What is the issue for policymakers?
Better coordination of the efforts of different agencies in one place is a major theme of current debate on reforming public services in the United Kingdom. Breaking down ‘silo’ government and pooling resources are at the heart of this, driven by the belief that multiple agencies and funding streams lead to uncoordinated and complex government, which is inefficient, ineffective and frustrating for service users. At the same time, the country is in the midst of a wide-ranging debate about the powers that should be devolved to local government.

What did RAND Europe look at?
RAND Europe was commissioned by the Local Government Association (LGA) to examine progress in nine places around the country running initiatives to pool resources (see map overleaf). Working with the LGA we selected a range of very different initiatives, including examples of pooled budgets, improved coordination of resources, and the development of collaborative structures such as a combined authority, as well as work to inform better use of public assets. All the places we examined face a number of common challenges. All are confronted with increasing demand for services and reductions in available funding. And all had concluded that historical – often single agency – service delivery approaches were no longer an option.

Our case studies highlight variety: in the focus of the initiatives, from integrated health and social care to employment and the use of public assets; in scale, from five West Yorkshire authorities to a single town; and in the challenges faced, from helping stimulate economic development and growth to tackling social problems and skills development. Some were well progressed, others were just underway, but all the initiatives had lessons for other places around the country grappling with the challenges of growing demand and reducing resources.

What did we find?
Overall, we came across evidence of significant progress in each of the places. There was considerable enthusiasm among participants for the collaborative approaches that are being developed, and a real belief that they are or will be helping to improve public services. The research showed much common ground in terms of factors that were supporting change and those that were considered barriers (see box below).

Enablers
Key enablers identified from the case studies included the importance of taking a pragmatic approach and focusing on ends, rather than means. This may involve building on existing practice and relationships, and prioritising early progress towards better short-term outcomes, rather than creating new structures as a first step, which can take time. The value of generating and using data was highlighted for helping to create buy-in among partners by creating a common understanding of issues and planned outcomes. We also saw evidence that new ways of combining data were providing new insights about public service delivery and challenging assumptions about service use, such as who used which services and where. We learned about the value of sharing data to provide agencies with a complete profile of service users, so as to better coordinate and target assistance.

Each case study displayed a keen focus on outcomes, rather than inputs or process, with shared outcome frameworks helping in some cases to provide the basis for strategic consideration of the overall objectives to which all partners were working. In some cases, this focus on outcomes provided the rationale for restructuring services around users – such as the ‘Team around the Family’ approach to coordinate contacts with service providers. Changes in organisational culture were also seen as crucial, including more flexible ways of working, a more collaborative style among leaders, and encouragement to look at problems differently.

Enablers
- Pragmatic approach to achieving goals
- Generating and using data
- Focusing on outcomes
- Changing organisational culture and behaviour

Barriers and challenges
- Lack of buy-in from central government agencies
- Uncertainty around devolution
- Specific legislative and regulatory barriers
- Lack of alignment between national and local funding priorities
Figure 1. Case studies and their reported and anticipated impacts

Our cases include examples of councils and a range of other bodies working together to tackle problems despite organisational differences and priorities. Impacts are reported or anticipated, but were not validated by our study.

Cheshire West and Chester

*Integrated early support*

Reported impact:
- 13% reduction in children in need cases since October 2013

Anticipated impacts:
- Total benefits expected to be £13m by 2017–2018
- £570k cashable savings built into 2016–2017 budget

Derbyshire

*Use of geospatial mapping and customer segmentation for better use of the public estate*

Reported impacts:
- Geospatial model of Derbyshire based on 64 socio-demographic statistics
- 26 bodies involved in Space Derbyshire project

Anticipated impact:
- Segmentation model and area-based asset strategies will inform the design of services for the next 5–10 years

Cornwall

*Integrated care and health provision*

Reported impacts:
- 30% fall in emergency admissions and 40% reduction in long-term conditions admissions in Newquay
- 20% rise in reported well-being in Penwith

Devon

*Engaging local communities in service co-delivery*

Reported impacts:
- Community conversations feeding into a broader service reform programme with communities as active co-producers
- 11 ‘locality leads’ in place in November 2014
- Mapped public assets
Cambridge
Managing the growing demand for services through collaboration, including the City Deal
- 2014 City Deal for the Greater City Region worth £500m over next 15 years
Anticipated impacts:
- Creation of 45,000 jobs by 2031
- £500m of local investment

Surrey
Joined-up service provision and collaboration through the Family Support Programme
Reported impacts:
- Programme is being scaled up and expanded to include up to 5,000 families
- Up to 17 partners working to support families with complex needs
Anticipated impact:
- Cost–benefit analysis estimates £30m fiscal benefits over 5 years

West Yorkshire
Creation of the West Yorkshire Combined Authority
- 2014 Leeds Growth Deal largest in country
Anticipated impacts:
- Plans for 9,000+ new jobs and 1,000 new houses to be created by 2021
- Up to £370m to be generated in public/private investment

Suffolk
‘Lowestoft Rising’ is an integrated approach to service delivery to tackle social problems
Reported impacts:
- Burglary/anti-social behaviour figures down by 25% in 2013–2014
- 26 outcome indicators used for monitoring programme
- 9% reduction in emergency admissions April–August 2014

Greater Essex
Skills for economic growth and tackling the mismatch between vacancies and available skills
Reported impact:
- Development of pathways to better match vocational training and job choices with labour market needs
Anticipated impacts:
- Original business case suggests £150m in non-cashable benefits 2013–2020
- 8,000 additional apprenticeship places by 2020, leveraging £30m local public/private investment
Barriers and challenges
Although the places we examined were chosen by the LGA because they were considered to be making progress, we heard about barriers and challenges that had been experienced in these cases or were considered to exist more generally. Some stem from the fact that all initiatives are attempting to alter longstanding behaviours, tackle complex social problems or transform approaches to service delivery at a time of constrained resources. Local authorities are also operating in a dynamic environment where wider reforms impact on local initiatives in ways that cannot necessarily be planned for.

We categorised these barriers and challenges under four headings: relationships, data and information governance, funding and outcomes, and culture and skills. A number of our interviewees perceived a lack of buy-in from relevant central government departments and agencies to some of the initiatives. There was a strong belief that there needs to be resolution of the current uncertainty about what are sufficiently robust governance and accountability structures to allow for more devolved powers. Specific legislative and practical barriers to data sharing across agencies were also highlighted as a continuing impediment to efficient collaboration. And a lack of alignment between national funding priorities and local needs, as well as an absence of multi-annual funding cycles, were also mentioned as creating uncertainty and a short-term outlook. These in turn were seen as working against a focus on longer-term planning, considered essential for innovation. The number and variety of partners involved was also mentioned as a challenge, as were skills shortages.

Reported impacts
Several initiatives were at an early stage of development, and it is therefore hard to assess their impact (which may take time to materialise), or determine whether they are due to the pooled or collaborative approach taken. Figure 1 summarises reported and anticipated impacts highlighted to us, although we have not validated them.

What might a ‘reform deal’ look like?
The concept of a ‘deal’ between central government and local partners has been around for some years, with the examples of the City Deals and Growth Deals. ‘Deals’ are seen as a way of trading clear commitments to deliver particular levels of service or outcomes for specific devolved responsibilities and freedoms. Table 1 highlights key elements of a ‘reform deal’ that were mentioned in the interviews and workshop we held. These ideas can be seen as a starting point for the discussions likely to continue around how to pool resources as part of the transformation of public services.

Conclusions
Our varied set of cases of collaboration and resource sharing around the country suggests that there are a number of common enabling factors that are helping to shape progress. We also found considerable consensus around what steps need to be taken to overcome barriers to more effective sharing of resources as part of public service transformation.

Table 1. Key elements of a ‘reform deal’

<table>
<thead>
<tr>
<th>Asks of central government</th>
<th>Asks of local agencies</th>
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<tbody>
<tr>
<td>Pooling funding at source around complex issues</td>
<td>Development of clear goals for improved outcomes</td>
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<tr>
<td>Multi-year funding</td>
<td>Evidence-based design of programmes</td>
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<tr>
<td>Encouragement to local agencies of government departments to</td>
<td>Commitment to data collection and monitoring of</td>
</tr>
<tr>
<td>collaborate routinely</td>
<td>performance</td>
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<tr>
<td>Integrated commissioning</td>
<td>Robust governance and decisionmaking arrangements</td>
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<tr>
<td>Removal of impediments to data sharing</td>
<td>Development of an affordable offer</td>
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<tr>
<td>Government support to local initiatives through skills and</td>
<td>Accountable leadership</td>
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<tr>
<td>secondments</td>
<td>Commitment to an ambitious agenda of change</td>
</tr>
<tr>
<td>Avoiding target-driven burden</td>
<td>Creativity and innovation in delivering services</td>
</tr>
</tbody>
</table>

Table 1. Key elements of a ‘reform deal’

This brief describes work done by RAND Europe documented in One Place, One Budget? Approaches to pooling resources for public service transformation, by Jeremy Lonsdale, Daniel Schweppenstedde, Christian van Stolk, Benoit Guerin and Marco Hafner, RR-1017-LGA, 2015 (available at www.rand.org/t/RR1017). To view this brief online, visit www.rand.org/t/RB9836. RAND Europe is a not-for-profit research institute whose mission is to help improve policy and decisionmaking through research and analysis. RAND Europe’s publications do not necessarily reflect the opinions of its research clients and sponsors. RAND® is a registered trademark.

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