



Insights and Perspectives on delivering the Government's agenda

Association of Chief Executives Conference 2015

Event Summary

The aim of this year's conference was to offer insights and perspectives on delivering the Government's agenda for the next five years in the context of the Spending Review. It was an opportunity to hear Ministerial, civil service, departmental leadership and wider public sector perspectives on these challenges, and to discuss with speakers, panellists and our peers, how we will tackle them individually and together.

The conference began with a keynote speech from the **Rt Hon Matthew Hancock MP**, Minister for the Cabinet Office, who outlined his priorities for transformational reform over this parliament. He was keen to emphasise the importance of looking at service design with a focus on user needs, looking at new models of service delivery, including thinking more openly towards commercial and private models and finally ensuring that assets are managed effectively and the potential use of open data in this space. This was also a great opportunity for the Minister to outline the government's aims to replace Triennial Reviews with cross-sector reviews and their continued priority to strengthen the relationship between ALBs and central government through the use of NEDs and sponsors to ensure a redesign of public service delivery based on communication and partnership.



We then hosted an interactive session with members to learn from each other's experiences of responding to the challenges of the Spending Review. **Simon Hodgson, Chief Executive, Forest Enterprise England** and **Oliver Morley, Chief Executive of the DVLA** both gave their experiences of delivering transformation, which was followed by a discussion with members. These conversations revealed a host of approaches and outcomes to spending cuts but also many key themes that are required for effective transformational reform; notably looking at long-term trends in spending across departments and ALBs to source efficiencies, thinking about user-needs, engaging with stakeholders, staff and citizens, transparency and improving commercial and digital capability. This session also highlighted the uncertainty of future spending reductions, the importance of engaging with single departmental plans and thinking strategically ahead to how to deal with potential challenges such as retaining and rewarding staff and working collaboratively across the sector.

The aim of the next panel session on public service reform was for Chief Executives to learn about and reflect on the variety of approaches to public sector reform outside Whitehall. We heard from **Bill Maxwell, Chief Executive of Education Scotland**, **Carolyn Downs** who recently stepped down as Chair of the Local Government Association to return to her roots as a local authority **Chief Executive in Brent Council**, and **Sara Thornton, Head of the National Police Chiefs' Council** and former Chief Constable of Thames Valley Police. They shared some of the lessons they have learned from delivering transformation, such as

ensuring reform is delivered strategically, quickly and to use your resource base to drive revenue back into your organisation. Interestingly, this sessions revealed some contradictory approaches, for example in Brent Council they reduced their spending on preventative services, while Scotland have invested in this area; both resulting in increased efficiencies. There were also common themes including the importance of working collaboratively, 'salami slicing', the use of technology, sharing services, reducing assets, understanding political and public sponsorship and effective leadership and people management skills.

The following keynote speech was delivered by **Stephen Foreshow-Cain, Executive Director of GDS** who shared his experiences of driving forward digital transformation within government. He was keen to emphasise that digitalisation is not just about service design but also about the relationship between the citizens, the state and responding to user needs. He advocated the use of data as an essential method to understanding and monitoring user needs, using feedback and shaping evidence-based policy. While GDS have made significant savings and increased efficiencies service-by-service, there is much potential to learn from these individual success, build inter-disciplinary teams and expand them across government. He took this opportunity to introduce the single payment platform, Gov.uk Pay, which will be a reusable way to take payment for all government services through a debit card online transaction. This is one example of how GDS are working across government to build common standards that can be reused and reduce cost. He encouraged ACE members to get involved with the GDS to drive forward and build on these sharing platforms for transformation.

Our next panel session gave perspectives of transformation from within government. **Sue Owen**, Permanent Secretary, DCMS and new ACE Permanent Secretary Champion and **Melanie Dawes**, recently appointed Permanent Secretary at DCLG outlined their different approaches to managing the reductions in spending across their departments. Since 2010 DCMS have introduced many freedoms for their ALBs, for example surrounding procurement controls, freedoms to raise their own money and freedom from the civil service's pension scheme. Meanwhile DCLG have had a more direct role in agreeing their business plans with the Treasury and their ALBs, and throughout this process have used a single communication and HR team. Their priorities for the next parliament are to be heavily involved with the Cabinet Office One Public Estate Programme and responding to devolution deals. We also heard from **Amanda Spielman, Chair of Ofqual** and chair of the cross-cutting functional review of regulators that Matt Hancock highlighted in his keynote speech earlier in the conference. She took this opportunity to outline the new approach to the review process in more detail. For more information on this review and how to get involved, please refer to our article later in this edition of the reporter. Overall, the main theme of this panel session was the future of working *across* sectors to deliver transformation, for which the cross-cutting review of regulators is an excellent pilot initiative. Both Permanent Secretaries also advocated the potential for cross-departmental shared services of back-office functions such as HR and finance, improving digital and commercial capability and maximising capability through staff exchanges across ALBs and departments to have a better understanding across policy and delivery.

Our final keynote speaker was **Iain Ferguson CBE, Lead NED, Defra and Chair, Wilton Park** who shared his breadth of experience working across ALBs, departments and the private sector. Iain was keen to emphasise that while private sector reform is driven by markets and investors, for public bodies change is often self-generated or politically motivated. Leaders of ALBs have to be their own challengers to work with politicians to implement reform. ALB leaders must drive forward efficiencies to be able to invest in the broader, more ambitious transformational strategies. Some of his priorities as Lead NED were to encourage ALB leaders to source the right talent, engage with their single departmental plans, focus on major projects, ensure effective risk management and work collaboratively with their departments.

Throughout the day each speakers' contributions were followed by a Q&A session. The following points were highlighted by our audience in the day's proceedings:

- Some ALB leaders would like to explore the potential to raise funds through levies as well as taxes.
- Many leaders highlighted the need for the production of examples of best practise for commercial and digital strategies.
- CEOs would like clearer guidelines for regulatory functions.
- Attendees also expressed desire for clarity for how devolution deals will affect service delivery and levels of accountability.
- ALBs would like more transparency and communication with the department over the progress of their single departmental plans.
- They would like expert advice on how to manage staff effectively through transformative changes.
- More lateral thinking and knowledge sharing across government departments exploring other avenues for sourcing efficiencies, as well as digital transformation.
- Maximising capability across departments and ALBs through staff exchanges and clearer understanding of both policy and delivery teams.
- Concerns with the politicisation of the public appointments process.
- Concerns that there will be ongoing cuts after this round of efficiencies.

The day then concluded with a drinks reception which was a great opportunity to continue the day's discussions with other Chief Executives and Senior ALB Leaders. The conference aims to provide a positive platform for CEOs of public bodies to discuss approaches to future reform, in order to facilitate closer collaboration between ALBs and central government.