

Finance and Public Administration Committee

12th Meeting 2021 (Session 6), Tuesday 30
November 2021

Public service reform and the Christie Commission

Purpose

1. The purpose of this evidence session is to explore with Deputy First Minister and Cabinet Secretary for Covid Recovery, John Swinney MSP, the progress made with public service reform and the priorities of the Christie Commission.
2. It builds on the evidence session held at the Committee meeting on 9 November with Professor James Mitchell (University of Edinburgh), Professor Graeme Roy, (University of Glasgow) and Stephen Boyle, Auditor General for Scotland. The [Official Report](#) of that meeting as well as [written submissions from Professor Roy and the Auditor General for Scotland](#) are available on the Committee's webpage.

Background

3. Public service reform relates to how government and public bodies are arranged or rearranged to deliver the policy priorities of the government of the day. There have been a number of developments in the area of public service reform over the last decade or so, including, in 2010, the Public Services Reform Act (the Act).
4. The explanatory notes to the Act explain that its "overarching purpose is to simplify and streamline the public bodies landscape in Scotland to deliver improved public services and better outcomes for the people of Scotland".
5. The [Christie Commission](#) followed a year later. Its report explained that the need for public service reform had arisen as a result of a range of factors, including that the demand for public services was set to increase dramatically over the medium term "partly because of demographic changes, but also because of our failure up to now to tackle the causes of disadvantage and vulnerability, with the result that huge sums have to be expended dealing with their consequences". Other factors included an environment of constrained public spending and improving the quality of public services to better meet the needs of the people and the communities they seek to support.
6. The Commission's report identified a number of priorities and set out the following four key pillars or principles for improving the delivery of public services:
 - **public services are built around people and communities**, their needs, aspirations, capacities and skills, and work to build up their autonomy and resilience;

- public service organisations **work together effectively to achieve outcomes** - specifically, by delivering integrated services which help to secure improvements in the quality of life, and the social and economic wellbeing, of the people and communities of Scotland;
 - public service organisations **prioritise prevention, reduce inequalities and promote equality**; and
 - all public services constantly seek **to improve performance** and **reduce costs**, and are open, transparent and accountable.
7. The report included some recommendations for change but, [as this SPICe briefing noted](#),— “The Commission’s report does not, in the main, offer specific recommendations to the Government on how to progress the proposed programme of reform. Instead, the report concludes by calling on the Government to provide political leadership in taking its proposals forward.”
 8. In addition to the Christie Commission, there was also the [report of the Independent Budget Review Panel](#) published in July 2010 and chaired by Crawford Beveridge. This report was intended to inform public and parliamentary debate about the key challenges and choices that will exist in a significantly constrained public spending environment ahead of the then October Spending Review 2010.
 9. In September 2011, the [Scottish Government responded](#) to the Christie Commission report. It explained that it will “reform our public services through: a decisive shift towards prevention; greater integration at a local level driven by better partnership; workforce development and a sharper, more transparent focus on performance”. Since that time, there have been a number of significant changes in the public service landscape in Scotland.
 10. The Finance Committee, at the start of Session 4, agreed to monitor the progress being made in delivering the “decisive shift to prevention”. As part of this work, the Committee, in March 2016, [wrote to John Swinney MSP](#), Deputy First Minister following its evidence-taking identifying a number of barriers as well as opportunities to improving progress such as:
 - a. The importance of culture change in delivering a shift towards prevention, supported with increased funding for preventative services (which requires either new money or shifting resources through disinvestment in other services)
 - b. The Scottish Government providing a clear definition of preventative spending and what constitutes a decisive shift towards prevention;
 - c. The role of monitoring in the short and medium term (through, for example, establishing interim targets and milestones and benchmarking) even though the impact of a preventative approach may be long-term;
 - d. The value of strong leadership from both the Scottish Government and the Scottish Parliament in setting performance targets which are consistent with the emphasis on prevention;
 - e. Whether approaches such as the use of the borrowing powers under the Fiscal Framework to fund preventative spend, creating a culture of

innovation, and use of digital technology, provide potential solutions to achieving a decisive shift towards prevention.

11. In May 2019, What Works Scotland¹ published a report entitled "[Key Messages about public sector reform in Scotland](#)" which explored "how public services could work towards the recommendations of the Christie Commission on the Future Delivery of Public Services (2011) and the Scottish Government's priorities for reform."
12. On 7 September 2021 the [Scottish Government's Programme for Government 2021-2022](#) announced that it "sets out plans to invest in and reform our public services" with legislation identified to give effect to this, such as the creation of a National Care Service.
13. At its evidence session on 9 November the Committee heard from witnesses that:
 - The challenges that led to the need for public service reform such as increasing demand, an aging population, constrained public spending and the need to move to greater preventative spend continues, so the need for public service reform remains. In future, the pressures of demand will only be greater alongside constrained finances.
 - Arguably one of the successes is that public service reform and the Christie Commission principles continue to be discussed.
 - It is easier to deliver innovation with new public services than with existing services. To what extent, however, are the lessons learned from developing new services then applied to the more challenging area of reforming existing services?
 - Cultural/ behavioural change is difficult but are the right conditions to support change, meaningful collaboration and innovation incentivised? This could include leadership, valuing those who deliver change, recognising benefits may not been realised in the short term and learning lessons (rather than blaming) when the outcomes expected from adopting changes are not then delivered. The role of civil service reform and how the civil service collaborates with the public service to deliver reform was also highlighted.
 - Inequality has widened as a result of Covid-19 but the pandemic disruption to services has also provided an opportunity to take stock and rebuild better and potentially differently. This should include empowering and resourcing communities and local government more than has previously been the case, especially given their role in local service delivery during the pandemic.
 - Public service performance in delivering change needs to be more effectively measured and more could be done in relation to appraising and evaluating the outcomes of policy programmes;

¹Set up in June 2014, What Works Scotland was a research collaboration between the Universities of Glasgow and Edinburgh, other academics and key non-academic partners, funded by the Economic and Social Research Council (ESRC) and the Scottish Government.

- Progress in moving towards a more preventative approach has been poor because it can involve shifting priorities and budgets. Do the Scottish Government's borrowing powers and use of taxation powers provide a way to fund preventative spend without reducing existing budgets?
- the Local Governance Review² should address finances, resources and capabilities, as well as local relationships and structures.

Next Steps

14. The Committee will next consider how it wishes to approach future scrutiny of public service reform.

Committee Clerking Team
25 November 2021

² On 2 November 2021, the Local Government, Housing and Planning [took evidence on the progress with the Local Governance Review](#) including from the Deputy First Minister.