

Southfield
Lennoxtown
Glasgow
G66 7LQ

29 September 2006

TRANSFORMING PUBLIC SERVICES DISCUSSION

Mr Guy Hancock
Scottish Executive
Public Service Reform Division
Area 3-G South
Victoria Quay
Edinburgh
Edinburgh
EH6 6QQ

Dear Mr Hancock,

TRANSFORMING PUBLIC SERVICES - DISCUSSION PAPER

I submit herewith my views on the above subject.

Key Objectives

In order to build a successful and efficient organisation it would be desirable if we were to build it on solid foundations that would ensure a long term sustainable administration. Scotland is a small country with a population of less than 5 million. In comparison with other similar sized countries in Europe our Public Sector is very large. We have community councillors, district councillors, MSPs, MPs, MEPs and scores of quangos. The first thing that we should do is to realistically assess the need for the aforementioned by examining their past contributions. We should also look at the number of councils and their responsibilities with a view to their reductions.

I believe that there is scope for reducing the number of councils and transferring Education and Social services to separate central organisations. Education can come under Ofsted who would consult school boards on educational needs. Education under local government has been a dismal failure. Local authorities will take over the responsibility for providing local services and they can then be amalgamated into larger units. This would increase efficiency and reduce costs. The present role of district councillors have always caused me some concern. On one hand they are expected to represent views of the people to the councils and then on the other hand they are also responsible for running the councils. This conflict of interest is the main cause of corruption and nepotism within the Councils and often leads to huge waste of public resources when certain projects are being initiated for the sake of buying votes. More importantly the councillors are not often professionally qualified to make commercial decisions and this too leads to huge waste of public money. You are no doubt familiar with many such examples, the most expensive mistakes were made in respect of the Scottish Parliament. It is therefore suggested that the local councillors responsibility should be limited to advisory role only and they should be actively involved in public consultation. This will allow community councils to be abolished. The Councils should be run as plcs by a board comprising of senior council staff and some experienced board members taken from industry and commerce. Their experience of running the business would make a valuable contribution to providing efficient and cost effective service to the public. An office of public authority regulator should be established. Its qualified staff would be responsible for formulating rules and regulations, performance

targets, economic appraisal of capital projects, co-ordination between other Scottish local authorities, customer complaints etc. In general his duties will be similar to that of various utility regulators that we already have.

The above is a very broad outline of what might be regarded as a radical approach. I have no doubt that an in-depth consideration of various factors such as implications on council tax, accountability, current working practices, resistance to change etc. will have to be considered. I believe that the above would achieve principles and values of reforms by improving efficiency and productivity, joining up services across borders and strengthen accountability.

A worthwhile project for a smarter Scotland.

In this note I have principally addressed the functions of the local government. The NHS and Police should be looked at as separate units. The division of present local authority functions into three separate functions such as Education, Social Work and Local services would enable public to focus on their specific desires in each of the main areas and get advice directly from the specialists. This will also focus public attention to specified areas.

It would be difficult to resolve complaints at the first point of contact primarily because of the present culture where even the professionals bend rules to defend flawed decisions of their colleagues. I have personal experience of dealing with the compliance officer of a council whose response was a white wash. I suspect this is because the councils are monopolies and they tend to behave like tin pot dictators of a banana republic. However, a complaint against a bank was handled by their compliance officer fairly and promptly. A good complaints handling system is very important and every effort should be made in ensuring that the public has a fair opportunity to have the complaints resolved swiftly and without going through the courts. In order to ensure faith in the complaints handling procedure a two stage process is inevitable. A complaint should be handled by a compliance officer (or the Chief Executive) in the first instance. An appeal against the decision should be made to the regulator who would make the final decision. However, the frequency of the complaints going to regulator could be considerably reduced if the regulator is given powers to impose punitive fines on the compliance officer where the decision was a white wash and unsubstantiated. This would very nearly achieve settlement of a complaint at the first point of contact.

The best value process is the right approach in ensuring value for money, This function should be delegated to the regulator who would examine past practices and examine area where improvements can be made. One should also look at similar practices throughout UK and if possible learn from European experience. Best practice should not be based on minimising council costs only, one should consider wider costs to the nation. A simple example of this would be the installation of traffic lights. Installation of traffic lights slows down the flow of traffic, consumes more fuel and causes pollution. This is a cost to the nation and should form part of the exercise. In order to ensure that the procedures used are achieving desired results a rolling program of monitoring sample project should be instituted say in the third and fifth years. A feedback from this valuable exercise should be used for fine tuning of the procedures.

The board of the councils should be given challenging targets of performance. Achievement of these targets should be seriously taken and the responsible senior officers should be held accountable. The regulator should have a fast response audit unit which should take control of the situation where the targets were unlikely to be met. For this to be successful a monthly reporting system is essential. IT systems compatible throughout Scotland would improve the quality of work. Of course a UK wide system would be even better. However, the present problem with the NHS system does cause me some concern. I would like to see Scotland leading the way and would accept a Scotland wide system in the first instance. This should be planned to provide a common interface with other UK systems if and when these are available.

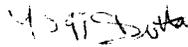
Local Councillors role should be limited to an advisory role. They should not be responsible for running the Councils and their day to day management. There should be a code of conduct which they must observe. This code must include a requirement on them to declare their personal interest. Punitive penalties should be legislated for non compliance. Public is sceptical about the conduct of some of the councillors and their faith in good governance can only be restored if we can get rid of corruption and nepotism.

Local authorities and other agencies should work as a team. They should exchange their experience and information with specialists in other fields. This together with the use of resources should be exchanged at cost. The regulator should conduct an annual staff appraisal of the Chief Executives and other senior managers. Again standards will have to be prescribed and actual performance compared against these standards. A reasonable bonus may provide some incentive. Key performance indicators and customer satisfaction figures should be gathered monthly and reported in an agreed format.

It is difficult to generalise all aspects of work in this radical approach. The way forward has to be to build the solid foundation first and the structure of the organisation would follow from this. At each major step implications of the new proposals will have to be considered thus ensuring they overcome the objectives. IT systems have a very important role to play and their use must be at the forefront. The link between the professional managers and the Scottish Parliament should be through MSPs who again should not be allowed to meddle with day to day running of the Councils. The Scottish Parliament will have the power to fire Chief Executives and senior officers where they are in breach of their code of conduct, unfair to the public and have failed to meet their performance targets.

Thank you for the opportunity to comment on the consultation document - 'Transforming Public Services'.

Yours sincerely



Yogi Dutta