signs of accelerating in recent years – and even now, the public is split right down the middle on the issue.

Perceptions of the ideal society are changing – but slowly

People have different views about the ideal society. For each of these statements, please tell me which one comes closest to your ideal.



Base: c. 1,000 British adults – repercentaged to exclude don't knows

Source: Ipsos MORI

Citizen-focus is rightly an enduring theme of public service reform

Ultimately, therefore, it seems that although values are slow to change, they are trending in the same direction over time, which may be one reason why we continue to see common threads in public service reform over the years. Perhaps for the same reason, however – that values are deeply set and change very gradually – public opinion on some of the key issues remains divided. Which way the balance of opinion of the current reform process eventually falls may well depend on how well it is executed. Given the difficult economic circumstances in which implementation must occur, the government could do worse than take inspiration from countries that cope regularly, if not most of the time with fiscal constraint and high citizen demand. Encouragingly, many examples of public service innovation that deliver high quality services at very low cost are based on putting the needs of the citizen at the centre – one of the most enduring themes of public service reform in the UK, and rightly so. ■

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1 HM Government (2012) *Open Public Services 2012*: 3.

2 Paul Flatters and Michael Willmott, *Drivers for Change: Citizen Demand in 2020* (London: 2020 Public Services Trust, 2009); Rick Muir, The Long View: Public Services and Public Spending in 2030 (London: Institute for Public Policy Research: 2012).

3 Paul Flatters and Michael Willmott, *Drivers for Change: Citizen Demand in 2020* (London: 2020 Public Services Trust, 2009): 12.

4 Rick Muir, *The Long View: Public Services and Public Spending in 2030* (London: Institute for Public Policy Research: 2012): 9.

5 Henry Kippin and Holly Snaith, *Widening the Lens: what can the UK learn from public service reform in the developing world?* (London: 2020 Public Services Trust, 2012).

6 Shalabh Kumar Singh, Ashish Gambhir, Alexis Sotiropoulos and Stephen Duckworth, *Frugal Innovation* (London: The Serco Institute, 2012): 5.

7 Sue Cameron, "Whitehall's knights joust over public service reform," *The Telegraph*, 13 June 2012, accessed online at <http://www.telegraph.co.uk/news/politics/9329248/Whitehalls-knights-joust-over-public-service-reform.html#>.

8 Base: Public sector and voluntary organisation chief executives and other board-level directors (100), 12th - 30th July 2010.

9 Ipsos MORI and Zurich Municipal (2010) *Tough Choices: Different perspectives on long-term risks facing the public sector and wider civil society* (Dublin: Zurich Municipal): 13. Base: Public Sector Leaders (338), 27 June – 22 July 2011.

10 Senior local authority officers in England (150), 29 November and 17 December 2010.

11 Head teachers of schools that have converted to Academy status since August 2010 (151), 25 January – 24 February 2012.

12 Senior public sector managers in the local government and health sectors (202), 27 June – 22 July 2011.

13 For more on this, please see Peter Cornick and Daniel Cameron, "A whiter shade of green? What the Open Public Services White Paper means for services and their users," *Understanding Society* (London: Ipsos MORI, Winter 2011): 6-9.

14 Base: British adults aged 15+ (1,014), 17-23 June 2011.

15 Ipsos MORI (2010) *Citizen engagement: testing policy ideas for public service reform* (London: 2020 Public Services Trust): 19.

16 Base: British adults 18+ (1,051), 11-17 December 2008.

17 Base: British adults aged 15+ (1,001), 19 – 25 August 2011.

18 Ipsos MORI, *What do people want, need and expect from public services?* (London: 2020 Public Services Trust, 2010): 34-36

19 Accenture Institute for Public Service Value (2009) Accenture Global Cities Forum: Exploring People's Perspectives on the Role of Government.

20 Ipsos MORI/2020 Public Services Trust (2010), *What do people want, need and expect from public services?* (London: 2020 Public Services Trust): 12, 20.

21 Base: British adults 18+ (1,007), 25 October – 2 November 2010.

22 Base: British adults 18+ (1,016), 9-11 June 2012.

Lord O'Donnell

Delivering public services in a new world

Interview by Ipsos MORI

Ipsos MORI: You started in the civil service in 1979, so you have lived through a couple of crashes and recessions. How would you compare this one to the previous ones?

Lord O'Donnell: It's very different and it's a big mistake to think of this as a normal recession. At the heart of it is the financial crash - the banks got too big, leverage was too high. As we come out of that, we have to end up with a world where the banking sector will be smaller as a share of our GDP and the leverage will be much, much lower and they'll have a lot more capital. Part of the way for them to do that is by contracting their balance sheets, which means, without the jargon, less lending.

A part of the solution in my view is a technical term, *disintermediation*. Which means big corporates have lots of money and are sitting on lots of cash, they do not know what to do with it. We need them to invest directly. Let's increasingly leave the banks out of it. In 10 years time the role of banks in corporate lending could be much smaller. In addition, we will have a lot more direct lending from individuals to SMEs. We will need to make sure that we regulate that properly. Now it suffers because it is not regulated.

Therefore, it means it will be a slow recovery and the economy needs to reorient itself because the way the world is going means we need to diversify our exports away from the Euro area - that is going to be very slow growing for a long time. The trouble is that is our biggest market.

IM: The trouble with a lot of recessions is that it's a bit like being unemployed. As it goes on, the effects are cumulative, and they're not immediate.

LO'D: It's amazing how for all these things we have a piece of jargon: *hysteresis*. If you lose stuff you've lost it forever. Continuous motion, discontinuous action. Therefore, you are stuck. So people who become unemployed, by virtue of being unemployed they become less employable. They are disengaged from the labour market forever. So you do not return to where you were. You get a worse outcome and this matters most for youth unemployment.

IM: If you look back at the crash, it is amazing how few people saw it coming. We are always fighting the last war but what is the learning from that? Do we need more units that are just looking at the unthinkable in the centre, or something that actually looks at the black swan events like a meteor landing?

LO'D: The crash was entirely predictable with hindsight, but also entirely unpredictable in the sense that crises, almost by definition, are unpredictable. Andy Haldane from the Bank of England has done some good research on this. When you are trying to predict the future, you tend to look at the past and you estimate your models on the past. You draw your lines forward, and the banks were doing that. Based on the past, and based on their models, the kinds of things that happened during the financial crisis should have happened less than once in the life of the universe. For example, the stock exchange: the idea that it moved by more than 1% during a day, it hardly ever did. Then you take the Spain bailout, it was up 5% in the morning and it was in negative in the afternoon. Therefore, what we had was a flock of black swans.

The bizarre thing for financial crises in the future is that the models will work quite well because they are now based on a very turbulent past. Where I would say you should really worry is where the world has been flat, very constant, not much has ever changed so you are not used to any big change. Then if something unusual comes along no one will be ready for it because all of their risk plans will be based on preparing for the risks of the past. So really what you need is someone to go back and look at all of those things that have been very boring and very safe and imagine what kind of assumptions would lead that to break down.

IM: On the Civil Service, the one time you appear to have got really cross recently is over the spat with Chair of the Public Accounts Committee, Margaret Hodge over how civil servants should be held to account[1]. What are the underlying principles and the issues there? In some ways, you could paint it as avoiding responsibility.

LO'D: Exactly. That is what I do not want it to be. I am a massive believer in accountability. Where there is some need for change is where there is much grey area. I want a situation where if you say to civil servants right, you are setting up this project or running this new agency or delivering this specific thing, and if it goes wrong, you are accountable. If you want the civil servants to be accountable for this, do so by all means, but give them the power and the responsibility that goes with accountability. It should be a bit like a classic contract or outsourcing - have an agreement with that civil servant that they are going to be accountable for the results.

IM: But will politicians then see this as ceding too much power to the civil servants?

LO'D: If they don't want to cede that power fine, but the consequence of that is they are accountable. If you want control and power then you take the rap.

IM: And if you were a bright young thing entering the Civil Service in 2012 knowing what you know what would your advice be?

LO'D: Enjoy. It is a fabulous life. There are massive opportunities. If you look at public service and you consider the kinds of problems that are coming up like obesity, and ageing, these interesting areas are issues where there is a public policy dimension. I hope new civil servants will be more into thinking about behaviour change, thinking about well being, getting some strategic outcomes and not just about taking a bill through parliament. I really hope that the fast streamers coming in today will be thinking that this is a world of 'how do we manage the problems facing society now whilst embracing localism'.

IM: And are we really? We talk about it but localism is only fine as long as it's the same for everyone. Ipsos MORI has done lots of work on that issue.

LO'D: I agree. We are schizophrenic as a nation. I hear it in the Lords all the time. People are standing up and complaining that in their area it is not as good as it is somewhere else and this is because it's been devolved to local authorities who are responding presumably to local needs. What is that about?

IM: So in terms of civil servants building their careers where should they go? What should they learn? What should they do?

LO'D: The first thing to learn is that the new world is multi-disciplinary. So if you are an economist study psychology. If you are a sociologist understand some economics, get that broader base. Understand some science; science is going to be very important. Get the new technology because the young get this automatically. What I would say to them is, be challenging. For the young it is an exciting time. They have the comparative advantage and skills for the next generation of public service delivery because they know about this, you know, 'can we do stuff through apps?' There is absolutely no reason why we cannot do more of these things.

IM: There has been talk about outsourcing policy. Was that just a threat to civil service management?

LO'D: The civil service always needs to understand that it is in a competitive world in every single respect. I was in favour of the changes to the pensions and all the rest of it because if you try to keep the civil service in a state where it's really expensive to do something by using civil servants rather than outsourcing then sooner or later ministers are going to go for the cheaper option. Therefore, we need to be competitive and use our comparative advantage, which is trust. I am not sure that the private sector collecting my taxes is really what I want.

IM: You have recently talked about "honouring the evidence"[2] but government is cutting back quite considerably on research and statisticians and the worry is that there is a loss of capacity.

LO'D: That does worry me. I am trying to help. I am going to do some work for universities and try to engage the staff on relevant research. There is a lot of 'so what' research. Economists are very guilty of this. We need to persuade the academic profession to be thinking about the things that really matter. We could use them to fill the gap.

IM: We were fascinated to see that the government has set up an implementation unit having scrapped the delivery unit.

LO'D: These things go in cycles don't they? I remember working with, and being completely derided by the media, for the hotline. Do you remember? Citizens charter, all of that. It was the first attempt to say public services should be looked at from the point of view of the user not the provider. The criticism was, are people going to bother to phone in? Well actually, this was a feedback mechanism. It was well ahead of its time.

John Major was, I think, one of the first prime ministers who actually thought about the users of public services. He had used public services and actually thought about the people who used them, which was why he naturally had good ideas in this area, and appealed to the public.

IM: And he did to start with up until Black Wednesday; his ratings were good.

LO'D: John Major will always tell you that he got more votes in '92 than Tony Blair did in '97.

But coming back to your point about implementation, I do think we kind of went from no targets at all and the thought that you just create the conditions and then it works, but obviously at some point you are going to have to think about whether the policy is working or not. A focus on outcomes matters.

IM: Are you optimistic about the future for the public services?

LO'D: I have to be optimistic because it is our job to make them better, and because the opportunities for improving public services just keep expanding. I mean, there is the first wave of digital implementation. The fact that you can get your car taxed online is a great success story. Moreover, online filing for tax self-assessment, I remember trying to do it for the first time, which was a bit of a nightmare. Last time I did it, it took 15 minutes.

But there's a massive opportunity for the second wave of digital public services. Wouldn't it be brilliant if when you go to the car tax people they were able to look at what you put in and say 'well actually, by the way, you've got a 10 year old car, its fuel efficiency must be pretty bad and given the car you've got you're paying a full whack of tax. If you were to move to a low CO2 car you'd save this amount on fuel. You'd reduce your emissions and your car tax and by the way there's a car scrappage scheme' – at least there was!

IM: Clearly, with the economic situation and public spending cuts it's a difficult time for public services. Do you look forward with confidence to the next few years?

LO'D: You have to get on with it. I would say, regard it as an opportunity. One of the things that happens with austerity is it creates many opportunities and can make jobs more interesting. The example I have given is the patents people, whose job it is to try to encourage small businesses to protect their intellectual property if they have invented something. They had their marketing budget abolished and had to say 'well, there is no money so what can we do free?' Therefore, they got a link from the Dragons Den website. The people who go on to the Dragons Den site are not just those who want to put in an idea but they are the people who are interested in this subject. So they got much better take up of the right kind of people and it cost them no money. They were forced to innovate.

In the old days, we would have just employed another person and done more marketing, but we cannot do that now. Often that creates a different way of thinking. For example, why not employ part time workers from 5pm-10pm. Every part time worker we have is massively productive because they do actually work the extra mile. That is where we're gaining relative to the private sector in that we've got a lot more women and we've got more part timers and they are very productive. So that is one area where the private sector needs to learn from the public sector.

IM: Do we need to re-examine or have more of a debate about what the state does and does not do? Alternatively, do we just try to carry on and do it in a pragmatic way as always happens in Britain?

LO'D: There is a good case for re-examining what the state should do. If you ask people they will say they would like a smaller state, they would like to pay less tax, and by the way could you sort out this, this and this. It's a bit like obesity where the public said it's the fault of food and drink manufacturers or their parents but themselves were quite far down the list. Who should solve the problem? 'The state' was the clear answer given by the public.

IM: The same with climate change.

LO'D: Exactly. When it comes to state action our biggest problem is once you say right there's something to do here, there is one set of people, namely politicians, whose default mode is 'that means we must legislate or regulate,' and that is at the bottom of my list actually. I would say let us think about what it is people really want and need. How do we sort those things out? Then that could be about behaviour change. That could be about just providing information. One of the most effective social changes brought about by any government over the last 50 years has been the reduction in lung cancer rates by taxing cigarettes - fantastic compared to France - the rates just went in completely opposite directions.

IM: Interesting. You found the right lever. You found the right nudge.

LO'D: It's more of a shove than a nudge but you shouldn't rule out the old fashioned shoves. There are some things you might want to regulate away completely because they have put you into the worst possible world. So you do regulate really addictive drugs for example. You just need that menu of options. Nevertheless, for me the first step is looking at what people really want and need, and exploring with them their wants and needs and possibly talking to them about changing their wants and needs. However, that is quite controversial.

IM: What would you say you have learnt in your long career thinking about this?

LO'D: I have learnt that legislation is a blunt, clunky tool and it is passed usually with an eye on the last crisis and turns out to be very inappropriate for the next crisis.

IM: Since leaving the Civil Service, you have said that a lack of strategic clarity is a cardinal sin. So what are your thoughts on good policymaking, is it just too competitive and complex with too many pressures?

LO'D: The PM put his finger on it and got it right when he started this business about saying it is not about GDP, it is about well being. Every single public policy should enhance well being in some way, and then you have the right framework. Along the way, you have to make some compromises but if you start from not having some strategic clarity about what you are really trying to achieve then I think, how do you evaluate it? You do not have a success measure. How do you know whether you need to move it, make in-course corrections?

So strategic clarity is the most important thing. If you just said to every minister: so, what are you really trying to achieve? However, you need to know how to measure success. For example, we want better educational outcomes. How do you define what is a better educational outcome? How are we going to measure it? This way everybody knows where you're going. That is the crucial part. That has to be done by politicians.

IM: But why doesn't that happen?

LO'D: Because it forces you to confront many of those tradeoffs. It forces you to say actually I am prioritising this and so I am deprioritising that.

IM: But of course by telling the public that you're deprioritising anything...

LO'D: Exactly. And the public are very capable of wanting their cake and eating it. ■

Biography

Lord (Gus) O'Donnell GCB was Cabinet Secretary and Head of the Home Civil Service under three consecutive prime ministers, from 2005 to 2011.

Prior to that, he was Permanent Secretary to HM Treasury (July 2002 – July 2005). He worked as Managing Director, Macroeconomic Policy and International Finance from 1999 to 2002 and as Director of Macroeconomic Policy and Prospects from 1998 to 1999. He also served as the UK's Executive Director to the IMF and World Bank from 1997-98 and as Head of the Government Economics Service, the UK's largest employer of professional economists, from 1998 to 2003.

Lord O'Donnell studied economics at the University of Warwick and Nuffield College Oxford. He joined the Treasury as an economist in 1979, having spent four years as an economics lecturer at the University of Glasgow. Subsequent posts in Government included Press Secretary to the Chancellor of the Exchequer (1989-90) and Press Secretary to the Prime Minister (1990-94).

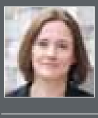
He was raised to the peerage as Baron O'Donnell, of Clapham in the London Borough of Wandsworth in 2012 and sits on the crossbenches.

His interests include football, cricket, golf and tennis. He is married with one daughter.

1 http://www.guardian.co.uk/public-leaders-network/2012/mar/09/margaret-hodge-gus-odonnell-row

2 http://blogs.lse.ac.uk/politicsandpolicy/2012/05/01/retrospective-sir-gus-odonnell/

The future of Government communication



Jenny Grey

In communications terms, the phrase 'public service reform' is always less than the sum of its parts. While many policy makers focus on structural changes that will revolutionise delivery of public services, citizens and public service staff just want to know what the difference will be for their own schools, hospitals and other services. And they are cynical about whether the reality of their experience will match the ambition of the rhetoric.

Government communicators don't just promote and explain reform across the civil service and wider public sector, we're also leading significant changes ourselves. And since the drivers for change are the same, the reform of government communications is perhaps a useful microcosm through which to explore the challenges of civil service reform more generally.

> Government communicators don't just promote and explain reform across the civil service and wider public sector, we're also leading significant changes ourselves.

Political change is obviously an important driver. This is after all a government that fundamentally believes that the state is often not the best placed institution to solve social problems. For communications, that means that the trend of working with business and charity campaign partners has stepped up. Partners such as supermarkets and media brands now contribute £27million to the Department of Health's Change4Life campaign, far outstripping Government investment of £11million.

Technology and the rise of social media continue to transform the way communicators work. We need to be ever more fleet of foot to deal effectively not just with the 24/7 broadcast news agenda, but also a story trending exponentially on Twitter. Citizens increasingly expect greater transparency and more meaningful engagement, and government has started to respond with a massive programme of publishing government data and initiatives such as HMRC's app which lets you see to the nearest penny where your tax is spent.

Needless to say, fiscal constraints had an immediate and extreme effect. The Central Office of Information was closed because its business model as a trading fund - predicated on high levels of advertising and marketing - became unsustainable. Marketing and advertising controls led to government media buying alone reducing from £238 million in 2009/10 to £44 million in the following year. Meanwhile, our latest survey showed that head count in Whitehall communications departments has dropped by nearly 40 per cent.

There are a number of dimensions to our reforms that are relevant beyond the communication community. We are having to think about how to share increasingly scarce specialist expertise. Our solution has included clustering departments into thematic hubs based around key issues such a growth, health and personal safety. Their initial task has been to work together to identify the communications priorities for the coming year and to plan the resource available to achieve them.

Effective planning across government communications, rather than just within departments, is another feature. It unlocks a number of possibilities, not least of which is visibility of the cumulative effect of our communications from the perspective of our audiences.

The benefits of this approach are best illustrated with a public health example. Previously, separate budgets were allocated to social marketing activities to support various policy goals - for example, reducing the number of people smoking, contracting sexually transmitted diseases, taking drugs. Young people were bombarded with a number of state-sponsored messages such as don't smoke; don't take illegal drugs; don't drink too much; wear a condom. The Department of Health has turned that on its head and is now running a single campaign aimed at engineering online conversations between young people and trusted influencers about risky behaviours.

The example from health ticks a number of boxes that ought to form the building blocks of how we work - based on user needs and behavioural insight, working with trusted brands and third parties, digital, and more efficient as a result. Imagine though what it takes to replicate that audience approach across departmental boundaries. Few of our systems of financial control, performance management and individual incentives, not to mention political accountability, are currently sufficiently aligned.

Part of our solution is the creation of a Communication Delivery Board, comprising Ministers, Directors of Communication and colleagues from the Behavioural Insight Team and the Government Digital Service. Chaired by the Minister for the Cabinet Office, Francis Maude MP, its aim is to drive collective responsibility for government communications, helping to remove any barriers to effectiveness and efficiency.

If I were to single out one contribution that communicators ought to make to the reform and delivery of public services, it is that our role requires us to see the world through the eyes of our audiences, whether as citizens, taxpayers or users of public services. It may not be a revolutionary idea, but it's the right place to start. ■

Biography

Jenny Grey joined the Civil Service in 2008 and is currently Executive Director of Government Communication for Number 10 and the Cabinet Office. In this role she has been at the heart of government, working closely with Ministers and their advisers to shape government communications. Notably she oversaw the civil service media and communications effort over the coalition talks and ensured a smooth transition from the last administration to the current one.

She started her career as a copywriter before moving into PR, where she worked for a variety of corporate clients including McDonald's, Toyota, Allied Domecq and BT, designing and executing a series of successful campaigns.

She then moved across to the public and charitable sector where she has held a number of communications director roles, including in the NHS, Cancer Research UK and the Audit Commission. She has a track record of success, having been responsible for many industry award-winning campaigns, including the 'Cleanyourhands' campaign to combat hospital-acquired infections.

Jenny has a First Class degree in English literature from Durham University and an MSc in Social Psychology, specialising in the effects of mass media on attitude and behaviour, from the LSE.

Communications and Behaviour Change Evaluation and Research at Ipsos MORI

The Ipsos MORI Social Research Institute has bolstered its communications evaluation team with the appointment of a new lead research director, Matthew Taylor.

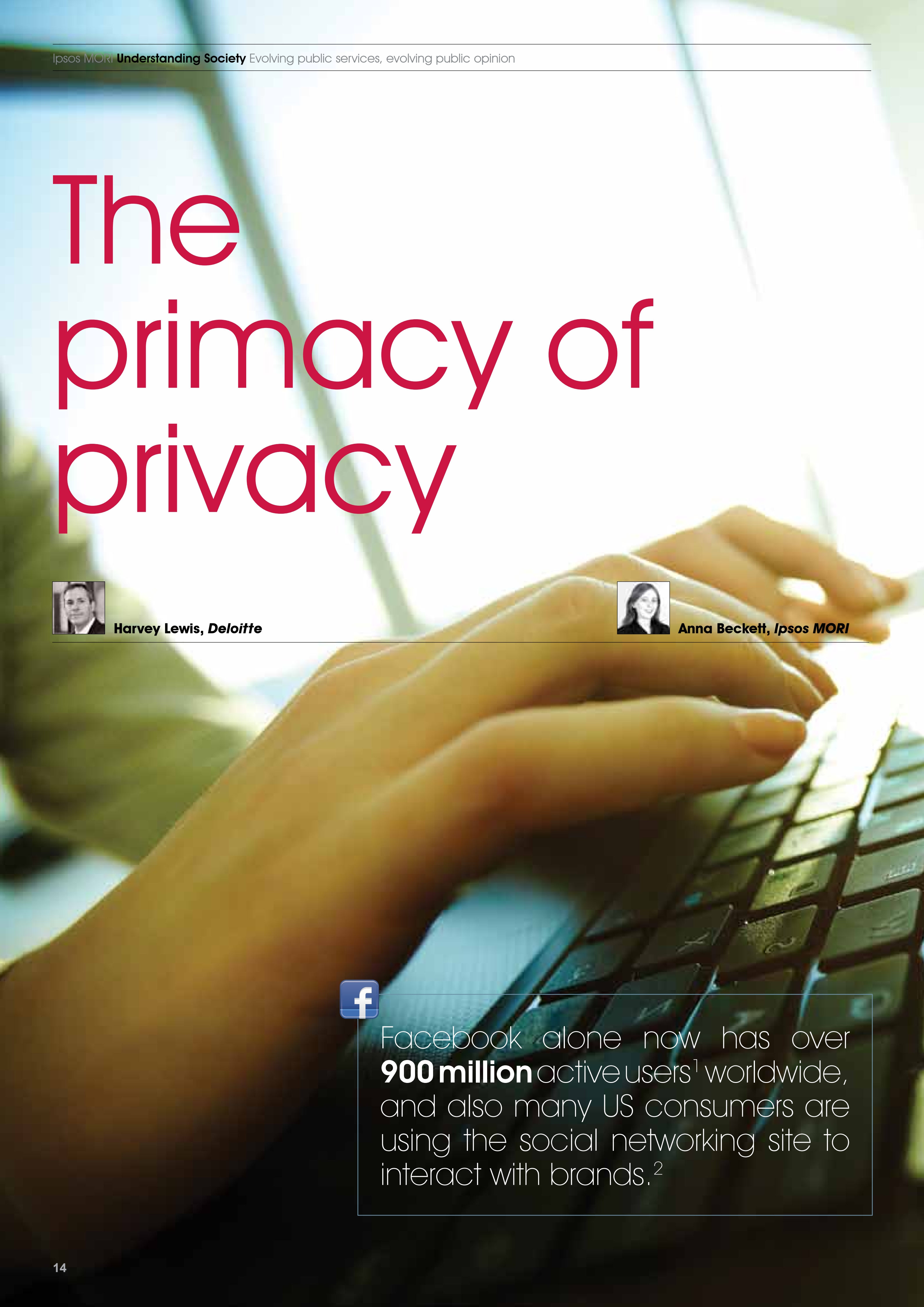
Matthew joined Ipsos MORI in early 2012 from the Central Office of Information (COI), where he worked on strategy, planning and evaluation in policy areas across central and local government, mostly on campaigns aimed to change attitudes and behaviours.

Matthew was co-author of 'Payback and Return on Marketing Investment in the public sector' published by COI in 2011 and thought to be the first guide of its kind. He also helped to form a new evaluation team at COI and to deliver evaluation training to communicators across government.

Matthew Taylor said: "Government communication has always aimed to inform, persuade or influence behaviour. In 1948, government backed advertising urged us to join the Navy, to use a tissue when we sneeze and to prepare for the London Olympics. In 2012, some 64 years on, it aims to do exactly the same thing. But the way it does so is changing dramatically to reflect a changing world and new political priorities.

The arrival of the Cabinet Office Behavioural Insights Team, set up to take the findings from behavioural economics and to apply them to public policy, signals the default is no longer to make new legislation; to pull economic levers; or to run a big campaign. It is to make things easier for people; to change the 'choice architecture' around their behaviour; to nudge them subconsciously towards acting in ways that will benefit them and society.

Evaluation is essential to knowing what works in this new approach and in demonstrating accountability. It must be planned alongside a campaign; a framework must be developed that identifies what needs to be measured; and the role for paid research must be identified alongside other evidence. We look forward to working with policy-makers and communicators to make it happen – and to understand what works best."



The primacy of privacy

Harvey Lewis, *Deloitte*

Anna Beckett, *Ipsos MORI*

Facebook alone now has over **900 million** active users[1] worldwide, and also many US consumers are using the social networking site to interact with brands.[2]

Data is now part of the fabric of our society. We are continuing to generate huge quantities of data in almost every aspect of our lives, whether through our interactions with organisations or with each other. The combination of social networking and mobile communications, in particular, is allowing people to connect in new and exciting ways, but is also creating a flood of data. For instance, Facebook alone now has over 900 million active users[1] worldwide, and also many US consumers are using the social networking site to interact with brands.[2]

In the past, organisations were limited to using relatively small quantities of structured, transactional data about their customers or citizens. Nowadays, through the advent of powerful new data collection and processing technologies, organisations can also analyse vast quantities of unstructured data. This can include documents, blog or social network posts, music or film playlists, call-centre transcripts, photographs and images, video and a myriad of data in other complex forms. Seventy-five per cent of all data, structured or unstructured, is created by individuals. Eighty per cent either touches or is managed by organisations[3].

Organisations are using this data in a variety of ways. In some cases, data is used to improve the quality of customer experience by helping to link up formerly disparate parts of an organisation that customers interact with. In others, the data is used to derive recommendations for future purchases or to target offers and discounts that are more likely to be taken up by customers. Often, the data is used to fine-tune the enterprise itself, to refine internal processes or to pinpoint operational issues. With the right tools, data has become a powerful and flexible resource for all organisations seeking to improve the effectiveness and efficiency of their operational, marketing, sales and supply chain activities.

This is not just an opportunity for large businesses such as Amazon and Google. The coalition government also has transparency and use of data in the public sector at the centre of its policies – and this emphasis continues, as the interview between Ipsos MORI and Tim Kelsey, in this edition, makes clear. In late May 2010 this agenda was laid out in a letter from the Prime Minister to government departments, which stated that:

"Greater transparency across Government is at the heart of our shared commitment to enable the public to hold politicians and public bodies to account; to reduce the deficit and deliver better value for money in public spending; and to realise significant economic benefits by enabling businesses and non-profit organisations to build innovative applications and websites using public data"[4]

This letter detailed a number of open data initiatives which have since come to fruition. The most notable include the police.uk street-level crime map and the publishing of all local government contracts, tenders and expenditure over £500.

More recently, the government has reaffirmed its commitment to transparency and data sharing. 2012 has so far seen the release of the Cabinet Office's[5] Open Public Services White Paper and the establishment of the Open Data Institute in east London[6].

Data sharing between government agencies has also taken a step forward, although concerns about data security mean that advances here are more contentious.

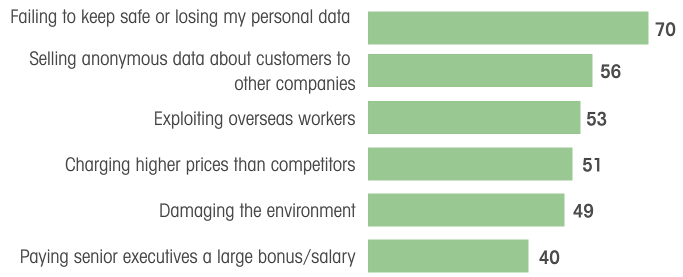
Legislation permitting data sharing across the public sector has featured in a number of recently passed bills. For example, the Welfare Reform Act allows the sharing of data between local authorities and Jobcentres to deal with crime and antisocial behaviour[7]. Plans to allow DWP to use credit ratings agencies to verify transactions – introducing the idea of private-public data sharing – are also mooted for later in the year.

The coalition government also has transparency and use of data in the public sector at the centre of its policies – and this emphasis continues.

However, as more organisations seize upon the power of data and increase their level of processing prowess, some of their customers and citizens may not understand how this is being done nor appreciate what it means for their privacy. Recent measures proposed by the Government in the Data Communications Bill, for example, involve the collection of new types of data to protect national security. Announced in this year's Queen's Speech, the Bill generated concern among some commentators and privacy groups[8], since official bodies could potentially examine the internet browsing history and basic communication trail of individuals suspected of serious offences.

The primacy of privacy

If you found out a company you are a customer with (for example your bank or your main supermarket) was doing any of the following, which if any, would make you seriously consider not using this company again?



Base: 1,036 British adults 15+, 30 March – 5 April 2012

Source: Deloitte/Ipsos MORI

Two in three don't feel informed about what information public services hold about them;

74 per cent don't know how to find out; and,

53 per cent don't know what their rights are.

In fact, previous research[9] confirms that there is a lot of confusion over what public services do with personal data. Two in three don't feel informed about what information public services hold about them; 74 per cent don't know how to find out; and, 53 per cent don't know what their rights are. In that context, it's not surprising that 60 per cent are concerned about public services sharing information about them – primarily because they feel they will lose control over it, and won't know what is being done with it.

In the past, members of the public often haven't been consistent in their views. Some see the pragmatic benefits of data-sharing, whereas others do not. Since that research, though, there have been well-reported stories of data loss, and the impact of data-sharing has moved up the agenda. So, what's the current picture?

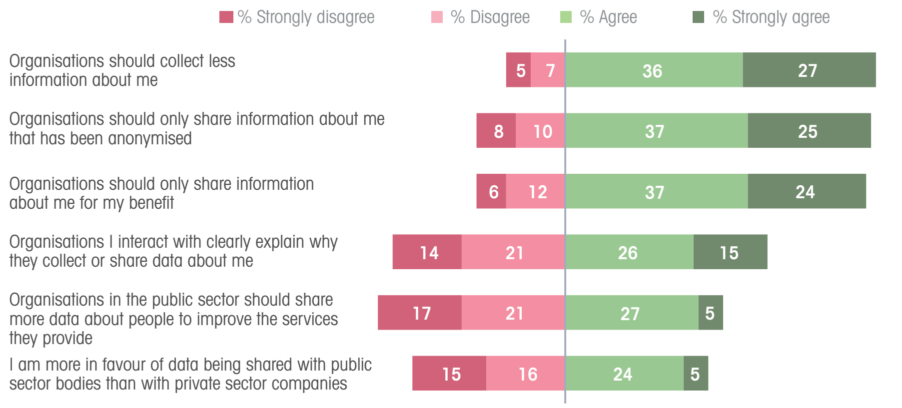
Deloitte and Ipsos MORI carried out research to understand what citizens, as customers of business and users of public services, feel about the collection, use, and sharing of data[10]. The results point to a widening gap emerging between what organisations want to do with data, and what their customers think is appropriate use. The growing importance of data privacy is clear. As an example, respondents said they would seriously consider never using a company again if it failed to keep their personal data secure, or if they sold their data, even in an anonymised format, to other companies.

Other highlights from the research include:

1. Although 82 per cent of people said that they were aware that companies and public sector bodies collect data about them and their activities, only 45% feel fully informed, and the level of awareness reduces significantly among younger people and with declining social grade;
2. Over half (58%) lack confidence in companies and public bodies to keep their data secure;
3. People are, on average, over eight times more likely to oppose a range of examples of data use by organisations as they are to favour them;
4. Of those who said they opposed their data being used, 51 per cent suggested that this was because they did not know what would happen to the data, and 42 per cent said that their data was none of the company's business;
5. The majority of people, 54 per cent, said they would like stronger laws and safeguards to protect their data;
6. There is no clear sign that public sector bodies are more trusted than the private sector on this – 30% are more in favour of data being shared with public rather than private sector bodies, but 32% are opposed;
7. Similarly, people are split on public sector bodies sharing more data to improve the services they provide – 32% think they should, but 39% are against.

Views on data sharing

To what extent do you agree or disagree with the following statements about how companies or public sector bodies use or share information about people?



Base: 1,036 British adults 15+, 30 March – 5 April 2012

Source: Deloitte/Ipsos MORI

Deloitte's research indicates that the public remains wary of the exploitation of their data by organisations. While this finding is unsurprising, their opposition does not stem only from fears about security and privacy. Many simply do not understand how their data is being used and what the benefits are to them as individuals. For organisations seeking to make greater use of data and analytics, the message is clear: much more needs to be done to engage with the public about their data, giving individuals the knowledge they need about the risks and the benefits to enable them to make informed choices. Only then will the power of the data collected by organisations be maximised. ■

Biographies

Harvey Lewis is a research director in the Insight team at Deloitte – one of the leading professional services organisations. Based in London, he is responsible for research activities for Deloitte Analytics, covering all industries. He has spent 20 years in the information technology industry, and specialises in analytics, cyber security and national security. He has authored numerous reports, white papers and articles for clients in both the public and private sectors, and for the media. He is a frequent commentator, contributing to the Times, the Guardian, Computing, Computer Weekly, Financial Times and The Economist.

Anna Beckett is a Research Director at Ipsos MORI and Head of the Central Government research unit.

1 "Facebook tops 900 million users" by David Goldman, CNNMoney, 23 April 2012 – see also http://money.cnn.com/2012/04/23/technology/facebook-q1/index.htm

2 "10 quick facts you should know about consumer behaviour on Facebook", Chadwick Martin Bailey, 2011, poll of 1,491 consumers in the US – see also http://blog.cmbinfo.com/10-quick-facts-you-should-know-about-consumer-behavior-on-facebook/

3 IDC/EMC, Extracting value from chaos, June 2011

4 http://www.number10.gov.uk/news/letter-to-government-departments-on-opening-up-data/

http://www.openpublicservices.cabinetoffice.gov.uk/

5 http://www.guardian.co.uk/government-computing-network/2012/may/23/open-data-institute-plans-published-cabinet-office

6 http://www.guardian.co.uk/politics/2012/apr/23/government-plan-share-personal-data

7 http://www.huffingtonpost.co.uk/2012/05/09/queens-speech-2012-snooping-plans-attacked-by-civil-rights-groups_n_1502353.html

8 2,098 UK adults, interviewed face-to-face in home, 28 June - July 2003, Ipsos MORI for Department for Constitutional Affairs

9 1,036 British adults aged 15+, interviewed face-to-face 30 March – 5 April 2012

TIM KELSEY

Driving performance: to publish or not to publish

Interview by Ipsos MORI

Ipsos MORI: Over the years, the NHS has collected masses of data about people and their perceptions. What role do you see for this data?

Tim Kelsey: In my previous role as Executive Director of Transparency and Open Data at the Cabinet Office, I argued for public service reform combining two components: transparency and participation. Transparency is the pre-condition for participation and is about putting data in the public domain to encourage participation from those involved with the service.

The challenge has been trying to confront the prevailing orthodoxy that transparency is merely a tool to promote accountability. Previous governments saw transparency for public bodies and politicians as focusing on access to the democratic process, freedom of information and openness of decision-making and financial information.

This is already understood in the UK and entrenched in our processes. We're forced to consider transparency and data in a slightly different context and argue, perhaps counter intuitively, that if you release data to allow comparison between services you will improve their productivity and economic viability. This is not an argument which is always agreed with. Lots of people don't believe making data public does anything more than promote greater accountability.

IM: Things like the Comprehensive Performance Assessment in local government, particularly its earlier iterations, shed light into dark cupboards and drove performance. In fact, people employed in the sector who said they did not like them, do nevertheless agree that without them they would not have improved as fast.

TK: Where I probably differ is about the expectation that purely producing data on services means that the public are on board. The evidence so far is much more mixed.

What I haven't touched upon is the idea of 'choice' which is another driver of participation. And of course, making data available to the public does drive choice in the same way it would in consumer markets such as financial services or mobile telephones or whatever.

IM: But we're sitting here surrounded by economists who assume that everybody is a rational consumer and they calculate optimal choices based on all the information available and then reach rational decisions. All the evidence says most consumers and members of the public don't make automatically rational decisions based on information, even if it is available to them.

TK: Exactly, completely agree. In my opinion, transparency is also an argument for a different approach to improving the productivity of public services, not just through people voting with their feet, but because professionals get information about their service.

IM: The public agrees with that. They believe that this information should be there for managers. Surely the surgical profession, for instance, accept that publishing their success and failure rates has improved performance?

TK: Ten years after this argument was first made, most surgeons do. But no one has consistently made the case across the NHS to each of its professions to say 'if you publish this kind of data this is the economic effect it has and this is its impact on service provision'. The big priority for me at the Cabinet Office was to make that case. I came up with a model for this new form of transparency.

But first we have to get the data published, because without the data we can't do anything. The reason for spending the money on getting data published is not because it promotes choice, and it's not because it's really about accountability, although of course that is important. It is really because you are providing management information to your public services. Business is quite used to being transparent and quite likes it, internally at least, because it provides information on which to base decisions.

IM: Absolutely.

TK: And if you don't know what your profits are, you tend not to make any. It's a well understood principle in most other sectors of our life except for public services. Some public services are initially adverse to the idea of measurement tools being used in public services because they don't think they can be measured. There is a perfectly decent case for saying that, actually, some kinds of measures have a distorting and a counterproductive effect, like measures of process.

... something as simple as publishing outcome data can be one of our most effective policy drivers for productive public services

We have to refine our argument and say, well what we're talking about here is about comparative measures of outcomes. Over the last year, we've now landed this argument that something as simple as publishing outcome data can be one of our most effective policy drivers for productive public services, the evidence for which is growing, although still in its infancy. There is still some work to be done in the different government departments to convince everyone of this.

Everyone keeps asking me why I focus on *open data* when the objective is not *open data* but *open Government*. Indeed, we could even be bolder and say the objective is a *fair productive society*. The reason why is because you can't have your digital revolution without there being some data first and the basic principles of driving productivity established.

I believe this could be a fruitful source of economic value, and estimates are anything from £16 billion to £100 billion just from the UK data assets.

IM: Is there a research paper that has looked into that?

TK: McKinsey published a paper in May 2011, called Big Data[1] which is worth looking at. It forecasts the potential economic value of public data in the hands of enterprise being about €250 billion per annum in Europe as a whole. The EU subsequently did its own assessment coming up with figures of around €140 billion. We've done an extrapolation that would imply an approximate market value of about £16 billion in the UK. There are other forecasts which have suggested it may be higher. It is a lot of money, and when you think about the net effect of, for example, improving the profitability of all SMEs in this country by 5%, there is real potential value in these public data assets.

These untapped data resources play to our main strength as a nation – our brilliance at media, marketing and knowledge-based industries - and yet we haven't fully taken advantage of it. People have begun to realise that, and the job here was to make the arguments for transparency on this basis and then to enable public services and the broader communities to start to build the kind of digital platforms that would truly yield a customer focus and a participative society.

I'm convinced we are within an inch of releasing the core data assets in a form that allows for digital productivity in healthcare. We've already released the secondary care data, badly, but it does exist, but we haven't done the primary care data yet. If we can link the two together then we can have online health platforms which enable people to use their own data, just as they do with banks, to effect transactions and make sensible decisions.

It is a misunderstanding to assume somehow this is about technology rather than about data. The essential thing is the quality and reliability of the underlying data and updating it in real time. We haven't been able to master those two aspects yet.

That's why *Choose and Book* didn't work at first. Once you've achieved real reliability of data and transparency you can do all this other stuff, which is really where you yield the benefit when you really start driving transformation in terms of service delivery.

IM: This is fine for a lot of routine health services, but what about the non-routine stuff? People are complex and messy and the NHS has to be able to deal with that.

TK: No, you are absolutely right and that is important, but that misses the point. If we could take the 80% of people, who go to GP practices, not necessarily to see the doctor, but to get repeat, routine prescriptions, and give them their medical record so they can get their prescription online just as they do with banking, we'd free up massive resources and transform the system. The same could be said for booking appointments with the GP. They may be complex people, they may not, but to transform and modernise the system it is not always necessary to take that into account for some of the more straight forward transactions like repeat prescriptions and booking a guaranteed appointment.

> These untapped data resources play to our main strength as a nation – our brilliance at media, marketing and knowledge-based industries - and yet we haven't fully taken advantage of it.

Obviously I've got to go through all this once I get my feet under the desk. One of the most common problems people have in the NHS, if you are just being simple about it, is that 20% of the population of this country find it either difficult or very difficult to book an appointment with medical services and for it to actually materialise. Now we surely can do better than BT? You stand back for a moment and think if Kwik-Fit can do it… You wouldn't imagine booking an appointment at 4:30 pm at Kwik-Fit, turning up and the bloke saying 'you might have to wait a couple of hours'.

IM: Internet access is still not universal; over half of adults in social grades DE over the age of 54 do not have access to the internet, with the proportion that do have access dropping off sharply after the age of 65. Given the prevalence of long-term conditions in this population and the fact that they take up 80% of the NHS's budget, is there a danger that too much emphasis on new information provision using the internet disenfranchises certain parts of the population?

TK: What I want is the internet generation to naturally go onto the web, and as for those who are less inclined, I'm sure you'll still get some silver surfers. It should be as simple as booking an airline ticket online. The best model for it by a long chalk is e-ticketing in the airlines industry where the evidence is clear and straightforward; data standards were the main enabler for e-ticketing.

IM: Part of your model is that people will become much more demanding and complain when they perceive services are not up to scratch. But GPs are some of the most trusted and revered people in Britain, so people are less willing, interestingly, to complain about GPs than they would be about an airline or a bank.

TK: I'm not sure. In the USA there have been some interesting innovations where some municipalities, in their drive to avoid bankruptcy, resorted to crowd sourcing for public services and innovative use of their 311 non-emergency service[2]. You know, 50,000 New Yorkers today now complain on the 311 system[3]. But they are not really complaining angrily rather it's routine, it's just informational to point out things that have been missed.

IM: It's building feedback into the system?

TK: Yes, what we've got to do is make it ubiquitous enough so when my mum goes to the GP practice, she says 'I've been waiting here 20 minutes and they said it would only be 15' and that is not overly negative, it's just a point of fact.

IM: Some of the things that Tom Steinberg's done with Fix My Street[4] are along the same lines. Some councils have done a great job of using online platforms to say "you complained about this" and then they post again when they have dealt with the problem.

TK: Yeah, that is exactly it.

In the USA, 311 services in their current form came about when cities like Miami were suffering financial pressures. Middle class suburbs were going into a spiral of decline because, quite literally, the rubbish wasn't being picked up. It came to a head because there were so many dead animals, for some strange reason. There were also issues with the reliability of contractors. They took a call centre number, 311, which was already in existence as a non-emergency number, and they put it on the web. Every complaint that came in, in real time went up as a flag on the street to say "there is a dead dog here, it's just been reported" and suddenly they assess, in real time, all these contractors. They could say "we haven't picked up that dog within two hours", and sack all their contractors. They rehired contractors based on a real

The Open Government Partnership which the UK now co-chairs is moving to working with cities because cities are ahead of governments in their exploitation of new media technologies and data.

time performance management system and the net result was almost overnight Miami was cleared up. They got happier citizens as they were seen to be listening and people could see in real time that their complaint was acted upon.

Boston's probably got the best of the online 311 services, which is called Citizens Connect and I always tell the story of Goodnight Sweet Possum. It is a brilliant little story of a lady who posted a note on this community 311 service in Boston saying that she'd been to her garbage can and there was a possum in it. She posted on the 311 service 'What shall I do with a possum in my garbage can?' and whilst she was waiting for an official to tell her how to deal humanely with the possum, her neighbour just popped round, having read the post, slipped the can on its side, released the possum and then posted something brilliant like "All done, possum alive, released into wild, goodnight sweet possum".

You get a vision of 1950s communities being reborn through this incredibly crowd sourced participative environment. In New York particularly, it has reintroduced a layer of democracy into local government which hadn't previously existed.

We need a 311-injection in the NHS. The good news is that the software and online platforms have now been going on for the better part of a decade and have been tested across all these American cities. There's a huge catalogue of open source software which does pretty much everything and there's a whole industry of apps around it.

The Open Government Partnership[5], which the UK now co-chairs, is moving to working with cities because cities are ahead of governments in their exploitation of new media technologies and data.

IM: What are the challenges for the NHS to embrace these new ways of working?

TK: The big challenge is going to be to demonstrate that the aspirations that I've just described will yield tangible, real benefits for the people who I'm asking to change and deliver that change. That is challenge one.

The second challenge is to keep incredible crystal focus on those limited number of things on which we can make a change, because the NHS is such a Christmas tree of opportunity. Efforts have got to be laser-like.

The third challenge is to ensure that the NHS Commission Board works. This is a new organisation and we need to ensure that it works the way it was conceived to work, with its system of matrix working. We need to ensure that we can deliver. The board will lose the normal territorial divisions and end up as a collaborative management body

IM: It is used a lot in local government, where portfolios of responsibility overlap. It stops territorialisation but then somebody's got to be responsible somewhere?

TK: I don't mean there's no accountability, what I mean is, this only works if the board can work together and gel. So, there are plenty of challenges for me to get stuck into. ■

Biography

Tim Kelsey joined the NHS Commissioning Board from HM Government where he was the first Executive Director of Transparency and Open Data. Tim is a leading advocate of a popular knowledge revolution in our public services and, in 2000, was co-founder of Dr Foster, a company which pioneered publication of patient outcomes in healthcare.

He is an internationally regarded expert in thinking differently about how digital and social media can transform the customer – and patient – experience in public services. In 2007, he launched NHS Choices, the national online health information service (www.nhs.uk) which now reports around 14 million unique users per month.

Tim was named a Reformer of the Year by the think tank Reform in 2012. Before Dr Foster, Tim was a national newspaper journalist and a television reporter. He worked for the Independent and the Sunday Times, as well as Channel 4 and the BBC.

1 http://www.mckinsey.com/Insights/MGI/Research Technology_and_Innovation/Big_data_The_next_frontier_for_innovation

2 http://www.miamidade.gov/govinfo/311.asp

3 http://www.nyc.gov/apps/311/

4 http://www.fixmystreet.com/

5 The Open Government Partnership is a new multilateral initiative that aims to secure concrete commitments from governments to promote transparency, empower citizens, fight corruption, and harness new technologies to strengthen governance. In the spirit of multi-stakeholder collaboration, OGP is overseen by a steering committee of governments and civil society organizations. http://www.opengovpartnership.org/ab

Towards new modes of giving

Sally Panayiotou

Introduction

The government's Giving White Paper 2011 recognises the valuable role that charities play in society and sets out the government's agenda to make it *"easier and more compelling for people to give time and money and so make the change they want to see."*[1] In addition to introducing new incentives and a range of motivational measures aimed at encouraging social norms around giving, the government is looking at ways in which easier modes of giving might be facilitated, such as ATM giving or Round Pound schemes to donate small amounts when paying by card.

We are living in an age where new technologies move from the early adopter stage to the mainstream in ever-reducing timescales. Our technology tracker[2] reveals that 81% of British adults are now connected, over two-fifths (42%) of British adults have a smart phone and 39% connect to the internet via their mobile phone.[3] The Race Online 2012 manifesto aims to get millions more online by the end of 2012.[4]

Both public and private sector organisations are continually embracing new technologies in the way they interact with their customers and the charity sector is no exception. To offer just a few examples, in recent times Charities Aid Foundation (CAF) has introduced text donation services for charities, a Paypal donation platform and a CAF 'Giving Widget' that allows charities and their supporters to embed a donation page onto a website, blog or Facebook page. The RSPCA has just launched their new mobile phone service that will allow them to benefit from up to 15 percent of users' pay-as-you go top-up costs[5]. Halifax raised £25,000 for Save the Children with their Christmas Facebook campaign.[6] These are just a few of the numerous examples of charities drawing on technology and social media to promote charitable giving (and micro-volunteering), some of which would have been inconceivable even just a few years ago.

Towards new modes of giving

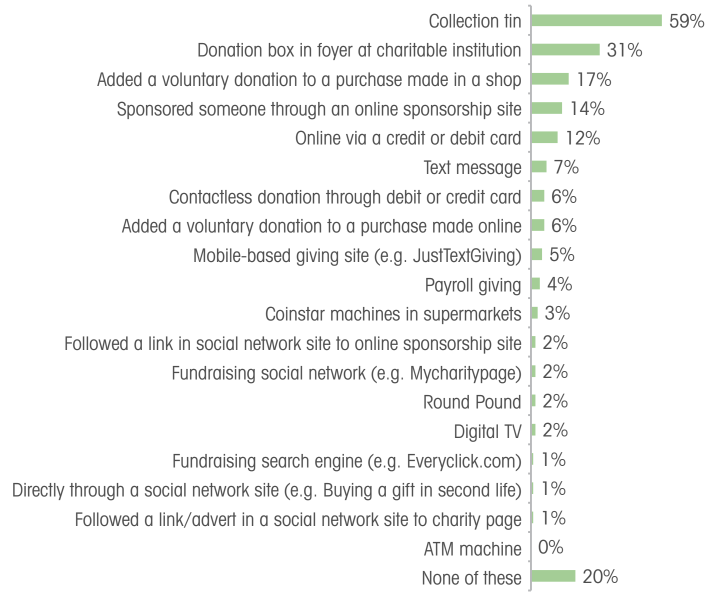
We still need to emphasise that traditional methods of giving remain important. Recent Ipsos MORI data[7] shows, that the vast majority of the British public – 86% - have been asked to make a donation by putting money in a collection tin in the past year. This is also the most preferred method for eight in ten (79%). Sponsorship is also popular, with three quarters of British adults having been approached to sponsor somebody in the past year and a similar proportion (77%) preferring this method.

At the same time, CAF's 2010 Digital Giving report[8] estimates that text donations will potentially be worth £96m per year by 2014 and it is clear that new technologies are becoming increasingly important in the fundraising marketplace. The following chart outlines the current adoption of new giving methods (set against some more traditional methods such as the collection tin).

The data show that take-up of many of the new giving technologies is currently low. Grouping collection tins and donation boxes together as more 'traditional' donation methods, 68% of people have ever donated by one or other of these. Grouping the remaining methods

Financial charity donation methods

Q Which, if any, of the following methods have you ever used to make a financial donation to a charity?



Base: : 974 British adults interviewed via Capibus May 2012

Source: Ipsos MORI

together as 'newer' technologies, two in five British adults have ever donated via one of these means. In terms of profile, likelihood to donate via one of the more traditional means increases with age, decreases from higher social grade to lower, and is more prominent among women. Looking at the 'newer' methods, it is more difficult to identify significant differences as the sample of users is smaller, but the age profile changes with people under the age of 55 more likely to have used the 'newer' methods than those aged 55+, although indicatively, as with the more traditional methods, usage decreases with social grade.

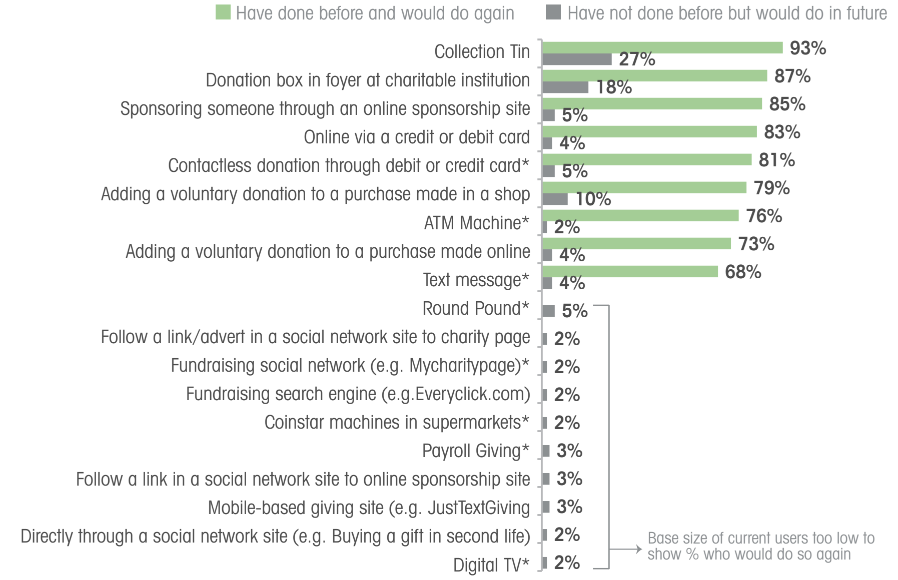
An important point to emphasise is that such opportunities are not currently widespread, which means many people will not have been *able* to donate via many of the methods. It is also worth noting that there can be confusion over some methods - for example it is estimated that 3.8 million people are unsure if they have a contactless credit or debit card[9] and there may well be an associated over-claim amongst those who have not fully understood what this technology is.

People who had donated via each method in the past were also asked if they would consider donating via this method again, while those who had not previously donated were asked if they would be willing to donate via this method in future. This is shown in the chart overleaf.

We can make two clear observations. Firstly, once used, there is generally a high willingness to use a particular mode for giving again in future – and the demographic patterns reflect those seen amongst those who have used 'newer' methods before, with people aged 35-44 and higher social grades in general more likely to claim they would consider adopting these newer technologies in future.

Future financial charity donation methods

Q Which of these methods, if any, would you consider using to make a financial donation to a charity or charitable organisation again / in future?



Base: British adults interviewed via Capibus May 2012 *note low base (50-100) Source: Ipsos MORI

Secondly, there is conversely, a low claimed willingness to use new technologies that have not been used before (particularly in comparison to more traditional giving means such as a collection tin or foyer donation boxes).

This is really not surprising if one considers that this reflects the ways in which people tend to adapt to new technologies *per se*. It is difficult for people to conceive of changing the way they interact with technology until their behaviour naturally evolves towards its incorporation into their lives. That said, considering the high usage of ATM machines[10] it is perhaps worrying that just three percent of British adults would consider using an ATM to make a financial donation to charity in future - *it is clearly more than a simple question of the way a person adopts technology, but their mindset and expectations of making donations in places they did not previously associate with charitable giving*. Perhaps this explains why consideration of adding a voluntary donation to a retail purchase is comparatively higher (at 10%) amongst those who have not used this method before, compared to many of the other technologies - people are quite used to seeing collection tins in retail environments so this does not require such a fundamental shift in their behaviour.

But perhaps we should not be too disheartened. This data is intended as a baseline and we know that there are effective prompts to changing a person's behaviour. For example CAF's research into donor behaviour during the DEC 2004 tsunami appeal highlighted the importance of the internet as a fundraising method, with 61% of online donors saying this was the *first time* they had donated online. A truly effective call to action can both change people's propensity to donate, and the methods that they use to do so. If people are exposed to new modes in a way that makes it easy and relevant for them to give, we might expect that over time they will embrace new technologies for giving just as they embrace them in other aspects of their lives.

The power of technology and social media

The opportunities

Individuals are now able to draw on social media to promote their own charitable efforts and act as advocates of a charity, greatly extending a charity's communications reach. This offers real opportunities for all charities, particularly smaller charities without the marketing spend of their larger counterparts in the industry.

Social media also offers charities new ways of communicating and engaging with current and potential supporters, with the traditional one-way sharing of an annual report being supplemented and even replaced by the two-way contact of Facebook pages and Twitter streams with constant updates. It is easier for charities to reach their target audience and bring them together with active and direct communication. It also becomes easier to collect data on supporters and potential supporters, which can be used to better understand their motivations and behaviour.

There are some incredible examples of 'new' technologies prompting large-scale response to charitable campaigns – just look at Claire Squire's marathon JustGiving page[11] or the way that the Twitter community sent Hodgkin's sufferer, Alex Pyne's bucket list global overnight. Anthony Nolan's press team drew on this publicity to secure 3,000 new sign ups to its stem-cell register within 24 hours[12]. A key element of these examples is not simply the way that social media was able to share these engaging and emotive stories, *but technologies were in place to be able to harness this call to action within seconds.* This facilitation of impulse-giving is a huge advantage of online and mobile giving technologies.

Of course charities, and in particular smaller charities, may not feel they have the technical expertise or resources to introduce new technologies. It also may not be a strategic investment priority. How can charities get round this? Well ,there are industry bodies, third party sites and intermediary organisations that will allow charities to take advantage of new technologies in cost-effective ways. Similarly, strategic partnerships with companies that already have the expertise are an option. That said, the charity must take care not to lose the opportunity for direct contact with their donors or building a relationship with them and be conscious that the use of external companies may deny them the opportunity to collect data on their donors.

The risks

At the same time there are inherent risks with the growth of social media. The volume of online information increases competition for donors, and additional care must be taken to not alienate potential supporters by imposing too aggressively on their social spaces. Members of the public already tend to have unrealistic expectations of the proportion of their personal donations that must reach the end cause[13] and the greater availability of information and 'personal' interaction with charities could lead to growing expectations of direct feedback and being able to specify exactly how their money is spent. This may not be desirable or even practical for a charity, and certainly has implications for the necessary time and resources required to administer a donation.

A second key risk is the lower levels of control that charities have over the information disseminated about their cause, as members of the public are able to share their personal views and opinions as well as their interpretation of the charity's stated aims. Not only does this have the potential to dilute or distort their message, but there are also very public and immediate forums for people to make negative comments. As part of their social media roll-out, charities need an effective management strategy for dealing with negative comments on Facebook or Twitter.

What next?

There are clear opportunities for new technology and the wider facilitation of new modes of giving to modify people's behaviour. When thinking about attracting committed donors it is perhaps worrying for the industry that, while 58% of the British public have been approached to set up an ongoing direct debit in the past year, just 41% prefer to give by this method, with more ad hoc giving methods favoured[14]. Does this forebode a shift in the charitable sector? While mobile technology is a great facilitator for impulse giving, it is also an anonymous mode of giving, which could hinder longer-term relationships. On the counter side there are greater opportunities for building relationships with current and prospective donors via social media.

Additionally is it possible that new modes of giving could result in a smaller absolute level of giving? For example, to what extent might a person feel that having donated a small amount by text or Round Pound mean they feel they have met any perceived charitable obligation? Further, to what extent will frequent solicitations for charitable giving through a range of methods in more spheres of an individual's life – online, ATMs, in shops, contactless etc. result in creating fatigue whereby the public starts to block out the noise and the default answer becomes 'no'?

Such risks are speculation at the moment, but certainly worth monitoring alongside the uptake of new modes of giving. What is clear is that charitable donations form a vital part of the industry and new modes of giving offer huge opportunities for charities. It is also true that if a charity does not embrace new technologies in the way it interacts with the public it will be left behind. ■

1 http://www.official-documents.gov.uk/document/cm80/8084/8084.pdf

2 Source: Ipsos MORI technology tracker 952 adults aged 15+ January 2012

3 http://www.ipsos-mori.com/researchspecialisms/ipsosmediact/customresearch/technology/techtracker.aspx

4 http://raceonline2012.org/sites/default/files/resources/manifesto_for_a_networked_nation_-_press_release.pdf

5 http://www.rspcamobile.co.uk/

6 http://www.savethechildren.org.uk/node/2375

7 1004 British adults interviewed via telephone omnibus April 20-22 2012.

8 https://www.cafonline.org/pdf/Digital%20Giving.pdf

9 http://www.mintel.com/press-centre/press-releases/860/only-a-quarter-of-contactless-card-owners-have-ever-made-a-contactless-payment

10 Our most recent data indicates this is currently 94% in the UK

11 http://www.justgiving.com/Claire-Squires2

12 http://www.anthonynolan.org/Home/FAQs.aspx

13 http://www.ipsos-mori.com/researchpublications/publications/1373/Public-trust-and-confidence-in-charities.aspx

14 1004 British adults interviewed via telephone omnibus April 20-22 2012. Most preferred method from prompted list ranking higher than direct debit (41%) on multi-code question: Collection tin (79%), sponsor someone (77%), sponsored walk / cycle / run (60%), volunteer to help (52%).

Reducing the regulatory burden

Graham Bukowski

It is crunch time for regulators. They are coming under growing scrutiny and are increasingly being asked to justify their approach to regulation and ways of working. Many have been subject to formal review, some, such as Postcomm and Ofcom have merged, others have seen changes to their role and remit or anticipate guidance shortly.

A recently published paper by the Better Regulation Delivery Office (BRDO) aims to clarify and inform policy by highlighting three interlinked ways that regulatory delivery can impact on growth: by reducing costs, improving confidence and control and realising wider economic benefits[1]. In the meantime, rapid changes in science and technology are altering both the tools available to regulators, and the very industries they are regulating.

The Coalition Government's Red Tape Challenge and proposals announced in the Queen's Speech advocate less regulation[2]. Although it is yet to be decided how far and in what area the axe will fall, media coverage suggests that anything from employment law to public health are likely areas. Additionally, the government's review of the regulatory system challenges all regulators to ensure their regimes deliver efficiency, yet at the same time increase public protection. Evidence put forward below, based on qualitative research conducted by Ipsos MORI over the past year, illustrates some of the key issues facing regulators as well as some of the drivers of government plans for reform.

The need for a review of regulatory regimes

Recent qualitative research with frontline regulation staff indicates that maintaining current levels of public protection under current regulatory regimes may prove difficult. In particular, local budget cuts have led to down-sizing, making it harder for some regulators and inspectorates to achieve their planned programme of inspections. Indeed, fewer resources, both financial and staff, can also limit some of the additional work undertaken by regulators which is perceived by inspectors to be vital in achieving and sustaining standards. Similar to our findings for Zurich Municipal last year[3], while there is general recognition that savings need to be made, there is some concern that the easiest areas to cut in the short term are not necessarily those that will lead to the best or most cost effective long term outcomes.

In some regulatory areas, re-structuring has seen the dilution of specialism and expertise and a growing concern among some regulators that, as a result, this could lead to diminished regulatory oversight. Additionally, qualitative research with inspectors has indicated that some are risk-averse out of fear of being held accountable if they 'miss something' and that, consequently, they spend far longer in organisations than is necessary (i.e. disproportionate to risk). This time would, arguably, be better spent targeting non-compliant organisations in order to increase consumer protection.

However, in other areas budget cuts have encouraged innovation and the development of risk-based approaches which have the potential to improve efficiency. Some regulators have already taken steps to refine their regulatory regimes to make delivery 'smarter' and better targeted. Providing a more flexible toolkit, thus allowing frontline inspectors greater freedoms, is intended to reduce the regulatory burden on compliant organisations. Yet there is some qualitative evidence to suggest that even where it was appropriate only a few inspectors selected a less burdensome intervention. It is also evident that more action (i.e. reassurance from national regulators and inspectorates) is needed to shift inspectors' mindsets from risk averse to risk proportionate, such as the assurances given in a recent speech by Secretary of State for Education, Michael Gove where he reflected that "far more important than any allocation of responsibility is a commitment to learn from the past so we can all do better in the future"[4].

What could a different regulatory landscape look like?

Depending on whom you speak with, views surrounding the variability of regulation are mixed. In general, in recent qualitative research inspected organisations were frustrated that inconsistent decision-making was stifling growth, and even compliant organisations complained about heavy-handedness. Given the challenging economic climate at the time of the research, it is perhaps unsurprising that we observed strong views about the regulatory burden.

On the other hand, frontline inspectors felt that variation in the delivery of inspections can make it easier to develop localised solutions. They argued that being responsive to conditions on the ground enabled them to develop innovative regulatory approaches with successful outcomes for both regulator and regulated. Furthermore, they believed a 'top-down' and 'one-size fits all' regulatory regime could potentially limit innovation. Perhaps the answer then is to consider alternative regulatory models such as self-regulation: in essence rewarding organisations able to demonstrate sustained compliance with a reduced regulatory burden. As an example, the Coalition Government's expansion of the Earned Recognition scheme has the potential to help free up resources giving regulators extra time to focus on tackling the poor practices of non-compliant organisations and bringing them into line.

Our research has identified mixed views to changes in regulation. Deliberative workshops with the general public suggest they are open to regulators focussing on poor practise, and there is widespread demand for regulators to 'toughen up' and take strong action to pull organisations into line. But equally important is to give the public evidence that this has happened, and that enforcement action such as fines do not lead to higher costs being passed straight back to the consumer. In contrast, some are more comfortable with taking more personal responsibility and call for regulators to provide consumers with more information so that they can take action to protect themselves. Currently views of regulation are coloured by recent perceived failures, in the media, health, and banking and financial services. Lord Leveson's inquiry will be important with regard to public trust in self-regulation and it will be interesting to see to what extent this impacts, if at all, on the general public's trust in self-regulation across other industries.

The importance of dialogue

There is a genuine paradox at the heart of the debate about possible changes to regulation, and that is whether the general public is willing to accept a likely consequence of less (or more proportionate) regulation: a higher level of risk.

On one hand, our deliberative research has highlighted a lack of understanding among the general public about what regulators do beyond 'stop bad practices'. This low level of awareness combined with media reports of some aspects of regulation as 'health and safety gone mad' may, perhaps, go some way to warm public sentiment in favour of cutting regulation.

On the other, as indicated above, workshops with the general public tell us they want regulators to be seen to be taking more enforcement action. Also, while the press is keen to highlight over-regulation, it is also very quick to identify failures, particularly those that lead to actual harm. These conflicting expectations will make it difficult to have a conversation about introducing more risk-based approaches to regulation, especially in politically sensitive areas such as children's services.

But start a dialogue we must. Although there is some conservatism inherent in the system, changes to the world being regulated mean that standing still is not going to be an option. It is important to make the case for change clearly and persuasively. There are strong arguments for moving to a more risk-based and proportionate regime, but equally it will be important to debate what is an 'acceptable' level of risk. Only by having a frank and candid conversation in relation to regulatory change – beyond 'regulation is bad' – is the public likely to feel confident that reform is necessary to increase public safety without it being viewed as a cost-cutting exercise. ■

1 http://www.bis.gov.uk/brdo/resources/knowledge/regulation-and-growth

2 http://www.bis.gov.uk/news/topstories/2012/may/queens-speech-2012

3 http://www.zurich.co.uk/newworldofrisk/toughchoice/toughchoice.htm

4 http://www.education.gov.uk/inthenews/speeches/a00203926/michael-gove-speech-on-adoption

Public services:
a Scottish agenda?

Mark Diffley

Scotland's future, either as an independent country or remaining part of the Union, is the biggest constitutional issue currently facing the UK. The impact of the referendum on public services could be significant, but what outcome is likely to give Scots the public services they want?

The referendum on Scottish independence may still be more than two years away but the battle lines are now being drawn. The 'Yes' to independence campaign is now up and running, and the campaign to keep Scotland in the union was kick-started formally in June.

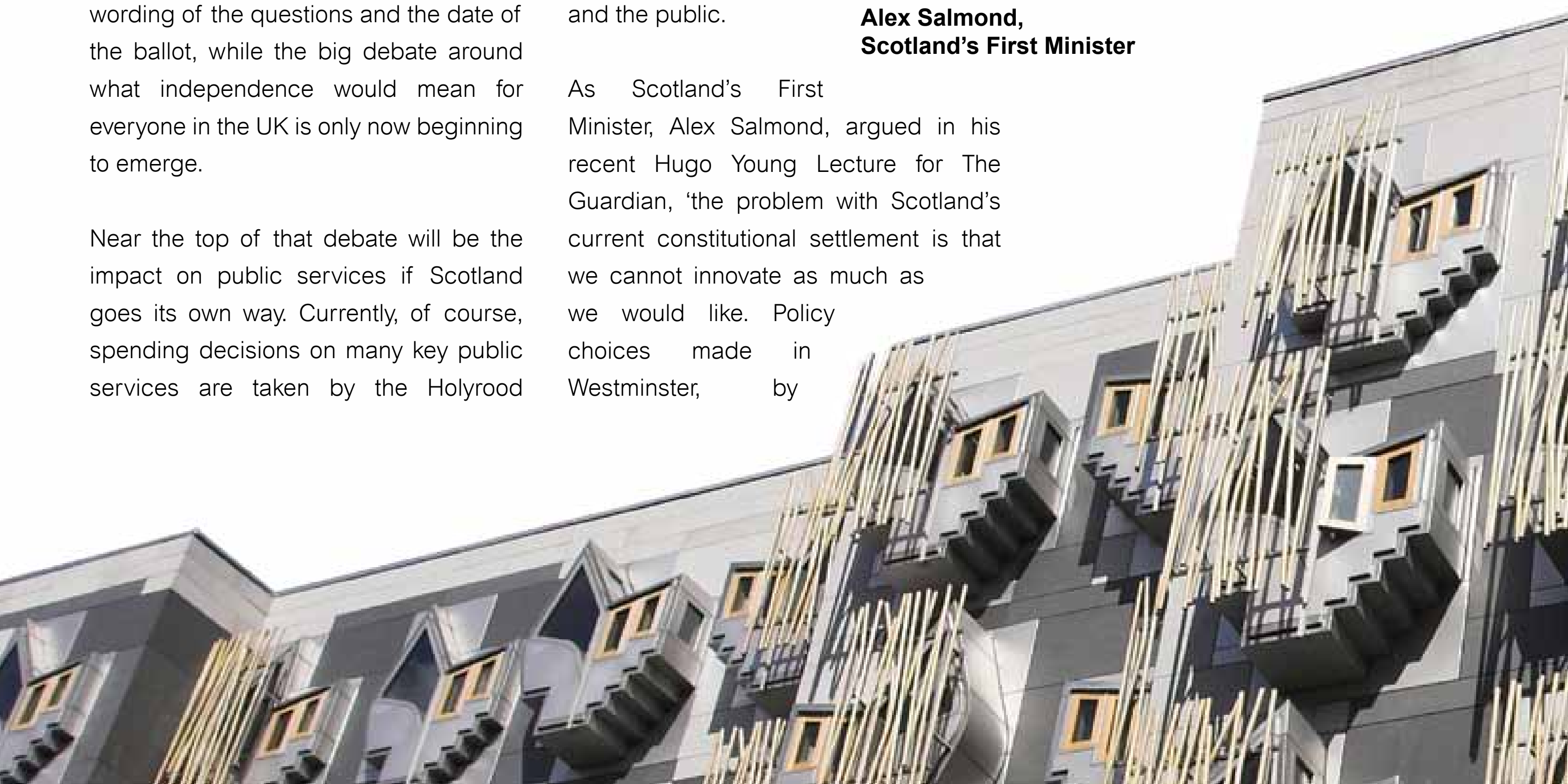
To date much has been said and written about the process leading up to the referendum, particularly the number and wording of the questions and the date of the ballot, while the big debate around what independence would mean for everyone in the UK is only now beginning to emerge.

Near the top of that debate will be the impact on public services if Scotland goes its own way. Currently, of course, spending decisions on many key public services are taken by the Holyrood parliament although these services are funded via the UK Treasury through the Barnett Formula. This mechanism has been in place since the 1970s but is widely criticised, by some unionists as well as by nationalists, who want to see the Scottish Government responsible for raising its own revenue by being able to set its own levels of different taxes. Such a move, they argue, would enhance transparency and accountability, signalling a new relationship between the Scottish Government and the public.

> **The problem with Scotland's current constitutional settlement is that we cannot innovate as much as we would like. Policy choices made in Westminster, by parties whose democratic mandate in Scotland is negligible, are constraining the policy choices made in Scotland, for which there is an unequivocal mandate.**
>
> **Alex Salmond,**
> **Scotland's First Minister**

As Scotland's First Minister, Alex Salmond, argued in his recent Hugo Young Lecture for The Guardian, 'the problem with Scotland's current constitutional settlement is that we cannot innovate as much as we would like. Policy choices made in Westminster, by parties whose democratic mandate in Scotland is negligible, are constraining the policy choices made in Scotland, for which there is an unequivocal mandate.'[1]

Devolving tax-raising powers to Holyrood could also have a significant impact on public services in Scotland, allowing any future Scottish government to plot a more distinctive policy course to that taken by Westminster governments in ways which it cannot under the current arrangements.



Evidence from our surveys suggests that, when it comes to the future delivery of public services, there are striking differences between the public in Scotland, compared to those south of the border. Successive UK governments have promoted a greater 'marketisation' of public services, allowing the private sector an enhanced role in delivering education, healthcare and other universal public services. People in Scotland appear to be at odds with their neighbours in England in resisting such moves, insisting that the public sector continues to be best placed to deliver key services.

As the charts below illustrate, this belief in the primacy of public over private in the provision of key services extends not just to the more predictable aspects of being more compassionate and caring, but also includes a belief among Scots that the public sector provides better value for money and a more professional and reliable service. In other words, people in Scotland seem to be looking at the increasing involvement of the private sector in the rest of the UK and saying loud and clear that they want something different.

At the same time, support for constitutional change in Scotland appears strong – although support for full independence is showing some signs of decline.

Since the 2011 SNP election victory support for independence has been slowly rising with up to two in five[2] (40%) agreeing that Scotland should be an independent country, although it has since slipped to 35%[3]. Over half (55%) of Scottish voters are opposed to independence, while a further 11% are undecided. Support for independence is highest amongst men, those from more deprived areas as well as younger people. For many who currently support proposals for independence, however, their views are not yet completely fixed, with 26% saying they may yet change their minds.

But while majority backing for the nationalist vision remains out of reach for now, it is clear from all our recent polling that most Scots want further devolution. Seven in ten (71%) support devolving substantial new powers to the Scottish Parliament, including powers to raise taxes which could fund future public service plans. Although it is not certain that an option for greater powers while remaining part of the UK will appear on the ballot paper, it is going to be difficult to ignore the clamour for tax raising powers to be devolved to Holyrood even in the event of a 'no' vote to independence.

Having tax-raising powers would give future Scottish governments the chance to pursue and fund more distinctive policies for the future delivery of public services. Those services face the same challenges of budget constraints and increased demand as exist in the rest of the UK. However, having the ability to pull additional fiscal levers could see public service reform take a much more distinctive Scottish hue. ■

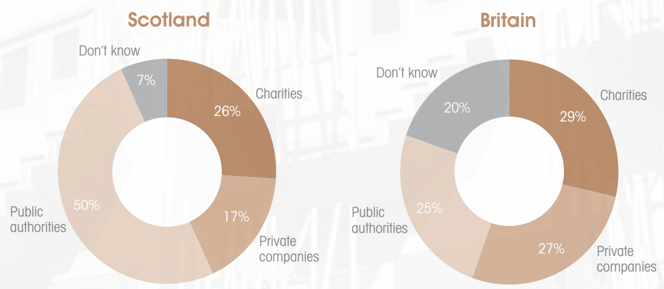
1 http://www.scotland.gov.uk/News/Speeches/fmhugoyoung24012012

2 http://www.ipsos-mori.com/researchpublications/researcharchive/2931/Public-Attitudes-Towards-Scotlands-Constitutional-Future.aspx

3 http://www.ipsos-mori.com/researchpublications/researcharchive/2980/Support-for-independence-falls-back-while-First-Ministers-approval-rating-also-dips.aspx

Scots don't just think public authorities are more compassionate, they think they provide better quality for the money….

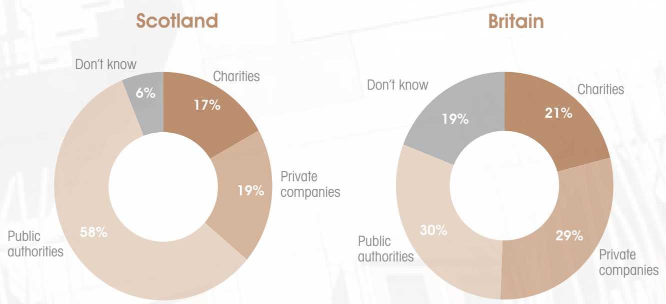
Q. Some charities and private companies receive funding from government to provide certain public services, such as healthcare and care for the elderly. Other public services are provided by public authorities such as the NHS or local councils. Of these three types of service provider, which one do you think would be best at: **Providing the best quality of service for the money**



Base: All Scottish adults 18+, 25-29 August 2011, All British adults 18+, November 20-26 2009 Source: Ipsos MORI

…and a more professional and reliable service too.

Q. Some charities and private companies receive funding from government to provide certain public services, such as healthcare and care for the elderly. Other public services are provided by public authorities such as the NHS or local councils. Of these three types of service provider, which one do you think would be best at: **Providing a professional and reliable service**



Base: All Scottish adults 18+, 25-29 August 2011, All British adults 18+, November 20-26 2009 Source: Ipsos MORI

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