

# Creating public value: Case studies

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### Aims of The Work Foundation project

Building on existing academic and policy work around public value, The Work Foundation's project aims to help policymakers, public managers and institutions understand the concept of public value and see how it can be applied in practice.

Public value addresses many of the contemporary concerns facing public managers. These include problems of securing legitimacy for decision making, resource allocation and measuring service outcomes. This research project draws together different strands of the current debate around public value, clarifies its elements and seeks to further understanding of this topical and important conceptual innovation in public service delivery.

The project's objectives are to:

- provide a clear definition of public value
- provide public managers with a set of guiding principles that orient institutions to the creation of public value
- use sector and case studies to illustrate how organisations might understand where gaps occur in achieving public value
- clarify the components and processes of public value in order to facilitate its future capture and measurement.

#### **Sponsors**

The project is sponsored by the following organisations:

- BBC
- The Capita Group plc
- Department for Culture, Media and Sport
- Home Office
- London Borough of Lewisham
- Metropolitan Police
- The NHS Institute for Innovation and Improvement (formerly the NHS Modernisation Agency)
- OfCOM
- Quality and Improvement Agency (formerly the Learning and Skills Development Agency)
- Royal Opera House.

#### **About this report**

This case study report examines how certain public sector organisations are already creating public value, and shows how their work can be assessed within a public value framework. The framework given at the end of the case studies, which uses the V&A, the Royal Opera House, Leicester College, recycling and tobacco control in Lewisham as worked examples, has been developed during the course of the project to inform our thinking on the principles of public value outlined in

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the main report. The frameworks have also helped us to identify the 'public value gaps' for either organisations or initiatives. The case study work was conducted in 2005 and 2006, so more up to date figures in some cases may be available.

This report is part of a larger body of work around public value in the public sector that incorporates sector reports, literature reviews and papers on measurement together with seminars and presentations. Please note that the views expressed in this report are those of the authors and not necessarily those of the project sponsors or case study organisations.

# 1. The Royal Opera House: Producing public value

## 1.1 About the Royal Opera House

The Royal Opera House's (ROH) mission is to:

- attract, excite, uplift and inspire the widest possible audiences by performing opera and ballet to the highest international standards at affordable ticket prices
- develop the art forms and to promote their appreciation by people of all ages and backgrounds.

The ROH is at once a registered charity, a company limited by guarantee and a publicly funded national cultural institution. It is an independent body – not a non-departmental public body.

The ROH is funded by (2004-05 figures):

- Arts Council England (ACE) – 31 per cent
- box office revenue – 37 per cent
- donations and the like – 21 per cent
- commercial trading, touring and the like – 9 per cent
- other sources – 2 per cent.

For the past six years, the ROH has raised £2 for every £1 of public funding.

## 1.2 How is the ROH's activity authorised?

- The board of trustees and finance and audit committee (FAC), ACE, private funders, users and executive and artistic directors comprise the system of checks and balances to ensure that the ROH does not drift from its primary purpose. Indeed, each of these authorising agents plays a different role and has a different set of expectations from the ROH.
- The board of trustees and FAC, whose main objectives, duties and principles are specified in a board manual, carry ultimate responsibility for the ROH. As such, they are the most immediate authorising committees at the ROH. The board and the FAC each meet six times a year. There is also an executive committee comprising all of the ROH's directors, who meet weekly. New strategies, plans or developments start at the level of the executive committee and move up the chain, ending up at the board.
- Board members are self-appointing, subject to approval from the Department for Culture, Media and Sport (DCMS) and ACE. Additionally, the ROH's ACE lead officer can attend board meetings. As board members of a prominent national charity, members must abide by the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership. Note that several of these principles are very much in line with the four core qualities of public value, ie universality, equity, accountability and transparency.

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- As a part public funded organisation, the ROH's strategic planning must work within the parameters set out in ACE's terms of agreement and ambitions for the arts that currently include:
  - supporting the artist
  - enabling organisations to thrive, not just survive
  - championing diversity
  - offering opportunities to young people
  - encouraging growth.
- ACE requires an annual monitoring and feedback appraisal focusing on the extent to which the ROH met its strategic goals (discussed in greater detail in the following section). ACE then follows up with areas for improvement, which are taken up by ROH management. The ROH perceives of ACE as a partner.
- In addition to the board and ACE, the ROH's private funders play a role in informing its activities. While the ROH is responsive to the diverse needs of its private funders, it does not blindly follow donors' whims. At all times, the organisation maintains its cultural property and integrity. Private donations generally come in four forms:
  - 'no strings attached' donations
  - donations where the donor indicates where or for what the money is for
  - allocations of funds in partnership with the ROH
  - donations where the ROH approached a person/organisation for funding for a specific project.
- Audience members and participants in the ROH's various educational and access initiatives represent another aspect of the ROH's authorising environment. While this group is not directly polled, their presence – notably their repeated presence – at ROH events is evidence of their satisfaction with the ROH's cultural services. Furthermore, because the ROH is only partly funded by ACE, audience members exert substantial influence on the organisation by virtue of their role as purchasers of the ROH's offering. Consequently, the ROH aims to reach a wide range of the public to keep them coming back or to entice them further into the ROH. Indeed, the ROH is currently engaged in extensive audience research and customer relationship management programmes as means of further promoting audience members' roles as authorising agents. This package of work should lead to an accessible customer feedback system where the ROH can better understand the factors (eg personal, logistical, economic) that drive audience members' attendance behaviours, including seasoned attendees on the one hand as well as those who have never been there on the other.

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- Finally, the various artistic directors compose the final component of the ROH's authorising environment. In particular, the artistic directors play an important role in determining the choice of art forms at the ROH. These experts must take into account works that have not been performed in a while, new work that has not been performed before, work that fits with events or anniversaries, work that will showcase a particular dancer or singer's exceptional talent and work that is inspiring to them as expert artists. The artistic directors do not have full artistic autonomy of course, as the ROH must also respond to the preferences of its audiences.
- While the ROH must consider its authorising environment in its actions, it also values its standing as a leader in the cultural sector. The ROH must ensure that its activities balance the various needs of its stakeholders while maintaining the superior quality of its art that the public expects.

### 1.3 How is the ROH's public value created?

- The ROH's activities align behind one or more strategic area, each of which has overarching objectives to be achieved in the short- and long-term. Strategic plans are created and business plans detail work up to three years in advance and are monitored monthly via an internal system comprised of the board of trustees and the executive committee. Externally, ACE monitors the ROH's performance against its plan. Meeting these strategic goals serves as justification for resource allocation.
- The ROH's strategic areas include: leadership; art forms; education, access and audience development; supporting the cultural community; and commercial. The overarching strategic objectives of each are described below. Note that each objective incorporates the Royal Opera, the Royal Ballet, ROH2 (alternative artistic programmes) and the Orchestra.
- **Leader of cultural sector:** The main objective here is to serve as a leader in the UK and worldwide cultural sector. This first strategic area is more overarching and, to some extent, encompasses the other strategic goals. As such, it sets the stage for what the ROH is and how its goals and strategies should serve as an example for other cultural organisations. The ROH currently demonstrates its ability to be a leading organisation in the cultural sector by showing excellence and innovation in:
  - organisational development
  - professional development
  - education
  - its art forms
  - its participation in the public value consortium.
- **Art forms:** The main objectives relating to the ROH's art forms are to maintain commitment to artistic excellence, maintain the range and scale of productions, promote opera and ballet to the widest possible

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audience via touring and broadcasting, promote and develop a diverse range of talent, deliver new art, support cross-house collaborations between music and dance, and develop a framework for daytime activity. This it does in a number of ways.

- First, the ROH's art forms promote appreciation for the arts. Viewers have the opportunity to experience opera, ballet, joint opera, musical theatre, dance performances and orchestral performances performed by some of the world's premier artists. Performances can be seen on the main stage, on one of the alternative stages, via live relay or on the television. Moreover, the ROH is fully engaged in the 'test of time'. That is, the successful opera of tomorrow needs to be performed today to begin generating interest and momentum. Thus, by dedicating many of its performances to newer, twentieth-century operas and commissioning new works, the ROH is not only promoting appreciation for the arts today, but also paving the way for future appreciation of a newer body of work.
- Second, the ROH's art forms promote creativity through its artist development apprenticeships and programmes including:
  - **Jette Parker Young Artists Programme:** a two-year, full-salaried apprenticeship position tailored to the individual needs of the artist focusing on music, language, movement and acting
  - **Southbank Sinfonia:** a springboard into the music profession for young professional musicians aimed at broadening musical talents and assisting with auditioning skills via a range of performance and learning activities
  - **Firsts:** a creative forum for small-scale companies and developing artists
  - **OperaGenesis:** a laboratory for new opera, providing a pyramid of activities such as networking, participating in workshops, mentoring and performing pieces developed in workshops
  - **Dancelines:** annual choreographic course focusing on exploration and development.
- The ROH art forms also promote creativity by featuring new art and new collaborations. The ROH2 and OperaGenesis are two examples. For instance, the ROH2 uses two alternative performance spaces or 'laboratories' to deliver new art, new artists and new audiences, incorporating artists from diverse backgrounds. Some examples of recent ROH2 work includes:
  - a revival of *Babette's Feast*, an opera for young people
  - a mixed bill of new work from five choreographers performed by the Royal Ballet, inspired by Diaghilev

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- members of the Orchestra of the Royal Opera House playing a series of lunchtime recitals
- *Gravity and Levity*, an aerial performance of Fin Walker's *Why?*
- Increased access to the ROH's art forms via touring, Big Screen relays and broadcasts promotes creativity to a wider audience.
- Third, the ROH's art forms promote diversity by showcasing diverse talent and artists. For example:
  - the ROH offers free rehearsal space and performance opportunities to Black Ballet, a group of black and Asian dancers
  - new:currents presents 12 companies from diverse cultural traditions
  - collaborative performances with NITRO (a black theatre company) during Black History Month.
- Further, the ROH has recognised the need for more ACE funding to develop partnerships with UK colleges, conservatories and schools to foster the talent of young BME artists. The ROH is determined to develop diverse new talent and a programme of work to appeal to audiences from various backgrounds.
- Sixty-eight per cent (approximately £48million) of the ROH's 2004-05 budget was dedicated to frontline performance-related costs.
- **Education, access and audience development – putting the 'public' at the centre:** The main objectives of this strategic element are to nurture, maintain and enhance current ROH audiences and develop new audiences, develop a plan to archive collections, increase audience reach via broadcasting, extend the live relay and cinema programme, refresh the website, develop programmes for the building to encourage new daytime visitors, extend the range of education activities and resources, and involve educators and learners in creative activities that enhance and support their curriculum.
- The ROH's education, access and audience development strategies help to reduce exclusion (economic, cultural, geographical) by redistributing cultural capital. The first aspect of this redistribution is via increased access. There is a perception – one that the ROH hopes to change – that opera is expensive. For example:
  - 50 per cent of tickets are £50 or less in the main auditorium; ROH2 performances are less expensive (eg top price at Linbury is £25 for opera and £18 for dance)
  - performances are broadcast on radio, TV and Big Screen presentations
  - brand advertising on the London Underground promoted the message that ballet relates to everyday life and is for everyone
  - the commissioning of more family-oriented, small-scale productions.
- In 2004-05, 6million people watched or listened to the ROH's work on the television or radio. Indeed, the ROH recently completed installation of

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permanent broadcast and production equipment in its new ROH media centre. This equipment will be used for BBC television and radio relays, Big Screen relays and archiving purposes. Thus, the ROH has invested in using digital media to make its art accessible to the public, and hopefully make opera and ballet less daunting.

- With planning for the 2012 Olympics currently underway, the ROH is fully involved in bringing out the Olympic themes of 'excellence, youth and legacy' via its art forms. As such, the ROH has planned a number of initiatives in preparation for this historic event. It has already reached out to its low-income neighbours in East London via a Big Screen relay of its urban interpretation of La Boheme. This work will increase in the coming years with the development of an Olympic programme involving young people and further Big Screens, culminating in an Olympic festival in 2012. Furthermore, in 2008 the ROH will travel to Beijing to celebrate the China Olympics.
- The ROH also has several other initiatives it hopes will expand its user base, such as developing a daytime offer for the ROH building, developing an archive that is open to the public, improving its website and advertising its complete list of activities to the public on a monthly basis.
- The ROH hosts many educational and learning initiatives specifically targeting populations that are often excluded from opera and ballet. Additionally, incorporating performers from diverse backgrounds may help to draw in new audiences.
- The ROH believes that greater cultural diversity would both improve and strengthen its artistic achievements. To this end, the ROH created a diversity policy, conducted research into this area and formulated three key areas for further work: influencing the talent pool, representing national diversity and representing London's regional diversity. In concert with the planned audience research and customer relationship management system, the ROH is clearly making headway in broadening its audience and putting the audience at the centre of its plans.
- The ROH's education, access and audience development strategies also provide educational value. The ROH was one of the first cultural institutions to create a vibrant educational component to its work. The aims of the education department are fourfold, to:
  - introduce new and diverse audiences, including children and young people to the ROH
  - enable people to participate in and create and understand all of the elements that comprise opera and ballet
  - provide opportunities to explore the working practices and production processes of the ROH

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- provide learning opportunities that enable people better to appreciate and appraise music and dance.
- Projects generally emphasise at least two of these primary aims, and to carry out these goals the ROH maintains dialogue with external colleagues and establishes partnerships (eg with higher and further education institutions, schools and local authorities). The ROH tries to get the most value for expended resources by developing projects with a multiplier effect through, for example, work with teachers who then pass on their knowledge to students. In 2004-05, the direct reach of the ROH's education programmes was 60,000 while the indirect reach due to the multiplier effect was 20,000 – an increase of 29 per cent from the previous year (ie 39,000 direct reach, 8,000 indirect reach).
- Table 1 shows the ROH's 30 or so headline educational and outreach initiatives offered in 2004-05. More information about each of the initiatives is found on the ROH website ([www.royalopera.org](http://www.royalopera.org)).

**Table 1: The ROH's headline educational and outreach initiatives, 2004-05**

Arts college	On the Road (Sunderland, Cumbria, Bristol, Plymouth, Kent, Cornwall)
<i>Babette's Feast</i>	Open rehearsals
Behind the Scenes	Publication: <i>Voice &amp; Vision</i>
Big Screen workshops	Publication: <i>Schools Matinees</i>
Chance to Dance	Publication: <i>Teachers Packs</i>
Community singalong	Rhythm in Motion
Creative partnerships	Schools matinees
Creative Voices South Africa	Sounding Out
Curtain UP	Southbank Sinfonia
Dance Club	South Bank University
Floral Dance	Speeches and lectures
Hamlyn performances	Stravinsky project
In2arts training	Techno projects
Insight Programme	Turtle Opera
King's College Career Days	Write an Opera
Monday Moves	Work placements

- In 2004-05, 2 per cent (approximately £1.4million) of the ROH's total funds were directed to education and outreach initiatives.
- **Supporting the cultural community:** This element of the strategy aims to: attract, retain and develop the best performers ('greatest artists in the world on the world stage'), technical and crafts people and professional management, and encourage diversity and access. 'I hate blowing

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trumpets, but this is a fantastic place to work,' says Simon Kennlyside, baritone.

- The success of the ROH depends in part on performing talent, technicians and craftspeople, and professional management. As such, the ROH engages in a number of staff development and cultural diversity initiatives aimed at promoting professional development for current and potential employees.
- The ROH demonstrated its focus on professional development by commissioning an audit from the Graham Devlin Association on the range of in-house continuing professional development (CPD) initiatives. The report named the ROH as a potential 'resource for the nation' in the area of professional development.
- As a response to this report, the ROH developed a proactive approach to CPD (framework for continuing professional development) focusing more on outward-facing rather than in-house initiatives as a way of making the ROH more permeable. As part of this initiative, the ROH is establishing a consistent approach and criteria for determining which development opportunities they should embark on. Key criteria include: the decision-making process must be transparent, the opportunity should impart clear benefits to the individual or the ROH, the ROH must maintain a balance between financial benefit and developmental benefit, and the opportunity must be compatible with the ROH's values and ethos.
- With this background in mind, the ROH is targeting four domains for CPD opportunities:
  - skill enhancement and refreshment for current staff (eg dancers' career development via ROH2 programmes for those at the end of their dancing careers)
  - external artistic development (eg internships in directing, design and music during a season, apprenticeships to dancers and graduate choreographers, shadowing opportunities for promising artistic leaders)
  - managerial and technical development in the schemes set by sector skills body Creative and Cultural Skills. For example, the Young Apprenticeship (YA) programme for 14-16 year olds and Creative Apprenticeships (CA) targeting young adults in secondary education, HE and FE students, recent graduates interested in pursuing a career in the arts, graduate or post-graduate managers and 16-24 year olds not in education. The ROH is likely to play a significant role in the CA pilot and the programme would be integrated with the National Diploma for 14-19 year olds
  - development of a management programme, possibly with another major arts institution, to provide opportunities for under-represented groups in the arts.

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- The ROH hosts several initiatives that help to promote diversity among its staff. The ROH's cultural diversity action plan was launched in 2006. The ROH plans to move forward with its diversity goals by conducting an internal census of current employees and benchmarking their racial/ethnic demographic with the definitions established by the Commission for Racial Equality. The ROH hopes to take a leading role in influencing future supply chains by working with existing networks (eg Conservatoires UK and Royal Ballet Schools) to monitor UK diversity development. In the next year, the ROH plans to deliver diversity training to all managers and supervisors. A senior member of staff will be designated as the CPD/diversity champion to lead and plan for both types (ie CPD and diversity) of activities.
- ROH staff are encouraged to participate in the education programme. Several performances showcase BME talent to a diverse audience. Moreover, the ROH employs a growing number of dancers from BME backgrounds. The ROH plans to identify diverse role models from current staff and highlight their work as a means of encouraging others to pursue a career at the ROH. The ROH is also involved in projects that target communities with high rates of unemployment for customised support and training for arts and cultural institutions, as well as potential job placements in local arts organisations.
- The ROH has identified a potential hindrance in its quest to promote local diversity: many UK colleges and conservatories, from which the ROH recruits, are increasingly accepting overseas students for funding reasons. The ROH may need to lobby in favour of improved funding arrangements for colleges and conservatories.
- Finally, the ROH offers support for the cultural community through several HR initiatives including annual pay increases, the creation of an ROH intranet and expanded internal communications (eg team briefings).
- **Commercial – vibrant arts and cultural centre:** Extending audience reach and the recognition of the ROH brand and its contribution to a balanced budget are the key aims here. The ROH's commercial objectives help to raise brand and cultural awareness, while simultaneously contributing to the ROH's net income. The ROH website remains the main purveyor of brand awareness. With internet penetration in the UK at approximately 65 per cent (close to 40 per cent among the lowest social classes), the ROH's online offering is an important means of entry for new audiences. Its commercial offer includes CDs, DVDs and books. Specific examples of the ROH's recent commercial endeavours include:
  - securing licenses for three target markets: 4-to-11 year old girls, young professionals and core heritage audiences
  - launching a heritage series of books based on photographs from the archive

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- hiring a heritage access manager to facilitate access to the ROH collection
- developing a DVD deal with a major label
- offering commercial venue hire.
- Broadening the reach of the ROH brand helps to promote London (and the UK more generally) as a world tourist destination for the arts. The plans for the ROH Open House are a vivid example of its commercial offer. The ROH hopes to make its landmark building an inviting tourist destination by offering family-friendly activities, lunchtime concerts and free musical events.
- The ROH dedicates 72 per cent of its annual income to both performance and education and access initiatives.

### 1.4 How is the ROH's public value measured?

- As a recipient of public funds, the ROH must validate its funding. As such, the ROH has several systems in place to gauge its activity and performance:
  - annual performance review for ACE (eg range of performances, box office targets, awards won, accessibility, budget)
  - detailed audience research (eg Experian customer profile analysis, CRM)
  - education report to the board (including a balanced scorecard approach to measurement)
  - evaluation of education/learning initiatives (eg education strategic impact report, small programme evaluation studies)
  - media reaction.
- The ROH's measurement system focuses primarily on quantifiable targets that relate to the detailed strategic plan outlined above. Table 2 on the next page highlights relevant areas for which the ROH has data, and possible constructs that they can measure (directly or indirectly) using extant data sources.
- One of the main facets of the public value approach is to go beyond economic and efficiency indicators and capture less tangible constructs such as satisfaction, wellbeing or trust. This may be particularly difficult in the cultural sector where key outcomes such as happiness, catharsis and appreciation are not easily measured en masse. Furthermore, attempting to measure the complex interaction that occurs between individuals and the arts is an exercise in collective subjectivity at best. These intangible outcomes are both a blessing and a curse for the ROH. That is, they are precisely what make the organisation so unique and spectacular, but they also lead to scepticism and objections from the public who may not believe that the intrinsic value of art is a viable justification for receipt of public funds.

**Table 2: Measuring performance at the ROH**

Target strategy	Assessment	Direct outcomes	Indirect outcomes
Leadership role	Assessed via all initiatives summarised below	ROH perceived as UK cultural ambassador	Includes all outcomes summarised below
Art forms – appreciation for the arts	Performance portfolio (including ROH2), box office reports, reach of broadcasts/Big Screens, donor support	Access and revenue maximisation	Promote innovation, promote excellence/quality, stimulate interest in culture, improve quality of life/wellbeing
Art forms – creativity	Profile of Vilar Young Artists or Southbank Sinfonia	Programme reach	Build skills and careers, improve quality of life/wellbeing, develop creativity
Art forms – diversity	Number and reach of performances showcasing BME talent	Diversity targets	Promote intercultural contact and reduce exclusion
Education, access and audience development – reducing exclusion	Audience research	Detailed demographic of audience (and changes over time) by programme type, define 'core' audience	Reduce exclusion, stimulate interest in culture, improve quality of life/wellbeing
Education, access and audience development – educational value	Attendance in educational initiatives, programme evaluation (for specific initiatives)	Programme reach, multiplier effect, demographic of recipients, balanced scorecard (costs/reach ratio for each objective)	Reduce exclusion, stimulate interest in culture, improve quality of life/wellbeing, improve self-confidence, develop creativity, contribute to development of children, improve teaching and learning
Supporting the cultural community – CPD	No current measurement in place	Current skill level of employees, reach of outward-facing recruitment initiatives	Build skills and careers, improve quality of life/wellbeing, develop creativity
Supporting the cultural community – diversity	No current measurement in place, plans to conduct an internal audit	Detailed demographic of staff by occupation	Reduce exclusion, promote intercultural contact
Commercial – raise brand awareness	Sales profits, website research	Revenue maximisation, programme reach	Stimulate interest in the arts, reduce exclusion

- Measurement of public value also incorporates how an organisation engages with its authorising environments and the public to derive priorities and objectives that are in line with the public's needs and preferences. It also incorporates how an organisation shapes the public's

preferences. The ROH has to balance the already-refined preferences of a small segment of the public with the not yet refined preferences of the larger public. At the core of the ROH is its artistic integrity. Yet, in recognising that the organisation needs to widen its audience – for ethical/moral and financial reasons – it has to perform pieces that do not push the organisation forward artistically, but which are likely to draw in new audiences. While the ROH does not necessarily systematically poll the public, it believes that it understands the varying needs of the public and relies on its experts to make decisions in the best interests of the arts and the public.

### 1.4 Public value dilemmas facing the ROH

- What is the cost-benefit of expensive education programmes (eg Chance to Dance where children residing in disadvantaged school districts are offered the opportunity to take ballet classes, which costs £62.04 per participant) that reach few but make a large impact, versus less expensive programmes that reach many (eg Creative Voices in South Africa funds creative workshops for teachers, at a cost of £0.09 per participant), but don't have as large an impact. Are the big price/big impact offerings unfair because they cannot be universally distributed?
- The ROH put on a rarely performed, but profound opera entitled *Boulevard Solitude* in 2001. The critics raved about the opera, citing it as an 'operatic jackpot.' Due to limited time and money, the ROH did not advertise heavily for the piece and it was largely commercially unsuccessful, despite the stunning reviews. The next time around, the ROH created media frenzy around *Sophie's Choice*, which was not such a fantastic piece. In both of these cases, the ROH did not adequately deliver refined information to its public. In the second case, it potentially minimised public trust in its ability consistently to showcase top talent. How can the ROH better 'refine preferences' in the tight budget and timeframe in which it has to work?
- Should the ROH establish a more coherent measurement framework that incorporates more (systematic) public involvement? Would this be fit for purpose?

Please see Annex A for further analysis.

## 2. The V&A Museum: Creating public value

### 2.1 How is the V&A Museum's activity authorised?

- The V&A is primarily funded by grant in aid (GIA) from the government. The Department for Culture, Media and Sport (DCMS) receives an allocation from HM Treasury, which it then divides among non-departmental public bodies (NDPBs). Following the Gershon review, GIA for future years depends on achieving the efficiency savings agreed with the DCMS in its efficiency delivery plan. All GIA depends on maintaining free entrance.
- The government's policy agenda around culture and the arts is reflected in the strategic planning and performance measurement of the V&A as a predominantly publicly funded organisation. Key policy drivers include:
  - extending the benefits of culture to a wider audience, particularly to the socially excluded
  - making culture less London-centric
  - improving reach and involvement of a more culturally diverse population
  - looking at the educational benefits of culture
  - understanding how and where cultural activity regenerates areas.
- The V&A's annual report of the UK steering group noted that: 'The museum sector must be seen to play its part in public life and respond to government priorities.'<sup>1</sup> The V&A has responded to tightening funding and increasing political pressures by disseminating information on its work in the regions and how activity has an educative or regenerative effect, closely monitoring its expenditure internally and externally and concentrating on fewer, but better-defined objectives. This happens in parallel with other fundraising activities in the commercial sector.
- The V&A's authorising environment and how it connects with government bodies, partners, sponsors and independent audit is a complex mix. They all play a key role in determining the direction of the V&A's activities, although the museum is very much a first among equals and leads many initiatives that shape the sectors' future. For example:
  - **As an active lead:** The V&A:
    - is one of the largest national museums and galleries. Under its remit to serve all of the UK, the V&A supports the wider sector through advocacy, advice and partnerships, and has links with other public bodies that help to shape the sector. The V&A's director is on the board of the Museums, Libraries and Archives Council (MLA), which runs the government's Renaissance in the Regions programme and manages the MLA/V&A purchase grant fund.
  - **As an innovator:** The V&A:
    - leads two government-funded (DCMS and DfES) nationwide projects for learning, access and inclusion: Image and Identity, and Every Object Tells a Story

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<sup>1</sup> V&A Museum, *Annual Report of the V&A UK Steering Group 2004-05*, London, May/June 2005

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- champions the idea of subject specialist networks (partnerships based on a common interest in collections) that extend knowledge and skills in that subject area. The Museums Association and MLA have taken these up, which are now formally funded networks to help them develop practically and conceptually across the sector. The V&A initiated four of these formal projects and it participates in networks led by others.
- **As an expert adviser:** The V&A:
  - chairs the DfES/DCMS group for museums in education
  - advises on the national significance and value of objects that might be sold abroad or that have been offered to the nation instead of inheritance tax through the export licensing system or acceptance in lieu.
- **As a consultee:** The V&A:
  - provides information to DCMS consultations, such as those on culture and regeneration, museums in the twenty-first century and developing the creative industries
  - provides information for ministerial briefings and overseas visits (eg Tony Blair's visit to China) on how the museum meets government priorities, and in answer to Parliamentary questions and for Select Committees
  - takes part in National Audit Office (NAO) value-for-money projects as requested, eg equality and diversity, museums' self-generated income, and the NAO study into access to the Victoria & Albert Museum.

### 2.2 How is public value created?

- Nearly all of the V&A's activities align behind one or more of the following strategic areas, each of which has an overarching objective, a breakdown of key themes and specific outcomes to be achieved by 2010. Short- and medium-term milestones are assigned to each outcome. KPIs are assigned to key themes. Each theme may achieve several KPIs and the same KPI may relate to any number of themes. It is important to note that performance monitoring follows the strategic goals rather than dictates activity.
- All of the museum's activity falls under one of more of the following strategic areas: access and audiences; national and international; creative design and efficiency and effectiveness – although some activity may not be recorded as such.
- **Access**
  - Access to collections is the primary way in which the V&A creates public value. A third of all visits to the V&A are from design practitioners. The value of the V&A to this community is seen to be 'at the heart of the value created by the V&A for society'.<sup>2</sup> But it is not just about putting

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<sup>2</sup> Senior staff member, interview with The Work Foundation, 2005

items on display: '[S]election, interpretation, conservation and design must work together to present them in a way that satisfies our users.'<sup>3</sup> Opening up the gallery intellectually and physically, for example through the redevelopment of key sites such as the South Kensington Education Centre, enables the V&A to improve access for users. Feasibility studies are carried out for any site or collection earmarked for improved access.

- Access to and the reach of collections are also increased via the loan of collections to other venues in the UK and around the world. An estimated 3,000 objects are on loan at any one time; 21 V&A exhibitions are planned for the UK in 2005-07 and 15 will travel the world.
- Objects that are not on display also contribute to public use and appreciation of the collections through archiving and study rooms, although the V&A admits it 'is not always as convenient as it could be'. The V&A is working with other museums to look at the potential of a distributed national collection that could combine related collections at a single location and provide integrated information about those collections for experts and curators.
- Other ways in which the V&A creates value through its provision of collections is through publications, use of imagery and so on. The museum is looking to develop further its digital technology to connect with users, for example through its website. The V&A website has over half a million users per month and they are spending longer on each visit. It is looking to develop a long-term strategy to put the web and digital technology at the heart of its activities so that it can become the 'first place people turn to – especially in education – for authoritative and lively information in art and design, history and the cultures represented in our collections.'<sup>4</sup>
- The V&A continues to provide a range of facilities and programmes to attract under-represented audiences under its access, inclusion and diversity strategy, for example with the black and Asian heritage programmes, language and literacy festivals for refugees, and programmes for people with disabilities etc. A cross-museum project called Capacity Building and Cultural Ownership – Working with Diverse Communities funded by the Heritage Lottery Fund is looking at how to build new collections, increase inclusion and increase capacity for people to explore their own heritage.
- **World leader**
  - The second area in which the V&A creates public value – and its second strategic objective – is its participation in major cultural developments abroad and in the UK.
  - The V&A effectively 'competes' as well as partners with other museums. Museums such as the Guggenheim have sites in New York, Bilbao,

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<sup>3</sup> Ibid

<sup>4</sup> V&A Museum, *V&A Strategic Plan 2005–10*, London, 2005

Venice and Berlin, but the V&A is looking at ways in which it can return to the vision of its nineteenth-century founders and become part of a network of cultural, educational and commercial institutions. This may not necessarily be through new sites, but through lending, borrowing, touring, training and development under the V&A brand. Activities promote the V&A as an international organisation rather than as a location (exporting the brand), for example through establishing a New York development office. Building programmes that reflect the cultural diversity of London (Illustrations from Africa exhibition) also help the V&A to play its part in promoting London as a world-class tourist destination.

- In response to political and departmental interest in outreach and decentralisation to the regions, the V&A has drawn together all its national working (the preferred term for what used to be termed regional working) in one document. It states:

‘Throughout civil society, the government has placed considerable emphasis on broadening access to services and opportunities for all citizens, with a concurrent emphasis on demonstrating that public money is being used to further this objective. The perceived London-centric hegemony of many public services, including national museums and galleries (NMGs) has been challenged. In other words, citizens are encouraged to expect good-quality provision wherever they live and whatever their backgrounds, and that national public institutions will actively reach out to them. For museums and galleries the concept of the distributed national collection is taking hold and collections are being viewed and used in new ways to engage and reflect contemporary society.’<sup>5</sup>
- Activities range from formal partnership with the Sheffield Galleries and Museums Trust in establishing new Millennium Galleries, to establishing specialist networks for the performing arts, fashion and contemporary design, and the programme of national tours and exhibitions.
- **Creativity**
  - The V&A encourages creativity on a number of levels: from simply enjoying an object to feeling inspired to create something and taking part in a workshop and finding out more about an object or collection. The V&A plays a part in maintaining interest and directly supporting the creative industries – an area of the economy that as a whole accounts for 1.9million jobs and £11.5billion to the UK balance of trade.
  - The V&A is actively seeking ways to engage with the creative industries in ways that meet the needs of creative industry professionals, teachers and students. The V&A is a resource and an advocate. Through its collections and widespread commissioning, the V&A is a significant

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<sup>5</sup> V&A Museum, *Annual Report of the V&A UK Steering Group 2004-05*, London, May/June 2005

player in the creative economy. In particular, the commercial arm, V&A Enterprises (VAE), runs an international licensing programme, a picture library, a publishing house as well as shops.

- **Efficiency and effectiveness**
  - The Gershon review has given new impetus to the need to demonstrate improved efficiency and effectiveness. Both cash savings, such as reduced bills and staff turnover, and improved performance (more web visits for the same budget) are sought. GIA in 2007-08 is contingent on these savings. Savings made will be deployed to frontline services such as schools and community programmes, disabled access and visitor services, IT developments and FuturePlan, the long-term strategy for improving galleries and public spaces. Since 2000-01 the V&A has reduced the amount of GIA per user (physical and web) from £11.23 to £4.02.
  - However, GIA does not cover all of the V&A's activities. £17million was raised in 2003-04 through sponsorship, membership schemes, exhibition admissions and catering. Commercial opportunities are maximised through VAE, which raises income and brand awareness.

### 2.3 How is public value measured?

- Performance data and systems – measures that can benchmark the museum against other national museums – are used to inform the DCMS and/or the management board and trustees about how well the V&A is doing. The V&A has a range of KPIs, both quantitative and qualitative, many of which are set by the DCMS and tied to targets in the funding agreement. These are around the number of visitors, particularly under-16s and visitors from lower income backgrounds. But others are being developed to reflect the V&A's own priorities, for example on the number of visits made to V&A touring exhibitions. These effectively balance the DCMS performance indicators, which are very user focused, with staffing, internal operational and process measures that enable the V&A to improve its capacity to respond to external demands.
- Many activities and milestones at the V&A generate performance data for several KPIs. Rather than a scenario where individual performance targets dictate activity, this approach demonstrates that the V&A has defined its own objectives in which activities are then carried out and in turn generate data that can be used to assess the extent to which an objective is achieved.
- Involving local communities and users is key to generating public value. The V&A undertakes extensive market research and evaluation among museum visitors. However, it has not recently commissioned research into why people do not visit the V&A, although it does find out indirectly

what non-visitors think through other evaluations. For example, it interviewed regular and first-time visitors as well as school children about an interpretive device for visually impaired visitors. That said, the V&A is planning to undertake some market research to find out about non-visitors in general.

- The V&A has many examples of large-scale formal consultation and/or involvement, and used both qualitative and quantitative methodologies. These include:
  - **Direct involvement or co-production:** 'The V&A recognises the importance of national or regional strategies, funding and performance targets not undermining the sense of community ownership that is so vital to museums. It is seeking to continue the development of current regional and national strategies while allowing individual museums and their partners to target their local communities based on detailed assessments of need.'<sup>6</sup> Such work is widespread and examples include:
    - family workshops, lectures, and a project that involves commissioning artists to work with community groups to create items to exhibit as part of the Jameel Exhibition on Islamic Art
    - work on Image and Identity (in partnership with local museums) with local communities in Preston, Tyne and Wear, Manchester, Sheffield, Brighton and Birmingham, and funded through strategic commissioning
    - the V&A's Inspired By, which encourages adult learners to exhibit their own work created with inspiration from museum objects. This was extended to UK partners in 2004<sup>7</sup>
    - a series of community projects with children, including a project with 25 pupils from Bonner Primary School where two artists have helped them create a display piece inspired by illustrations from the Beatrix Potter exhibition.
  - **Planning new galleries or collections:** For example, a front-end evaluation study of the Jameel Gallery of Islamic Art at the V&A. A detailed analysis of this kind occurs only for permanent exhibitions. It is felt that applying this degree of consultation with the public for every temporary exhibition would be 'too onerous' in terms of resources.
  - **Consulting on issues relating to access:**
    - evaluation of the types of interpretative provision in the museum adapted for people with visual impairment. Main areas visited in the museum included the Paintings Gallery, the Sculptures Gallery and the Fashion in Motion Swarovski event
    - the access forum with representatives from various disabled user groups meets regularly.

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<sup>6</sup> V&A Museum, *V&A Strategic Plan 2005–10*, London, 2005

<sup>7</sup> V&A Museum, *Understanding the Future: Museums and Twenty-First Century Life: A response to the DCMS Consultation from the Victoria and Albert Museum*, London, 2005

- **Evaluating exhibitions:**
  - quantitative – independent evaluation of visitors to the Vivienne Westwood exhibition and comparison with MORI survey findings
  - qualitative – teachers' consultative group provides advice and feedback on programming and exhibition issues that affect school visits to the V&A.
- Understandably, most of this activity is undertaken for specific projects, rather than on the broader strategic objectives for the museum. It also involves visitors or potential visitors to exhibitions, rather than the wider group of citizens who do not engage with or are aware of the V&A's activities.
- Capturing all of the valuable activity undertaken by the museum is now a necessity. An audit of national working began in April 2005 to provide a baseline for the V&A's activities. Some are currently unrecorded and unmonitored, such as work undertaken with the higher education sector through teaching, training and hosting internships and placements that may go unnoticed through formal reporting systems to the V&A board or the DCMS. Harder to demonstrate is the impact that the museum has on regeneration. The branch museums often have very close links with local communities (eg the Museum of Childhood at Bethnal Green, Theatre Museum in Covent Garden and – until April 2004 – the Wellington Museum at Apsley House, Hyde Park Corner), and ongoing V&A education programmes are targeted at London Boroughs with high deprivation indices.
- The V&A is part of the National Museum Directors' Conference (NMDC) working group looking at how to improve the current systems for gathering statistical and qualitative data about success. This follows from the *Valuing Museums* document published in March 2004.<sup>8</sup> However, as the government moves towards measuring the impact of its activity on quality-of-life outcomes, so any evaluation of the museum's activity may become more complex. Although it makes intuitive sense that involving children from areas of high deprivation in cultural projects can raise self-esteem and stimulate interest in new cultures, thus establishing a causal link between the actions of the V&A and, for example, improved life chances, this would involve lengthy and complex evaluations, perhaps over a long period of time. Furthermore, if the government was to define success only in terms of the educational or regenerative benefits of cultural activity, then targets couched in these terms could seriously skew the museum's activity. For example, projects would only be located in areas where communities had a reasonable chance of producing the desired outcomes – sometimes known as 'skimming'. The V&A therefore has to constantly challenge exactly what 'vision of success' is being applied to the

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<sup>8</sup> Travers T and Glaisters S, *Valuing Museums: Impact and innovation among national museums*, London, National Museum Directors' Conference, 2004

institution, and blend a number of approaches to understanding how it might create value over time – some of which may not accord with the government of the day's agenda.

- The extent of consultation and engagement with the public about exhibitions is clearly an area that divides many in the museum world and in the V&A. Exhibitions have to appeal to as big a public as possible, 'although we don't think we should respond to popular demand, we need to show that we are intellectually challenging and which may be unpopular.'<sup>9</sup> As a result of this tension, the V&A is placing a greater emphasis on public involvement in shaping exhibitions where resources allow. For example, it is working with groups of the public (adults, British Muslims, atheists and evangelical groups) in the conceptual planning for the Medieval and Renaissance exhibitions in 2010. The public is also asked regularly about its views on items in exhibitions (interpretive devices, such as an interactive map) that help them understand the objects. Involving the public was also seen to be a necessary part of good risk management.
- However, the decision to run an exhibition does not involve the public. Taken by an internal committee, the decision is based on a combination of factors, structural reasons (eg exhibitions following a particular theme), reaction, duty and also a degree of worry about not having had a recent exhibition on a particular aspect of design. The public has not generally been asked to comment on the overall programme or asked what it would like to see more or less of at the V&A, although such research will be introduced.
- The V&A is fairly robust in its criticisms of the inadequacy of specific targets. For example, regional activity is measured only through the number of venues in England in which objects from the collections are loaned. The V&A points out in a document that was well received by others in the sector that this ignores the Home Countries, gives equal weight to all objects, and ignores the education and learning that stems from the partnership. A second target that asks museums to report on how many visitors come to London from other regions is sufficient, but it omits all of the evidence on partnership working in regions contained in the report, for example the benefits of the MLA/V&A purchase grant – a £1 million fund to assist with acquisitions, but also a source of professional advice. In 2005, the V&A engaged with 141 organisations that successfully applied for funding under this scheme, of which 104 were successful.
- One of the most critical issues facing the V&A, and indeed the whole sector, is short-term funding. This is compounded by the occasional inability of government to reward success with continued funding, in part due to constraints on public funds and political pressure to deliver on health and education priorities. For example, although the V&A received £350,000

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<sup>9</sup> Senior staff member, interview with The Work Foundation, 2005

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for a project that reached over 17,000 participants, the DCMS adopted an equal share policy for funding in 2004-06, and allocated the V&A £80,000 in 2004-05 and £160,000 in 2005-06. This illustrates a common problem in the public sector, where meeting performance targets does not necessarily translate into guaranteed funding for the future. With sanctions for failure but no reward for excellence, this could lead to a culture of mediocrity or making do. Although there is no evidence of this at the V&A, there may be examples of this in the sector that can be used to illustrate how partnership working could be made more effective.

- There are many areas that the V&A finds hard to measure. In particular, it is difficult to quantify the impact the V&A has on either design practitioners, for example in terms of what they do with the knowledge they gain, or on individuals, for example on their sense of wellbeing or even what it might inspire them to create themselves. It was felt that 'you can't place a value on the long-term impact of a brief encounter with the V&A'. Nor is much known about the public's views on why they have an emotional attachment to the V&A. Anecdotally, the V&A is aware of visitors who come to the museum regularly to see their favourite object, but this complex relationship between individuals and their cultural heritage is not explored in detail.

Please see Annex B for further analysis.

### 3. Leicester College

#### 3.1 About Leicester College

Leicester College employs 1,600 staff and has an annual budget of around £44.6million. The college is an associate college of De Montfort University and has four main campus sites and over 200 community venues. In 2004-05, it provided education and training to:

- 36,416 part-time learners
- 4,973 full-time learners
- 3,764 students on ESOL/basic skills courses
- 558 students on higher education (HE) programmes.

In terms of the demographic profile of the college's roll:

- 14 per cent were aged over 16-18 (49 per cent of the city's 16-18 year olds)
- 83 per cent were aged over 18
- 1,251 learners were aged under 16
- over 40 per cent were from disadvantaged backgrounds or living in areas of deprivation
- 3,576 students had a learning difficulty and/or disability
- 40 per cent were from minority ethnic groups
- 1,380 students were asylum seekers.

#### 3.2 How is public value at Leicester College authorised?

- Skills are increasingly recognised as critical to the future economic and social health of the UK. For the UK, a knowledge-based, high-skill economy is a vital driver of the innovation required to increase UK productivity and prosperity. For employers, investment in skills and skills planning are key to improving performance. For individuals, increased skills are a route to increased earnings and improved career prospects. And for society as a whole, improved skills can increase social inclusion and enhance community engagement. Skills also increase access to consumption, savings, production, political and social activities.
- Both HM Treasury and the Strategy Unit have identified poor levels of intermediate skills as one of the reasons for the productivity gap between the UK and European countries such as Germany and France. The government has also invested in programmes to improve basic skills for the one in seven adults lacking functional literacy and/or numeracy. Other initiatives have focused more on the demand side and sought to raise the ambition of employers. The Strategy Unit's report on workforce development in 2002<sup>10</sup> identified one of the key challenges to improving skills in Britain as employers' lack of engagement in training their workforce. As the 2005 skills for productivity white paper argued, the low-skill equilibrium, where employers pay low wages for low skills in low-value added sectors, remains a reality in too many British firms and indeed, sectors.<sup>11</sup>

<sup>10</sup> Strategy Unit, *In Demand: Adult skills for the 21st century*, London, The Cabinet Office, 2002

<sup>11</sup> DfES, *14-19 Education*, London, DfES, 2005

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- However, the government has stated that it cannot and should not fund all of the skills investment needed to sustain a competitive economy that is capable of generating high standards of living. The government has to target investment of public funds where there are fewest financial incentives for others to invest, in particular those with few skills and no qualifications, or where it judges that investment is socially or economically necessary. The returns that come from higher qualifications for both employers and learners make it reasonable to expect that they should contribute some proportion of the costs.
- Given the need for a skilled workforce (while recognising that the government, employers and individuals should make a contribution to meeting this need), the government funds learning and skills through the Learning and Skills Council (LSC), a national non-departmental public body (NDPB) with 47 local LSCs. LSCs fund a variety of local providers of skills and learning for adults, including further education and sixth-form colleges, schools with sixth forms, local authority and adult education institutions and private and voluntary sector organisations.
- Public funding is made available for skills and learning because a market failure exists around the provision of education and training for otherwise socially excluded groups or for skills areas that the government considers to be of particular economic significance. There is also human rights justification for education for all, as embodied in the Human Rights Act 1998, and therefore a role for publicly funded learning and skills.
- Leicester College is one such provider of learning and skills. The college is one of the largest colleges nationally in terms of learner numbers. During 2004-05, the college provided for around 41,000 learners from the age of 14 onwards. Although the vast majority of learners are adults studying part-time, Leicester College is also the main provider of 16-18 learning in the city. Leicester College espouses a strong set of values: respect and recognition, development, serving students and the wider community, accountability, equal opportunity and fairness, and it uses these to evaluate particular decisions.
- Leicester College's 'authorising environment' – the organisations and the public that confer legitimacy on what the college does – is a complex mix. Most (85.4 per cent) of the college's income is from the Learning and Skills Council. The remainder comes from tuition fees, education contracts, research grants and endowment and investment income. It is accountable to the Secretary of State, although it is funded by the LSC. The principal and chief finance officer can also be called to account by the Public Administration Committee. It also works with myriad other NDPBs, such as JobCentre Plus, other local government bodies such as LEAs, partners, sponsors and independent auditors such as Ofsted.

- Colleges also remain firmly rooted in their local community and see themselves as accountable to that community via the board of governors; two members are local authority-elected members, seven are from the business community and three from other community groups. However, the college believes that national politics is more influential than local politics now. This is because of the national body (LSC) to which all colleges are accountable. It may also be due to a wider recognition of colleges' contributions to the national economy, and to the increasingly tight set of priorities that govern what education and training the government will fund and what it wants to see colleges provide. Colleges are responsive and adaptable to changing economic need and to policy shifts from government, which currently happen every few years. They adapt their curricula to meet demand and need, they resize, adopt different ways of working and because they have been doing this for many years, colleges are used to and good at change. Largely as a result of their adaptability, colleges are also used as test beds for new initiatives and policies, for example Leicester's involvement in the DfES's skills for life initiative and as a partner in the New Deal for Communities looking at the barriers to participation in learning. However, the increasingly focused education and training environment means that colleges are having to make increasingly difficult decisions about what provision they should and can offer.
- Legislation and national policy development provide incentives as well as imperatives to work closely with the DfES, other government departments, and regional and local public bodies. Although diversification of income is important for the college and pump-priming helps to start up specific areas of work, the rationale for embarking on such projects is not always financial and is more likely to be motivated by a desire to meet an identified need, for example the college's work in supporting asylum seekers.

### **3.3 How is public value created?**

- The college has an annual cycle of budgeting and strategic planning that takes into account national and local targets – the LSC's requirements – and its own priorities. A process of negotiation takes place between the LSC and the college over learner numbers and associated funding. This flows through into discussions in the college with individual curriculum areas and support areas over likely numbers and resource implications.
- The college's strategy is based on three strategic aims: successful learners, innovation and investment. Under these strategic aims are specific strategic objectives: headline improvement targets, key priorities and outcomes. Although the core activity of the college is training and

development for (predominantly) adult learners, there are many activities that confer a wider social and economic benefit, for example:

- **Social cohesion:** Colleges' student populations often reflect the diversity of the local population and thereby help to promote an inclusive and tolerant learning environment. Large urban colleges in particular bring together people from sections of the community that are often segregated in a town or city. For many individuals, their college experience will be the first time that they have interacted so closely with people from other ethnic backgrounds, faiths and even ages. The role the college plays in promoting social cohesion should not be underestimated. Leicester is now a 'preferred centre' for asylum seekers and refugees; the race riots that affected Oldham did not occur in Leicester. Although both of these may not be solely attributable to the college, it clearly creates a positive environment for a multiracial and multicultural community.
- **Community capacity building:** Around a third of the college's learners come from disadvantaged backgrounds or areas of deprivation; the college sees itself as providing 'an antidote to social deprivation.' It works in over a 100 venues throughout the city, has bases in the 14 disadvantaged wards and has established itself in the Single Regeneration Budget and Objective 2 areas. It has links with a range of community organisations to target support and education and training opportunities at particular groups in the community such as asylum seekers and refugees, certain minority ethnic groups and new arrivals to the city, people with disabilities and learning difficulties, unemployed people and ex-offenders. For example, the college:
  - works in delivering adult basic skills (Skills for Life) with the Probation Service
  - trains people who are crucial to the creation of public value in other areas of the public sector, for example childcare specialists who will deliver the childcare strategy and care workers who will help to overcome the NHS staffing difficulties
  - is involved in high-level discussions including regular meetings with other college principals and the LSC, the LEA, and a wide range of cross-sectoral groups and organisations, which allows the principal and other senior staff to influence local developments. It is difficult to measure the impact of this, but the number of groups in which the college is involved and the extent to which people want the college involved suggests that partner organisations view it as an important contributor to and key player in the local community.
- **Community development:**
  - **Community letting:** the college provides local community groups with access to its venues

- **Overseas qualifications development project:** targeting residents of Leicester with graduate or higher level qualifications from overseas who are underemployed in the labour market
- **School links and Increased Flexibility (IF) programme:** working with schools to provide vocational learning opportunities for young people aged 14-16. Leicester College is one of the largest providers under the IF programme in the country
- **Citizenship projects:** for example, 'gifted and talented' students working on a project with the UK Youth Commonwealth. They were invited to attend a London conference in March 2004, which was hosted by the Queen. Continuing studies students working on a young enterprise scheme using citizenship as a channel to deliver the project. A fair trade project delivered through the key skills programme
- Work with excluded and disaffected young people including those for whom the curriculum has been disapplied
- The college's governors have a unique and undervalued role. They come from a range of backgrounds including business, education, health and the local community. They take on considerable responsibilities (unpaid) and add considerable value to the college as a whole. Leicester College's governing body takes an approach that reflects the principles espoused by Carver – notably that it should be outward facing and focused on the community, and on whether the college is adequately meeting the needs of the local community.<sup>12</sup>
- **Economic development:**
  - The college has a £44million budget and is a major employer with 1,600 staff, most of whom live locally. The college is therefore an important contributor to the local economy.
  - Leicester students also tend to stay in the local area after completing a period of study, unlike HE students who are more likely to migrate out of region.
  - Leicester College also creates value as a broker for other colleges. It leads a consortia of colleges bidding for £225,000 funding from the LSC's local initiative development fund. The college also controls the funds for the ethnic minority student active grant, which it distributes via other colleges such as Loughborough.
- **Employer training pilots:**
  - In response to concerns that training does not meet employer needs, the college has developed its own unique commercial operation, S4B (Skills for Business), to deliver an employer training pilot (ETP). This offers a one-stop shop for employers to access

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<sup>12</sup> Carver J and Carver M, *Making Diversity Meaningful in the Board Room: Carver guide*, San Francisco, Josey Bass, 1997

training with funding to Level 2. Its role is to manage initial meetings with the LSC and employers, co-ordinate the college's response in curriculum areas, and establish and maintain systems to monitor performance, invoice for funding and report back to the LSC. The college received £75,000 pump-priming from the local LSC to develop the infrastructure for the service, which was based on an earlier proposal in the college's workforce development strategy. It now employs five training consultants, who act as account managers for ETP and all other employer focused provision. They have relationships with specific curriculum areas and sector specialisms, and work closely with their respective curriculum area or across relevant areas in the case of those with sector specialisms. This enables curriculum staff to focus on delivering provision and on ensuring that the provision is tailored to employer needs. The college is looking to deliver to around 1,200 learners and generate an income of around £1 million in 2004-05, and is the largest ETP provider in the area. The college delivers training to employers when and where they want it. This includes during the night and at weekends. The college's work through S4B has been cited in the Institute of Directors and LSC handbook *Skills: Transforming business*<sup>13</sup> and in other publications.

### 3.4 How is public value measured?

- The college is accountable to the LSC for the number of learners it recruits and the funding attached to them. Annual performance reviews take place with the LSC to monitor progress against targets. The college itself monitors performance against targets on a weekly basis. The rationale for colleges' existence is to equip people with the education and training they need. This is measured by the number who stay on and achieve their qualification aim, ie success rates.
- Furthermore, there are essentially three interlinked qualitative processes and measures:
  - **Learner success rates:** The college collects detailed data on each learner, which allows analysis by age, curriculum area, gender, ethnicity etc. Success rates are published
  - **Inspection:** Ofsted carries out inspections every five years to a common inspection framework. Inspection reports are publicly available. The college also undertakes internal inspections and lesson observations throughout the year to monitor quality and develop improvement strategies
  - **Self-assessment:** The college also produces an annual self-assessment report that records and analyses quality across the whole college in a

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<sup>13</sup> Institute of Directors and the Learning and Skills Council, *Skills: Transforming business*, London, IoD/LSC, 2004

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variety of ways and takes into account all aspects of quality including success rates, student satisfaction, staffing and resources etc. This is undertaken at a course level and aggregated up to produce self-assessment reports for each curriculum and support area, as well as for cross-college themes such as management, equal opportunities and resources.

- Although the college clearly collects data on success rates and quality, it is unclear from the key targets contained in the strategic plan which targets are set by the LSC and which are set by the college, and therefore what is the balance between them.
- As funding is linked to the volume of students through Leicester College's doors, there is a wider issue about the national policy drive to get 50 per cent of young people into HE as opposed to FE. With the relative number of 16-18 year olds in the adult population also in decline, funding colleges by the volume of students may lead in the long term to FE becoming an even poorer relation in the education community – providing services to those who are hardest to reach or to attract adult learners who may not be able to afford their own learning.
- There are several other concerns with the adequacy of performance measurement and its ability to capture fully the impact of the college on learners. It is felt that FE's contribution to social justice, through its empowerment of more educated individuals and the 'second chance' it gives to many of the most disadvantaged, for example asylum seekers, is not fully reflected in how its performance is assessed.
- Measurement should itself create public value. Poor measures and targets can distort activity or misrepresent activity that is having an impact. Developments are underway to measure in more sophisticated ways the degree to which a college is successful (productive) in supporting learners to achieve. This includes measurement of value added/distance travelled rather than absolute qualifications. Second, the inspection framework includes an assessment of the value for money provided by an institution. Although no benchmarks currently exist, attempts have been made to assign values to successful outcomes in terms of how much it costs a college to achieve a certain number of successful outcomes. Third, although lecturers' contact hours with learners provide a measure of their 'productivity' in this respect, there may be an argument for measuring how productive a college is in other ways. For example, how responsive is the teaching to student needs, what improvement it yields etc. Finally, the sheer volume of measurement – 'there are more people managing performance data than librarians'<sup>14</sup> – raises a question about resources, although it was felt that measurement was a key lever to drive up standards as well as serving as an indicator that standards were rising.

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<sup>14</sup> Senior staff member, Leicester College, interview with The Work Foundation, 2005

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- While targets (linked to funding) are very top-down, the college recognises the heterogeneity of the public it is there to serve – learners and potential learners, the corporation, staff, employers, local faith and community groups – and seeks to understand what the public themselves deems valuable. Different mechanisms capture responses from different groups:
  - **Recording and monitoring of complaints (Talkback forms):** The college has a formal complaints process and monitors and reports on complaints to the executive and governing body on a termly basis
  - **Student satisfaction surveys:** Measure overall learner satisfaction with college services
  - **Student course representatives:** Provide a mechanism for learners to feedback on any issues arising from their own particular course
  - **Staff satisfaction surveys:** Measure staff satisfaction with internal college services
  - **Corporation meetings:** Provide an opportunity for governors to feedback on their own and their contacts' perceptions of the college
  - **Performance review meetings with the LSC**
  - **Annual business surveys:** Carried out to assess employer satisfaction with the service they receive from the college. Also, day-to-day contact through the college's training consultants (S4B) and through curriculum areas including the centres of vocational excellence in print and construction will provide feedback on the impact the college has on businesses
  - **The public's views:** Directly inform the direction of the college. For example, focus groups inform marketing activities and the development of the prospectus and student handbook. The college also conducts profile research to determine public awareness of the college and its services, and day-to-day contact with employers as well as formal surveys inform curriculum development and delivery. Governors also provide an external and informed perspective. Establishment of a clear, publicly recognised brand for FE remains one of the major challenges for the sector. Despite the fact that many people in a local area are likely to have experience of their local college and for that experience to have been positive, nationally the FE brand is not well understood.

### **Box 1: Building public value**

The college has already begun a £40million project to redevelop its estate. The college is consulting with local politicians as well as local residents and employers about the building and what it will mean to Leicester as a whole, as there is a real sense that a local building should itself be a source of pride and a visible beacon for learning. As publicly funded bodies, the college and the LSC believe they have a duty to improve the public space for learning. The decision to provide funds for the new buildings has in part been driven by the LSC's chief executive, who wants to see the sector physically rebuilt. The project carries with it a number of risks. Getting the design of the building wrong or having it delayed could impact directly on increased maintenance costs or a failure to meet the needs of increased student numbers. Any reduction in student numbers would affect funding, so it is not an outcome the college can afford.

Please see Annex C for further analysis.

## 4. London Borough of Lewisham recycling scheme

### 4.1 About recycling in Lewisham

- Households in England produce 25million tonnes of waste every year. Over half of this consists of garden waste, waste paper and board, and kitchen waste.
- Waste quantities in England are rising proportionately faster than growth in GDP and faster than in most other European countries. At current rates of growth, the cost of managing household waste will double by 2020.
- By international standards, England currently disposes of a higher proportion of its municipal waste through landfill (78 per cent of the total) and a much lower proportion through recycling (12 per cent) and thermal treatment (9 per cent).
- London produces about 17million tonnes of waste every year. Of this, 4.4million tonnes – a quarter of all waste – is collected by councils. This ‘municipal waste’ is mostly from households and some from businesses.
- The rest of this 17million tonnes of waste is made up of a further 6.4million tonnes produced by businesses and industry, and 6.1million tonnes produced by construction and demolition work. Although these sectors produce more waste, they are more efficient at re-using and recycling it than the municipal sector.
- The vast majority of London’s municipal waste is currently disposed of in landfill. In 2001-02, landfill accounted for 73 per cent of municipal waste, with a vast majority of this going to sites outside Greater London.
- Nineteen per cent of municipal waste is incinerated at the two waste incineration plants in London at Edmonton and Lewisham, where the process generates electricity. These plants provide about a third of England’s incineration capacity.
- In 2004-05, only 15 per cent of London’s municipal waste was currently put to good use through recycling schemes or composting.
- Government intervention to tackle waste will bring benefits to:
  - **the economy:** there are economic opportunities to be realised from improving the way that waste streams are managed. For example, less wasteful product design and manufacturing processes will translate directly into cost savings for business. New waste technologies and services can also provide new markets for UK businesses and generate significant revenues
  - **the environment:** benefits to climate change are likely to result from minimising waste and more re-use and recycling. As waste continues to grow, so too will its contribution to climate change and environmental degradation if we do not change how we deal with it
  - **society as a whole:** alternative waste management options, particularly recycling, can have a positive effect on social cohesion and inclusion because of the community-based nature of such activities.

Good waste management also sends appropriate signals to the public about valuing the local environment and can help both to reduce antisocial behaviour, such as fly-tipping and littering, and to improve local liveability.

- A number of factors lie behind the absence of a more sustainable approach to waste management in England:
  - historically, waste has not been an area of policy priority and there has been a relative abundance of cheap landfill sites. This has resulted in comparatively low levels of investment in waste management
  - there has been a lack of public awareness of the seriousness of the waste problem alongside perceptions that new waste facilities of all kinds may be damaging to health or have other disadvantages
  - the economic and regulatory framework has offered few incentives either for a reduced rate of growth in waste volumes or for alternative methods of management and disposal (such as recycling)
  - delivery structures at both national and local level have been complex, with insufficiently clear responsibilities and accountabilities for delivering change
  - there have been various practical problems and barriers such as delays in granting planning permission for waste management plants of all kinds.

### **4.2 How is the recycling project authorised?**

- Recycling is just one element of the waste management strategy led by the local authority. Lewisham draws its legitimacy for pursuing a policy of recycling from a variety of sources, ranging from European and central government initiatives and legislation to a more general concern among the public over the environment.
- Securing sustainable waste management is arguably the biggest environmental challenge after climate change. The case for action has been accepted at all levels of government. The Royal Commission on Environmental Pollution defined the Best Practicable Environmental Option (BPEO) as: 'For a given set of objectives, the option that provides the most benefits or the least damage to the environment as a whole, at acceptable costs in the long term as well as in the short term.'<sup>15</sup> Illustrated through the waste hierarchy, the best option for the environment is to generate less waste. The second best option is to re-use products and materials. Third, to recover value from waste by recycling it, composting or recovering energy (ie through incineration). Fourth, the option at the bottom of the hierarchy is to dispose of waste, eg through landfill.
- However, locally, it would appear that most of the authorisation and strategic drivers for the policy is based on top-down targets rather than

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<sup>15</sup> Royal Commission on Environmental Pollution, *Twelfth Report: Best Practicable Environmental Option*, Cm 310, London, 1988

local public authorisation for recycling. For example:

### **National targets and policy levers**

- By 2010 to reduce biodegradable municipal waste landfilled to 75 per cent of that produced in 1995 (EU Landfill Directive, 1999)
- To recycle or compost at least 30 per cent of household waste by 2010 (Waste Strategy, 2000)
- To recover value from 45 per cent of municipal waste by 2010 (Waste Strategy, 2000)
- Civil penalties for local authorities that landfill in excess of their allowances (Waste and Emissions Trading Act, 2003), although the landfill allowance trading scheme means that the trading of penalties is allowed. Any authority that has planned ahead should not be in danger of penalties, although if they needed to they will have had to have purchased their additional allowances from another authority, such as Lewisham, that does not need them
- Obligation to produce a strategy for the reduction of biodegradable municipal waste sent to landfill.

### **Regional targets and policy levers**

- By 2010, all London boroughs must have a kerbside collection of at least two different materials for recycling, except where impracticable, in which case exceptionally intensive and effective 'bring' systems should be developed to meet and exceed the national recycling targets
- All London boroughs must prepare a fully costed feasibility study for the borough-wide collection of separated kitchen vegetable waste and garden waste.

### **Lewisham's targets and policy levers**

- Lewisham's statutory target is to reach 20 per cent of household waste for recycling/composting by 2007-08 (Local Public Service Agreement target)
- Signing up to the Mayor's green performance code purchase audit led to the purchase of over £1 million of recycled products for use by the local authority, including Forest Saver park benches.
- Recycling is one response to dealing with the externalities created by consumption, ie waste. Most of the evidence or case for recycling in relation to other policies for waste management is based on global, national and local evidence collected by the local authority that recycling is a more sustainable option than landfill or incineration of waste. Top-down targets are thus a manifestation of the market imperfection of asymmetric information where scientists informing policymakers at the EU/national/regional/local government level have significantly greater knowledge of waste and the benefits of recycling than the majority of the public.

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- The public therefore would not undertake recycling collectively as the benefits of recycling on an individual is so insignificant compared to the aggregate impact. In addition, the cost (eg a depleted ozone layer increasing the risk of skin cancer) is carried by future generations. As a consequence, most individuals won't choose to recycle. This explains why there is little evidence of local/community authorisation for targets.
- It is not clear how significant the green movement or individual advocacy of the need to recycle has been in leading to an increased government focus on this issue, or whether it is a response to the overwhelming evidence that current waste management policies are simply unsustainable. Even less clear is the degree to which the citizens of Lewisham are ready and willing to recycle their waste and the price they are prepared to pay.

### 4.3 How is it created?

- Although the readiness and willingness of Lewisham's citizens to recycle their waste is hard to discern, what is very clear is that their behaviour is key to ensuring that the proportion of waste that is recycled rises. Lewisham, in part, corrects the problems outlined above by educating and informing local residents and businesses of the benefits of recycling. But the onus is very much on the authority to provide convenient and efficient ways to recycle.
- In response to many of these targets and policy requirements, local authorities are having to:
  - put in place local strategies for sustainable management of municipal waste
  - plan for and secure an appropriate range of facilities for the management of municipal waste in their area, including co-operation and joint planning with other local authorities and the private sector
  - allocate sufficient resources to waste
  - secure management of waste in line with the BPEO and their own local strategy
  - provide ongoing education and practical advice for local people.
- The authorisation for an increase in recycling has led to increases in grants for innovative recycling projects. In 2002, Lewisham received an additional £1.1million for a borough-wide estate recycling scheme.
- Currently, activity by the London Borough of Lewisham to meet these challenging targets and requirements is extensive. They fall into the following broad areas of 'creation':

#### **Provision**

- Lewisham provides 75,000 households with a weekly kerbside collection of paper, cardboard, glass, cans and plastic bottles. (The

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figure of 75,000 represents all properties in the borough where a roadside collection is feasible.)

- Lewisham Council provides 37,502 estate households with near-entry bring-sites for cardboard, paper and glass, mixed plastic bottles and cans.
- There are 48 mini bring-bank sites in the borough, taking all the materials collected on estates and on the kerbside service. Textile banks are still provided separately.
- There are 300 estate recycling centres in the borough, taking paper and cardboard, glass bottles and jars, cans and plastic bottles.
- There is a re-use and recycling centre in Landmann Way, New Cross. The site takes paper and card, glass bottles and jars, cans, plastic bottles, car batteries, waste motor oil, electrical items, furniture, white goods, green waste, textiles and shoes for recycling.

### **Promotion**

- The Big Recycle Week
- One thousand, five hundred free compost bins are being given away at community events and from Wearside Service Centre. This is in addition to the discounted compost bins from Shannon's garden centre. The Best Value Improvement Plan (BVIP) 2000-02 stated that the council should promote home composting to the remaining 35,000 households with gardens in Lewisham to encourage them to purchase discounted compost bins over the next five years.
- Bring sites recycling collection brought in-house (late 2005) due to lower costs and to deliver the cleaner street agenda more effectively (cleaner, newer bins, no sorting required, can sweep under and around them more easily, easy to clean graffiti off).
- Dry recyclables contract (sorting and selling on) is currently being tendered again.
- Community composting: The council set up a series of master composting workshops for its 900 allotment holders and residents free of charge, and offers discounted composters.
- The council should tender and let contracts with recycling organisations to maximise the percentage of waste recycled from mini-recycling centres, ensuring the best possible service in terms of maintenance and management of the council's 52 sites and costs/income to the council.

### **Cost reduction**

- Recycling collection has been reconfigured to be simply a part of the waste service, rather than running a separate service from refuse. This, along with collecting the recyclables from the bring sites, rather than paying others to do so, has helped to make the service more efficient.

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- The council has terminated its resourcing of the Blackheath glass scheme because it was not cost effective.

### **Education**

- Lewisham attempts to change individual attitudes to recycling through a range of educational and information campaigns to encourage and inform local people about how to recycle and to get recyclers to recycle more via a door-to-door campaign.
- Clean and Green Schools programme: A year-round environmental programme looking at litter, waste and other environmental issues.
- Business Environmental Excellence (BEE) scheme providing an advisory role to business on sustainable waste management.
- Outlining its specific services standards, stating what the council will do and what your (citizen's) role is. For example, 'we will provide a kerbside collection service for paper to all Lewisham households', 'you will use the kerbside collection for paper.'
- The question for Lewisham is therefore: within given resources, is it maximising the public value of recycling? Is the balance between its activities, eg provision, promotion etc, meeting the needs of its citizens in relation to how much they would choose/not choose to recycle? How easy does it need to make access to recycling services before the costs outweigh the benefits? Or are public information campaigns sufficient?

### **4.4 How is it measured?**

- National, regional and local targets are in abundance and Lewisham's progress is assessed against them. What is less well evidenced is how the specific activities of recycling – and citizens' involvement and satisfaction in those activities – relate to 'liveability' and an area's local wellbeing.
- There is only one example of where citizens' views are taken into account – post-provision – and that is by measuring satisfaction among citizens. In 2003, the council decided it should set 'increased resident satisfaction with the recycling service' as a target to measure improvement and outcomes. The 2004 survey results showed significant progress on satisfaction with recycling facilities, which rose by 8 per cent to 55 per cent and exceeded the London-wide average by 2 per cent.
- Activities to 'involve' the public also tend to focus on raising awareness of recycling and so change personal behaviour and education. For example:
  - 18 schools are participating in the London Schools Environment Award
  - six more residents and eight businesses trained in how to remove graffiti
  - celebrating Lewisham's Streetleaders' work for the environment at the volunteers' annual conference
  - launching a new environment action campaign for local communities

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right across the borough – Neighbourhood Environmental Action Teams (NEAT). NEAT volunteers take part in neighbourhood projects, making a real difference to their local environment

- working in partnership on a number of events, including the ‘Say it Loud’ schools festival and the Walking Forum.

### **4.5 Assessment: How successful is recycling at Lewisham in creating public value?**

- Further information on recycling in Lewisham is needed before an assessment can be made of how successfully Lewisham is creating public value in this area. In particular, there is limited information on citizens:
  - helping to design recycling services
  - authorising targets
  - agreeing the relative priorities of recycling in relation to other strategies for waste management
  - having opportunities to comment on whether they are satisfied with the liveability of the area, and how their preferences are matched against provision.

Please see Annex D for further analysis.

## 5. London Borough of Lewisham and Lewisham PCT tobacco control services

### 5.1 How is activity authorised?

- **The national context:** Legitimacy for any policy or activity aimed at reducing smoking is drawn from nearly 50 years of medical evidence about the detrimental impact of smoking on individual and public health.

#### Box 2: General smoking statistics<sup>16</sup>

- Smoking causes 84 per cent of deaths from lung cancer and 83 per cent of deaths from chronic obstructive lung disease, including bronchitis
- Smoking causes 46,500 deaths from cancer a year in the UK – three out of ten cancer deaths.<sup>17</sup> As well as lung cancer, smoking can cause death by cancer of the mouth, larynx, oesophagus, bladder, kidney, stomach and pancreas
- Smoking causes one out of every seven deaths from heart disease – 40,300 deaths a year in the UK from all circulatory diseases
- Smoking is also linked to many other serious conditions, including asthma and brittle bone disease (osteoporosis)
- Several hundred people a year in the UK are estimated to die from lung cancer brought about by passive smoking. Passive smoking almost certainly also contributes to deaths from heart disease – an even bigger killer than lung cancer
- Passive smoking, even in low levels, can cause illness. Asthma sufferers are more prone to attacks in smoky atmospheres. Children, more vulnerable than adults and often with little choice over their exposure to tobacco smoke, are at particular risk
- Children whose parents smoke are much more likely to develop lung illness and other conditions, such as glue ear and asthma, than children of non-smoking parents. The Royal College of Physicians has estimated that as many as 17,000 hospital admissions in a single year of children aged under five are due to their parents smoking. They also estimate that a quarter of cot deaths could be caused by mothers smoking. Women who smoke while pregnant are likely to reduce the birth weight and damage the health of their baby

- In 1998 the government published its white paper *Smoking Kills*, which set out a concerted series of actions to stop people smoking. The paper claimed to be 'arguably the most comprehensive strategy to tackle smoking embarked upon anywhere in the world...It covers the whole range of measures needed to tackle this issue.'<sup>18</sup> *Smoking Kills* justified broad governmental action in this area as a means of reducing unnecessary deaths in line with its key goals for public health improvement, specifically to improve the health of the:
  - population as a whole by increasing the length of people's lives and the number of years people spend free from illness
  - worst off in society and to narrow the health gap.
- Two key reasons that justify government intervention are the fact that smoking disproportionately affects those who are most disadvantaged in society and on account of the government's duty to protect children:

<sup>16</sup> Department of Health, *Smoking Kills*, white paper, London, DoH, 1998

<sup>17</sup> <http://www.archive.official-documents.co.uk/document/cm41/4177/refs.htm>

<sup>18</sup> DoH, *Ibid*

'The government has a clear role in tackling smoking and controlling the buying and selling of tobacco. While it is for individuals to make their own choices about smoking, the impact of smoking on the people of Britain – on their health, in causing premature deaths, on non-smokers and in terms of its overall cost – is so great that if it were any other cause, the government would face accusations of negligence for failing to take action. The government also has a clear responsibility to protect children from tobacco.'<sup>19</sup>

- The white paper drew attention to the fact smoking is estimated to cost the NHS up to £1.7 billion every year. And it costs families, especially the poorest, a great deal too. It is estimated that in 1996 there were approximately 1 million lone parents on Income Support, of whom 55 per cent smoked an average of five packs of cigarettes a week at a cost of £2.50 per pack. That means lone-parent families spent £357 million on cigarettes during that year.
- As awareness of the health risks of passive smoking has grown, demand for smoke-free public places has dramatically increased. A survey report by the ONS in 2005 found that 62 per cent of non-smokers mind if people smoke near them – an increase of 7 per cent from 1997 (55 per cent). Their reasons included it affected their breathing, and 25 per cent said it irritated their eyes and 18 per cent said it made them cough.<sup>20</sup> In May 2004, an ASH-commissioned MORI poll of over 4,000 respondents showed that four out of five (80 per cent) supported a law to ensure that all enclosed workplaces must be smoke-free.
- Although changing individual behaviour in a moderately permissive legal and social context has been an issue for policymakers concerned with improving public health, a change in public demand has arguably started to have a greater impact on legislation than the four decades of scientific evidence that smoking is bad for you. In November 2004 the government published the white paper on public health *Choosing Health*, which proposed to end smoking in the great majority of workplaces and public places except for private clubs and pubs that do not serve food. Despite a public consultation, which revealed overwhelming support for a comprehensive smoking ban, the government retained the proposed exemptions for pubs and clubs when it published the health bill in late 2005. However, on 14 February 2006 MPs voted with a large majority to remove the exemptions for pubs and clubs. The bill is now being considered by the House of Lords and is expected to take effect in mid 2007.
- However, it is important to note that the public has not authorised a total (public and private) ban on smoking, but more effectively a prohibition on smoking. The debate has focused on banning smoke in public places

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<sup>19</sup> DoH, *Ibid*

<sup>20</sup> ONS, *Smoking related behaviours and attitudes survey 2005*

primarily because of the evidence on passive smoking and non-smokers' attitudes to smoking. More generally, people expect support from the government in making health choices in an informed manner and they expected to be able to receive advice, assistance and practical help where necessary. This is because people do not feel that they have total power over their own health outcomes: 'In a recent survey, 46 per cent of respondents surveyed agreed that there are too many factors outside of their control to hold people responsible for their own health.'<sup>21</sup> It is this combination of public endorsement for public action and antipathy towards a total ban in private that will now start to shape the activities of local authorities toward tobacco control.

- **At a local level:** What is the evidence on smoking in Lewisham? Does the evidence suggest that the local authority and the PCT in Lewisham should adopt a more localised strategy to tackle smoking?
- A 2001 report commissioned by Smoke Free London and the Health Of Londoners found that smoking in general was slightly lower in Lewisham than in London as a whole (see Table 3 below), but that women were more likely to smoke than men. Smoking was more common in younger age groups and in people in manual occupations. White people were much more likely to smoke than black people, but there was an insufficient sample size to look at smoking by Asians. The sample was not large enough to look at neighbourhood-level data. A local quality-of-life survey is being carried out by the Lewisham Local Strategic Partnership Board, which will look at smoking patterns in Lewisham.

**Table 3: Smoking prevalence in Lewisham and London, 2001**

Group	Smokers – Lewisham (%)	Smokers – London (%)
Men	24	29
Women	31	29
Persons	27	29
White people	31	31
Black people	14	21
Aged 16–34	31	31
35–54	28	31
55+	20	24
Non-manual	22	24
Manual	33	36
Sample size	333	9,878

<sup>21</sup> Department of Health, *Choosing Health, Making Healthy Choices Easier*, white paper, London, DoH, 2004

- Compared with England and Wales, Lewisham men are more likely to die from lung cancer, respiratory diseases, suicide or as a result of a homicide or an injury of undetermined source. Lewisham women are more likely to die from cervical cancer (almost twice the national rate), breast cancer and lung cancer. They are also 50 per cent more likely to die from respiratory diseases. Death rates from tobacco are two to three times higher among disadvantaged social groups than among the better off.
- An estimate based on deprivation indices in 2002 found 33 per cent of adults in Lewisham smoke and 24 per cent are ex-smokers. This does not compare favourably with a national average, where 26 per cent of all adults smoke.<sup>22</sup>

### 5.2 How is public value created?

- Central government, local authorities, public health bodies and pressure groups are tackling the issue in a number of ways.

#### **Box 3: Tackling smoking in the workplace<sup>23</sup>**

- At least three million employees are still regularly exposed to second-hand smoke in the workplace
- Stopping smoking in the workplace is recognised to be the single simplest and most effective thing the government can now do to cut smoking rates
- Health Canada's study suggested that the average cost to an employer of smoking is around £1,000 a year for each employee because of lost productivity and illness
- Over a million Londoners have workplaces where smoking is allowed in some areas and a further 275,000 workers have no protection at all from other's smoke
- Those in the lowest paid jobs are most likely to be exposed to the hazards of tobacco smoke pollution

- In December 2005 workplace bans were introduced in health organisations in Lewisham – Lewisham Hospital, Lewisham PCT and South London and Maudsley Mental Health Trust – and that employ large numbers of Lewisham residents. The bans also applied to patients. Lewisham Council became a smoke-free organisation in January 2005. These bans were enacted via a number of legal imperatives to support the workplace smoking bans already in existence, although these will be superseded by the smoking legislation in 2007. For example:
  - Section 2(2)(e) of the Health and Safety at Work Act 1974 places a duty on employers to provide '...a safe working environment which is, so far as is reasonably practical, safe, without risk to health and adequate as regards to facilities and arrangements for welfare at work'.

<sup>22</sup> Twigg L, Moon G and Walker S, *The Smoking Epidemic in England*, London, Health Development Agency, 2004

<sup>23</sup> Department of Health, *Smoke Free Workplaces and Public Places: Economic analysis*, London, DoH, 2005

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- The Management of Health and Safety at Work Regulations 1999 imposes on employers the duty to assess the risk to health and safety in the workplace and to take measures to eliminate or reduce such risks.
- The Workplace (Health, Safety and Welfare) Regulations 1992 compels employers to ensure that there are arrangements in place to protect non-smokers from discomfort caused by tobacco smoke in rest rooms or rest areas.
- The Control of Substances Hazardous to Health Regulations 1999 imposes on employers a duty to assess and control exposure to substances that have chronic or delayed effects or pose a comparable hazard.
- The employer has a duty in common law to take reasonable care to protect the health of employees.
- As part of the Management of Health and Safety at Work (Amendment) Regulations 1994 employers may find themselves liable for damage to an unborn child if a pregnant employee has been exposed to passive smoking. Tobacco smoke has also been proven to trigger asthma and migraine attacks.
- **Tackling the issue of under-age smoking:** The national target set by the DoH in 1998 is to reduce smoking among children from 13 per cent to 9 per cent or less by the year 2010; with a fall to 11 per cent by 2005. This will mean approximately 110,000 fewer children smoking in England by the year 2010.
- Set within the national framework, Lewisham views this as the most challenging area of tobacco reduction if it is to re-establish the downward trend in adult smoking levels in the future and secure the continued decline in deaths from cancer and heart disease in generations to come. This is stated in its own action plans, for example in *Realising Ambition: The Children and Young People's Plan 2006-2009*. The objective is to reduce the level of substance misuse, including alcohol and tobacco, but has specific objectives about increasing the health of young people, their parents and carers.
- **Tackling the illegal sale and purchase of tobacco:** Most children who smoke say they buy their cigarettes from shops. Of those children who get their cigarettes from shops, only 22 per cent of boys and 15 per cent of girls in England say that they found it difficult. This suggests that many shopkeepers are selling tobacco to children. The majority of shopkeepers say they do question children they suspect of being under 16 when they try to buy tobacco, but many 14 and 15 year olds can and do pass for 16.
- Under the Children and Young Persons (Protection from Tobacco) Act 1991 local authorities have a statutory duty to consider taking

enforcement action at least once a year. However, not all local authorities carry out checks in a typical year, despite the clear problem. The legal powers are there, but they are not being rigorously applied. Lewisham is developing a new enforcement protocol with representatives from local authorities, trading standards officers and environmental health officers for use by local authorities in carrying out their duty under the 1991 Act. This will build on the Best Value approach. There is currently no statutory obligation on local authorities to carry out an enforcement campaign, but the Local Government Association (LGA) and Local Authorities Coordinating Body on Food and Trading Standards (LACOTS) believe that every local authority should assess the need for such a campaign, and where a campaign is decided on it should be run in accordance with recognised best practice. Box 4 sets out the scope of the enforcement protocol.

### **Box 4: Enforcement protocol for local authorities**

- Publishing a clear statement on dealing with under-age tobacco sales (and other age-restricted products)
  - Assessing the current local degree of compliance, the action required by trading standards officers to enforce it, high-risk areas or particular outlets for targeted attention
  - Considering the parties with which consultation should take place before the annual review of enforcement action required under Section 5(1)(a) of the Children and Young Persons (Protection From Tobacco) Act 1991
  - Acting in accordance with the joint central/local government Enforcement Concordat, with its emphasis on education and help to ensure compliance, with enforcement action concentrated on those who most flagrantly fail to comply with their obligations
  - Stressing the importance of local support for moves to introduce a proof-of-age card scheme as the key tool to enable retailers to meet their obligations with confidence
  - Using test purchasing, where permissible, either with under-age children or those who clearly look under-age, to gather information about premises likely to be breaching the law or to assist prosecutions
  - Detailing enforcement action taken, prosecutions and fines, to act as a deterrent
  - Monitoring the action taken and the evaluation of its impact on the scale of the local problem to inform the next year's statutory review
- 
- Given the recent focus on smoking legislation at the national level, how successfully will a locally implemented strategy be allowed to respond to local needs? One of the key issues is funding, both the level and

hypothecation of funding. £303,000 has been allocated in 2006-07 for the Stop Smoking service, and £25,000 Local Area Agreements (LAA) funding and Local Public Service Agreement (LPSA) funding for 2006-07 specifically for the Stop Smoking service provided and commissioned by the PCT. There may be other areas of funding in Lewisham Council that need to be identified, eg smoking prevention in schools, smoke-free policy for London Borough of Lewisham staff and in buildings. This suggests that there is a lack of sufficient ring-fenced funds for a complete tobacco reduction policy in the area, regardless of the fact that less than £500,000 is being targeted towards this significant health problem in the area.

- A further problem facing resources for tobacco control is that they compete with those targeting antisocial behaviour (eg excessive noise, knife control, control of spray paints), which has risen up the political agenda in recent years.
- **Stop Smoking policies aimed at the most disadvantaged:** Smoking more than any other identifiable factor contributes to the gap in healthy life expectancy between those most in need and those most advantaged. While overall smoking rates have fallen over the decades, for the least advantaged they have barely fallen at all. In 1996, 12 per cent of men in professional jobs smoked compared with 40 per cent of men in unskilled manual jobs.<sup>24</sup> Smokers from low-income groups are also more heavily addicted and need more support to give up.
- There is currently a range of activities aimed at addressing smoking among the most disadvantaged. The PCT public health directorate in Lewisham is also currently completing a health equity audit on the Stop Smoking service to identify gaps in the provision of the service.
  - The Stop Smoking service is doing the following to reach disadvantaged communities not currently accessing the service:
    - working with voluntary sector agencies to provide stop smoking support
    - working with the new NHS health trainers scheme to provide stop smoking support
    - commissioning the voluntary sector through funding from LAA and LPSA to provide stop smoking support.
  - **Tackling smoking during pregnancy:** Smoking during pregnancy is a special issue because the health of the child is at stake both during the pregnancy and from breathing parental smoke during childhood. Smoking during pregnancy also strongly reflects the link between smoking and health inequalities, and children living with parents who smoke are more likely to be smokers themselves.
  - **Strategic approaches across the area:** A preventive strategy is currently being developed for Lewisham, including health, but is not completed

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<sup>24</sup> Department of Health, *Smoking Kills*, London, DoH, 1998t

yet. The most relevant strategies for smoking are the *Choosing Health* implementation plan for Lewisham and the Lewisham health inequalities strategy. Smoking is also part of the LAA. A multi-agency tobacco control strategy group has been established. Lewisham Council now chairs this with strong representation from the PCT, other health organisations and the voluntary sector. The main purpose of the group is to have a joint approach to reduce smoking through smoking prevention, stop smoking advice and tobacco control. The introduction of the legislation in 2007 provides an added impetus for joint working.

### **Box 5: The Lewisham NHS Stop Smoking Service**

The Lewisham NHS Stop Smoking Service offers advice at 3 levels:

**Level 1 – brief intervention:** Advisers ask about smoking status, assess readiness to quit, offer information about the benefits of stopping smoking and services available to support smokers to quit.

All health and community staff can offer level 1 advice. There is a programme of level 1 training for primary care, health and community staff. This is a free 2-hour training session and can be arranged for all interested staff groups on request. Staff in other sectors can also access this training.

**Level 2 – one-to-one advice:** Several sessions of free advice and behavioural support to smokers who want to stop smoking is offered. This includes advice about which nicotine replacement products to use to help with withdrawal symptoms or the use of Zyban. This combination of support has proved four times as successful as trying to stop unaided.

A network of advisers in GP practices, pharmacies and community settings provides level 2 advice. Most advisers are practice nurses, healthcare assistants or pharmacists. Community nursing staff also run a clinic in each of the PCT neighbourhoods. A flexible service is also provided for pregnant women and young families.

**Level 3 – specialist intensive support:** This is provided by the South London and Maudsley smokers' clinic. This is offered over seven weekly sessions and includes an in-depth individual assessment and group support. Anyone is welcome to attend; it is particularly helpful for smokers who have tried to quit many times unsuccessfully or who have complex health needs.

#### **Accessing services**

Smokers who want to find out about services in Lewisham can call a freephone number and be advised about the range of services for people who live or work in Lewisham and can choose those they would like to use.

The Stop Smoking team runs the freephone service and supports the network of advisers. The team includes a co-ordinator, administrator and a service facilitator. They provide level 1 and 2 training and training updates for experienced advisers. They visit and support advisers, provide and maintain the equipment and publicity materials advisers need, co-ordinate a bank of part-time advisers, arrange advice sessions in workplaces, at events and in other community settings, record and return quarterly data to the DoH and arrange payments to primary care advisers.

### 5.3 How is public value measured?

- DoH targets have been set around the key areas identified as those in which smoking reduction is seen as a legitimate (and publicly authorised) domain for action by public bodies. Lewisham PCT has set a number of locally agreed targets within those set by the DoH. Table 4 shows the DoH's targets.

**Table 4: DoH targets**

<b>Aim:</b>	Halt the rise in under-age smoking
<b>Target:</b>	Reduce smoking among children from 13 per cent to 9 per cent or less by the year 2010, with a fall to 11 per cent by the year 2005. This will mean approximately 110,000 fewer children smoking in England by 2010
<b>Aim:</b>	Establish a new downward trend in adult smoking rates in all social classes
<b>Target:</b>	Reduce adult smoking in all social classes so that the overall rate falls from 28 per cent to 24 per cent or less by the year 2010, with a fall to 26 per cent by the year 2005. In terms of today's population, this would mean 1.5million fewer smokers in England
<b>Aim:</b>	Improve the health of expectant mothers and their families
<b>Target:</b>	Reduce the percentage of women who smoke during pregnancy from 23 per cent to 15 per cent by 2010, with a fall to 18 per cent by the year 2005. This will mean approximately 55,000 fewer women in England smoke during pregnancy

- Lewisham PCT's local delivery plan targets, which are negotiated with the DoH, start to reflect the difficulties faced by those trying to quit smoking, although they remain quantitative. The following targets are for those quitting within four weeks of setting a 'quit date': for 2006-07 the target is 1,574, and for 2007-08 the target is 2,119.
- At the local level, the LAA target provides a 'stretch' on the PCT's four-week quit target, specifically those who quit within 4 weeks and those who remain abstinent up to a year later.
- The most significant criticism of the current performance measurement system is that it focuses on the number who have quit rather than addressing health inequalities. This is particularly significant given the larger numbers of lower-income earners that smoke. Hitting a 4-week or even 52-week target on the number of manual workers who have quit may be more challenging – smoking cessation figures would be lower and the overall health inequality would be reduced.
- **Involving the public:** At the end of each quarter, the Stop Smoking service contacts people by telephone whose smoking status is unclear in order to ascertain their smoking status. At the same time the opportunity is taken to obtain feedback on the service. Comments about the service inform service planning and are fed back to providers, eg pharmacists

### **Box 6: Performance targets**

#### **Baseline performance 2003-04**

- 524 smokers quit at the 4-week stage
- 157 smokers who quit at the 4-week stage remain abstinent at the 52-week stage

#### **Performance target with a LPSA**

- a. 2007-08 = 5,867 quitting at the 4-week stage (cumulative total)
- b. 2007-08 = 1,760 smokers who quit at the 4-week stage are expected to remain abstinent at the 52 week stage

2005-06      4-week quitters 2,114 (no stretch)  
                  52 week quitters 634

2006-07      4 week quitters 1,604 (30 stretch)  
                  52 week quitters 481

2007-08      4 week quitters 2,149 (30 stretch)  
                  52 week quitter 645)

#### **Enhancement in performance**

- a. 60 additional smokers expected to quit at 4-week stage
- b. 18 additional smokers quitting at 4-week stage are expected to remain abstinent at the 52-week stage

and practice nurses, through regular newsletters and at provider update meetings. In addition, as part of the LPSA requirement, the Stop Smoking service contacts by telephone a sample of people who have quit at the 4-week stage and at the same time it uses this opportunity to obtain feedback about the service. As stated above, the LAA/LPSA is funding the community and voluntary sector's to work with disadvantaged communities who are not already accessing the service. This is in addition to the work being undertaken by some voluntary organisations as an integral part of their work, such as the Lewisham Community Development Partnership. The Lewisham NHS trainer scheme will also provide level 1 training to community health trainers from different communities so that they are able to direct people to the service. Some community health trainers may also in time train to become level 2 advisers. The approach is to raise awareness of the benefits of stopping smoking and to provide advice about where the services are and how to access them. It is still up to smokers to decide for themselves whether they are ready to set a quit date with the level 2 or level 3 services.

- Other ways of involving the public include encouraging the public to telephone the local authority regarding shops that sell cigarettes to children and working with larger local employers to provide stop smoking advice on site.

## 6. Lancashire constabulary Quality of Services scheme and public value

### 6.1 About Quality of Services in Lancashire constabulary

Several factors formed the basis of an emerging awareness of the need and desire to deliver high-quality service. The main factors were:

- Lancashire constabulary was aware of some areas of dissatisfaction among service users. In particular, they received feedback over poor service levels in the call-handling centre. Steps were taken to address this issue, and negative feedback from the press and public ceased.
- In 2002, Chief Superintendent Dave Mallaby recognised a need to examine the quality of service delivered to burglary victims. Although satisfaction levels were historically high, it was helpful to identify the factors that would move service users from being 'fairly' satisfied to being 'very' or 'totally' satisfied. He developed a project where victims and officers were interviewed in focus groups to identify their perceptions of service delivery, and what they saw as the key satisfiers and dissatisfiers. The project team compared results from both groups and developed training to address the gaps. Satisfaction levels after the training was rolled out were significantly higher than before.
- The Chief Constable wants to produce and be able to describe a 'Lancashire experience'. The Chief Constable and the chief officer team made a commitment to improving quality of service to meet the needs and expectations of users (both internal and external users), rather than just high quality of service in terms of reducing crime levels.
- The Quality of Service (QoS) drive in Lancashire constabulary reflects a wider national policing commitment to quality of service, that is centred on police reform and the government's citizen focus agenda. Lancashire's Chief Constable, Steve Finnigan, is leading the national Quality of Service Commitment framework.
- QoS is being developed this year under the title 'Quality Counts' and comprises three elements:
  - Continuing the work of the Quality of Service in Crime and Incident Management Project (burglary project) into the other citizen-focused Police Performance Assessment Framework (PPAF) domains, ie violent crime, vehicle crime, road traffic collisions, racist incidents – shortly anti-social behaviour will be added
  - The wider Quality Counts programme, which includes the National Quality of Service Commitment
  - A Best Value review of Quality of Service.
- QoS is focused on the 'customer' of police services. The QoS team acknowledges that the term 'customer' does not fit all categories of police service users. However, at the moment it appears to be the most appropriate term to use to ensure people address the issues in the right frame of mind in a way that 'citizen' does not capture.

### 6.2 How is the Quality of Service programme authorised?

- The methodology used in the burglary project is being used across the other citizen-focused PPAF domains. This ensured that authorisation for the changes were driven based on information from victims. Victims were directly engaged with the process of identifying satisfiers and dissatisfiers. Users' opinions were gained both through satisfaction surveys and focus groups.
- Authorisation for focusing on the other areas that the burglary project methodology is being rolled out to (the other citizen-focused PPAF domains) came from the Home Office. The wider Quality Counts programme also receives authorisation from the Home Office in that it encompasses the National Quality Service Commitment.
- The opinion survey asked the panel about factors that influence their confidence in the police. The contact that people have with the police has been reported as a factor in decreasing confidence. This reflects the national trend that following contact with the police confidence levels are often lower. The burglary project is the only piece of research that shows that this trend can be reversed.
- An alternative source of authorisation comes from the interactions of the community beat managers (CBMs) and police community support officers (PCSOs) with their communities. These interactions may be in the form of one-to-one conversations or at regular 'police and communities together' (PACT) meetings, and reflect local perspectives and concerns.
- Previous complaints about QoS, particularly around the call-handling centre, have come through the press and through letters of complaint. This provides another form of authorisation that QoS is important to the public.
- The QoS programme appears to have great commitment from top-level staff. The scheme has not yet been launched, but the burglary project is reported to have high commitment among staff, as have improvements to the call-handling centre.

### 6.3 How is public value created?

- The creation of public value is concerned with the processes through which policies are enacted, eg internal processes and how resources are allocated. Chief Superintendent Dave Mallaby started the burglary project, and then took the opportunity to use resources to follow it up and extend it to other PPAF citizen-focused domains.
- Individuals at the frontline were given lots of discretion in how to implement resources. For example, with respect to wider policing and QoS, an inspector in Eastern Division allocated resources to CBMs and PCSOs as a priority over other response units. This is because there is strong public demand for CBMs (received through feedback from CBMs, PCSOs, PACT

meetings, and Police Authority consultations) – the perception being that CBMs produce more added value for the public in terms of meeting their demands.

- The constabulary is highly devolved so therefore implementation of QoS is being achieved by asking heads of departments how they think they could best implement core tasks in their business area. This process ensures ownership and with co-ordination should also ensure relatively little duplication of effort. At a grass-roots level, implementation may require leadership from operational managers to ensure for example that people on an overnight shift know what to do and why to deliver the consistent Lancashire experience.
- Training for QoS has been carried out from the top down through frontline personnel. The idea of using those at the front line to deliver training is to help ensure that the training is practical, but also to help ensure buy in from frontline officers. A similar process is being repeated for the next wave of training. A culture shift may be required among staff to ensure that the QoS concept is effectively internalised. The change in culture refers not only to interactions with service users, but also between staff. For example, to ensure officers have enough time with burglary victims, call-handling staff must agree not to disturb the officers for one hour. In return, the officers must agree that they will be back on duty as soon as possible and will not delay unnecessarily. There is a need for mutual agreement and trust in order for this change to happen. In the burglary project these changes were implemented and victim satisfaction showed a clear increase after the training and discussion had taken place.
- Another part of the process involves direct interactions with citizens. Victims will be given an outline of what they should expect from the service at any particular stage. For example, after a burglary an officer would give them a sheet explaining that they can expect someone to call again to check how they are doing, and someone to phone and keep them informed of progress. This sheet will also inform victims of their responsibilities in the process; for example, to find the serial numbers of stolen items, postcode or engrave remaining valuables, and asking for and checking the identification of visitors to their homes.
- In terms of balancing citizen demands or opinions with professional judgement, it is less clear how this can happen. For example, should resources be spent on tackling juvenile nuisance, the threat of terrorism, reducing speeding or the fear of crime? This is a challenge facing the police nationally, not just at Lancashire constabulary.

### **6.4 How is public value measured?**

- Measurement of the burglary project's impact was carried out clearly with satisfaction surveys both before and after the training intervention. The

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satisfaction surveys were based on PPAF satisfaction questions, but with extra questions included to make the measures more meaningful.

- Other methods for measuring QoS, particularly in terms of obtaining feedback from users, include:
  - dip-sampling of job by managers (for QoS)
  - dip-sampling by peers possibly (for QoS)
  - opinion
  - logged number of complaints
  - PACT meetings
  - CBM reports
  - mystery shopper.
- A clear difficulty in terms of measuring added value can be seen with CBMs. They don't just solve crimes, they also deal with quality of life issues and reassurance of the public. Moreover, the issues they deal with are often ongoing and therefore the value added comes from the community having someone who is focusing on dealing with the issues rather than from quick recordable resolution. Where in the process would recording take place? Part of the added value comes from the ongoing commitment and the continuity of the interaction, therefore there is no obvious place at which to measure the start or the end of 'a job'.
- Examples of where value has clearly been added, but is not 'measured', include the following:
  - Traffic police now carry spare bulbs so that on winter nights they can change the bulb for people who may not be able to do it easily, eg older people.
  - Two different traffic campaigns were carried out on two stretches of road that are particularly dangerous. The campaigns took the following approaches:
    - Campaign 1: Dangerous drivers are criminals who cause deaths – they are not customers and they need stopping.
    - Campaign 2: Used the press and made new signs for the roads. Traffic police later stopped a young driver for speeding on that stretch of road and gave him three points, which pushed him over his points limit and subsequently banned him from driving. Instead of complaining, the young driver said: 'OK, I should have known. I saw the signs. There've been notices everywhere. I know why I've been stopped.'
  - A man's daughter was killed in a car crash outside his house. His marriage fell apart, he was drinking and he lost his job. An officer saw this man in the pub one night and asked how he was. The man said he was terrible, but if it was not for the police family relations officer, he wouldn't be there. That officer had been with him throughout – gone to court with him and phoned him up occasionally to check on him. The

family relations officer had gone above and beyond the job description, but no one had picked this up on an appraisal form or recorded it anywhere.

- The questions are therefore how can this added value be measured and the service ensure that while poor performance is recognised, so too is good performance?
- QoS is taking place in a context where often 'what gets measured gets done' and a cultural shift may be necessary in addition to measurement. One police officer interviewee commented:  
'There's a tension between police officers who have huge discretion over what to do, which is needed for them to do their job properly. However, they will often do what they want to do more than what you want them to do. Officers don't often see their job as informing and empathising; they will do what's measured. Measurement around QoS is often "soft", whereas detection rates is "hard" data.'
- Measures of satisfaction need to be specific, although nationally it is not possible to compare satisfaction levels. For example, priorities differ from locality to locality, with a community in Lancashire being very different from, say, a community in south London. However, for managers to be able to 'manage' they need detailed information. The burglary project satisfaction measures have made a real attempt to address these issues.

### **6.5 Production of public value – fit with the framework**

#### **6.5.1 Overall**

- The burglary project clearly shows a methodology that encompassed all aspects of the public value process from authorisation, through to creation and measurement. Before and after satisfaction surveys cannot be carried out due to limited resources for all of the other domains where the methodology is being used so measurement will rely on data collected for Home Office requirements. However, the assumption has been made that the process is effective enough to produce public value and therefore is being implemented across the other citizen-focused PPAF domains.

#### **6.5.2 Authorisation**

- The Home Office provides clear authorisation, although the pathways for authorisation from citizens are less clear. Listening and engaging with communities via CBMs and PCSOs also produces wider public value, but it is difficult to measure the added value. Indications from citizens suggest that community policing provides more value than simply higher crime detection rates.
- The CBM role appears to have fully embraced the idea of citizen-focused policing and improving quality of life. A challenge facing the force is to encourage more officers to take the CBM route. The minimum two-year commitment, while an essential part of the role's success, may be a barrier.

However, given that the role appears to reflect the key point of QoS, it gives police officers a real opportunity to make a difference and they appear to produce excellent added value; an increase in demand to take up the role would perhaps indicate the officers were internalising QoS.

- Authorisation for QoS is clearly received from the Home Office and seems to reflect a demand from service users. However, it is unclear how quality of service is rated over other police priorities. What level of resourcing is appropriate and what value is added by delivering an excellent service over a very good service?
- The devolved approach to policing in Lancashire ensures that there is scope in implementing QoS to respond to local demand. In terms of interaction with communities to establish local demand, the CBMS and PCSOs provide a good opportunity. Opinion and PACT meetings are consultation methods that interact with a limited part of the public, and the police authority is making strides to address the gaps in their connection with the local population.

### **6.5.3 Creation**

- QoS appears to require relatively few additional resources. However, is there an informed demand to allocate resources to provide Quality of Service over other areas? The Police Authority has carried out willingness-to-pay experiments, but there is some doubt as to how informed citizens have been when taking part in them. For example, despite a serious attempt to educate citizens before asking them if they would be willing to pay more council tax to get more CBMs, there was no discussion of how this would interact with demands for other local authority services (eg if the health sector carried out the same experiment people may be willing to pay a little more for an extra service, but they are unlikely to be willing to pay both increases). Experiments like these need to be carried out jointly. Moreover, they need to be carried out with a representative sample of the community as opposed to the small minority of residents who are likely to attend PACT meetings. Despite attempts to encourage as wider a representation at these meetings as possible they are still not representative.
- Keeping the public informed is a clear gap that has been identified both by Lancashire constabulary and by the police nationally. Transparency is a core value in delivering public value and keeping people informed about what happens once they've made contact with the police about a particular matter is key.

### **6.5.4 Measurement**

- Efforts are being made to measure the value being added by QoS, and the Best Value review may help to ensure that added value is recorded and

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compared with activity in a wider range of organisations (both public and private).

- In terms of accuracy of information from the public, information gathered about confidence appears to be used by some in the constabulary as a proxy for trust and satisfaction in general conversation. The terms are confused and interchanged once data on one concept is reported. The burglary project made specific attempts to ensure the accuracy of data collected and how it was used. Accuracy of information is essential to providing a good understanding of a situation, thereby ensuring resources are deployed in the correct way to address issues.

## 7. The Capita Group plc with London Borough of Harrow

### 7.1 How is activity authorised?

- Harrow is a multicultural borough with a population of 215,000. Unemployment levels are low at 2.8 per cent (April 2002) and although areas of deprivation exist, it is a relatively affluent borough with 78 per cent of households owning or intending to buy their own home. The London Borough of Harrow provides the full range of council services, including social services facilities, schools and libraries.
- Net revenue expenditure for 2002-03 was £202.1 million. Fees, charges and other income constituted the primary source of income at 42.6 per cent of the total, with the remainder of the budget comprising national non-domestic rates, council tax, capital financing adjustments and the revenue support grant. Employees are the largest single expenditure at just under 40 per cent, followed by agency surveys at approximately a quarter of the budget. By department, education services receive by far the largest share of expenditure at just under 40 per cent of all the council's income, followed by social services (18.53 per cent), and housing (12.44 per cent).
- In the May 2006 elections the Conservatives gained control of Harrow Council following a four-year period as a hung council with a Labour minority administration. The council now operates under a leader and cabinet model, with four politically proportionate sub-committees. The council is administered by a CEO, three departmental directors and a CFO. Around 5,600 people work for the council.
- Activities that the council undertakes result from an extremely complex authorising environment. The local political leadership takes decisions daily on resource allocation and long-term strategy. Central government sets the context for many of the council services' statutory requirements and national performance targets, which are then audited and inspected by a plethora of organisations like the Audit Commission and Ofsted. The 2002 CPA found that although there were some areas of good practice in service delivery, performance information revealed a mixed picture – a consequence of departments competing for budget, a lack of medium and long-term financial planning, lack of capacity at the corporate centre and in financial expertise, no clear IT strategy and inadequate support systems for managers. As a consequence, the CEO initiated the New Harrow project to move to a more citizen-focused council that includes a complete rebuild of the 'soft' institutional architecture (such as HR and project management practices) to build capacity, improve systems and cohere activity around a strategic vision.
- A Best Value review of existing services undertaken in 2002 also highlighted patchy service delivery. A review of public and private sector best practice in the delivery of citizen-centred services showed the potential for a huge transformation of the council and how it delivers its

services. However, with the weaknesses identified in the CPA and other reviews, a more immediate solution than 'another wave of management recruitment'<sup>25</sup> was required. The council therefore sought new technical skills and the re-engineering of processes that would lead to more cost-effective service delivery and a quicker return on its expenditure. Members agreed that the council was not in a position to do this alone.

- This set the context for Harrow seeking a partner to deliver the necessary business transformation and to provide the skills it then lacked. The council wanted a partnership that was flexible enough to 'do whatever we wanted'<sup>26</sup>, which included the option of outsourcing, but was explicitly about partnership working over a ten-year period rather than a 'them and us' relationship with its attendant employee relations issues and cultural incongruencies. A further factor in shaping the 'right type of contract' was a political one. With no overall political control, officers were keen to delineate a contract that allowed for any changes in leadership that would require a refocus of the council's activities. In this way, the council drove the business model. It thus needed to find a way to persuade the market that given the need to accept greater risk (with significant profit at risk on non-achievement of targets) this was the best option.
- The council identified three projects for the first year of the contract – first contact, enterprise resource planning and management information – for which providers were invited to tender. Following the invitation to tender, three organisations were short-listed. Bidders were allowed a three-and-a-half month period of open access to the council in order fully to develop their proposals and pricing, and also to allow the bidders directly to influence Harrow's thinking on the contract.
- The Capita Group plc's proposal focused on three dimensions: savings generation, delivery of national and local priorities, and the attainment of services improvement. The Capita Group plc successfully bid for the contract to provide business services, meeting all of Harrow's criteria for example around improving customer focus, being business-like, addressing the Gershon review concerns, e-government priorities, and best use of resources to address the findings of the CPA. To accommodate the council's need for flexibility around projects, The Capita Group plc prepared a sequence of strategic outline and full business cases to provide the council with the fullest range of options in sufficient detail to enable the council to make a decision to progress or not.
- An additional success factor worth noting in relation to how The Capita Group plc's approach to the contract may be seeking to increase public value is that in preparation for bidding for the first contact project, it undertook focus groups and a large customer survey. These looked at the experiences people wanted to have of the council. The survey repeated

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<sup>25</sup> Senior staff member, London Borough of Harrow, interview with The Work Foundation, 2006

<sup>26</sup> Ibid

an earlier survey conducted by the council and its findings provided a powerful reinforcement of these earlier findings:

- customers were most likely to contact the council for general information, environmental health issues, libraries, street cleaning, lighting and council tax
- only 17.6 per cent of respondents were likely to want to discuss more than one service during a single contact with the council
- the phone is the preferred choice of contact for simple enquiries, followed by personal contact for more complex enquiries
- 60 per cent preferred to visit the civic centre.
- The business transformation partnership is overseen by the partnership board, which sets the tone and direction of the partnership. The operational board focuses on the implementation of the three initial projects, while the project review/service review groups plan and monitor service delivery.

### **7.2 How is public value created?**

- This report focuses on the development of the first contact project (launched in May 2006 and re-named Access Harrow), and how the nature of the partnership as well as the possible outcomes of the project could be generating public value.
- The aim of Access Harrow is to provide the council with a 'single view of the citizen' and citizens with easy access to the council's services. Many councils already provide a one-stop shop that provides a central portal through which services can be accessed.
- The project has a number of elements, including:
  - delivery of a multi-channel contact centre providing a single point for all customer enquiries with the existing call-centre operations and switchboard brought together for all directorates
  - access points throughout the borough such as kiosks and pilot access points in libraries, as well as in a temple to help Hindu women access the council
  - management of customer information through a central CRM in the one-stop shop and customer centre to provide a single overview of the customer. Customer advisers to be trained in answering issues across multiple service areas.
- The benefits of the project stem from economies of scale in the long run, even though there are short-term costs associated with new IT and process re-engineering. There are also benefits to the citizen, for example from having to tell the council only once of a change of address rather than once for council tax, then again for housing, social care and so on. Radical back-office integration is also currently underway as a consequence of Access Harrow.

- **Access**

- The Bolton model has proved helpful in understanding services and customers in terms of the volume of customers, what kind of contact is most effective and the intensity of customer interaction required. For example, the first group consists of those who are hardest to reach and require direct council interventions that they may not wish to be recipients of, such as social services. Second, some citizens receive targeted services, such as social housing or aspects of local area work and community projects. Third, there are universal services such as libraries that all people in the borough can access, but may not use. Fourth, there are out-of-borough services such as building control and inspection, which anyone, regardless of residency in the borough, can access. Each of these services has a different access route and level of personal contact required, for example those who are hardest to reach are unlikely to have access to the internet. However, a large number of customers currently telephoning the council about universal services and requirements such as paying council tax would be able to have many of their enquiries answered by email or by accessing forms on the website, but may not currently be doing so.
- This model has informed the development of the access strategy, which according to the ODPM's view of what one should contain states: 'You [the council] will want to set the convenience and cost-effectiveness of automated delivery for some against the need to ensure that access for all is improved, take up is secured and social inclusion is enhanced. What may be right for some customers paying parking fines may not be right for others seeking home care.'<sup>27</sup> Consequently, the Harrow access strategy aims to identify the channels that will be offered to customers to access the services of Harrow Council in the future '...to ensure that citizens have a choice about how they access services and that they can have confidence in the service they receive at the point of first contact and later no matter which channel they choose.'<sup>28</sup>
- The access strategy emphasises the need to migrate customers from one route of contacting the council to a more cost-effective route, ie from face-to-face visits, to the telephone, to email. This has implications for the different kinds of services that the council provides and importantly the type of customer targeted in each case, as the access strategy had already highlighted. Although it aims to ensure citizens have an option of how to contact the council, the core of the access strategy in terms of migrating individuals from one channel to another is to reduce printed correspondence from 22 per cent to 10 per cent in 2009, and to increase web-based interactions (completing forms) from 6 per cent to 22 per cent in 2009.

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<sup>27</sup> London Borough of Harrow, Harrow's Access Strategy, internal document

<sup>28</sup> Ibid

- **Communication**
  - The Capita Group plc and Harrow are looking at ways to persuade people to adopt a more cost-effective route. However, due to the pressure on local government funding nationally and the potential social inequities that could arise if cheaper routes of access were rewarded with council tax reductions, the option of offering citizens individual discounts is unlikely.
  - The Capita Group plc has therefore been asked to develop a communication strategy to encourage those who can migrate to a different way of interacting with the council to do so, and to publicise the overall benefits, such as administrative savings, and the likely impact this could have on either the re-allocation of resources to priority services or the overall reduction in council tax. Getting the migration strategy and the communication strategy right is imperative. The council cannot run the political risk of a decline in citizen satisfaction with a universal service, although this may be inevitable in the short term as the first contact project gets underway.

### 7.3 How is public value measured?

- The Capita Group plc is held to account by Harrow both by normal contractual methods such as milestone payments and penalties for not meeting KPIs, and also by achieving efficiency savings in the form of 'profit at risk'. This reflects the nature of the contractual relationship as one of partnership and shared risk, as well as the need for year-on-year improvement.
- The Capita Group plc's financial predictions show that Access Harrow will generate savings of £43.5million over the ten-year life of the partnership.

### 7.4 What is the public value?

- The Capita Group plc and Harrow involved a wide group of stakeholders and the public in a number of ways during the course of the partnership's open access period, including:
  - supplier days and workshops to engage Harrow staff across all directorates
  - workshops and presentations for Harrow with members and officers
  - consultation with the citizens of Harrow to gauge their views, with particular reference to how they currently access council services and how they would like to access them in the future.
- Planned activities to involve the public include:
  - consultation will take place on the location of the kiosks.
  - communication regarding the migration strategy.

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- It is interesting to note the model of stakeholder management: internal stakeholders such as the workforce and elected members; value chain stakeholders, such as customers and suppliers; and indirect stakeholders, such as trade unions and community leaders. The focus appears to be on users, ie staff who will be implementing and operating the new contact centre or CRM through an extensive education and training programme. This may be appropriate given the nature of the project as one that is essentially behind the scenes (business transformation) and tackling an urgent need to improve the capability and competency of a range of staff during the course of the partnership.
- However, public value theory articulates the importance of the processes of deliberation, transparency and the provision of information that requires the constant involvement of the public. There are clearly elements of this approach, as well as significant savings to the council following the implementation of Access Harrow. It is unclear how the public will continue to be engaged in the development of the service other than as recipients or as those who need to be communicated to about the changes.
- Given the existing engagement strategy espoused by the council and the very nature of the project (which is about communication and access), there may be opportunities to involve citizens more directly in the development of the one-stop shop or the contact centre. Preferences change over time, and The Capita Group plc and Harrow would ensure greater public value if they reviewed what citizens' preferences were likely to be at future points in the partnership rather than to rely just on the democratic input from elected members.
- This will ensure that a democratic deficit does not emerge between the council and the public. Ongoing engagement with the public may help inform the channel migration strategy (and the future decisions associated with this) and allow a more effective assessment of the risks associated with the public's reaction to not being able to pay by cheque or speak to someone on the telephone about an issue, for example.

## Annex A: Public value assessment framework - example of the Royal Opera House

1. What public value does the organisation create?				
		<i><b>NB Organisations need to decide on a case by case basis and revise over time what each of these core values means in relation to a specific service or their organisation as a whole</b></i>	Examples and evidence	Comments/questions
<b>A: Qualities</b>	Universal	<p>All citizens have access to the service, free at the point of need</p> <p>Where citizens do not have access to the services provided by the organisation due to their personal circumstances, geographical location or income, then there must be public consensus about the appropriate terms of access</p>	<p>Not free, but increasingly available due to new initiatives and technology including: discounted pricing (50 per cent of tickets at £50 or less, four years running), ROH2 (for audience and performers), Paul Hamlyn Performances, Travelex £10 Mondays, school-based initiatives, On the Road, BP Big Screen relays, broadcasting, Open House</p> <p>Relevant statistics: 13.4million listeners to the ROH on radio, 7.2million watched the ROH on TV; eight screen relays of ROH productions in 2004 and 19 in 2005; 20,000 visited Peter Grimes’s website</p> <p>Many initiatives aimed at improving access including: educational programmes outside of London, Big Screen relays, international tours by ballet (opera cannot tour internationally per ACE as it is seen as ‘stepping on the toes’ of regional performers)</p> <p>Relevant statistics: with implementation of Travelex £10 Mondays, approximately 50 per cent of applicants are from outside London</p>	<p>What does the public outside of London think of the ROH? Do they wish there were more opportunities for participation?</p>
	Equitable	<p>The provision of services by the organisation is just and fair</p> <p>Citizens derive a direct benefit from others’ use of that service, even if they do not use it themselves</p>	<p>A concerted attempt to balance different needs, eg opera connoisseurs versus hard-to-reach groups</p> <p>To this end, several ROH initiatives are specifically targeted to hard-to-reach groups, eg Monday Moves and Turtle Opera both cater to the disabled population</p> <p>Further, the ROH aims to extend its reach to diverse artists and audiences via several of its educational and development programmes</p> <p>ROH as a leading UK cultural institution that offers art and education to a wide audience as well as supports a large cultural and craftsperson community</p>	<p>Is there a systematic internal process in place to ensure that populations or regions that have not benefited from education or access initiatives gain means of access?</p> <p>How do non-users perceive the ROH?</p>

## Annex A: Public value assessment framework - example of the Royal Opera House (continued)

1. What public value does the organisation create? (Continued)				
			Examples and evidence	Comments/questions
<b>A: Qualities (continued)</b>	Accountable	Systems of good governance are in place ensuring that the organisation can give an account of its activities to appropriate stakeholders	Board of trustees and finance and audit committee each meet six times a year and must abide by guidelines set out in the board manual  ACE requires annual self-monitoring and a feedback system on ACE funding agreement and ambitions for the arts	
	Transparent	Governance arrangements, systems for redress and scrutiny, and all information associated with the provision of a service are transparent to the public	Activities of the board and ACE are not available to larger public, but as a recipient of ACE funding and as a registered charity, the ROH must abide by certain rules and regulations, which are publicly available on the respective websites: <a href="http://www.artscouncil.org.uk">www.artscouncil.org.uk</a> <a href="http://www.charity-commission.gov.uk">www.charity-commission.gov.uk</a>  As the ROH undergoes several organisational development initiatives, it plans to share its experiences with other organisations as a learning tool	What are the policies and procedures in place to ensure public scrutiny, above and beyond trustees and ACE?
<b>B: Services</b>	Satisfaction	Satisfaction with the service is high and/or increasing	Attendance is best indicator of satisfaction. Also research on: occupancy, audience-specific programme evaluations	Any plans to go beyond piecemeal evaluations?
	Information	Information about the service is publicly available and accessible	Website, annual review, critical reviews, newsletters for schools, brand advertising (eg Somewhere Out of the Ordinary) on the London Underground  ROH's role as a leader of the cultural sector keeps the organisation in the public eye	How far does this information reach?
	Choice	Citizens have an element of choice over how the service is provided and how to access those services	Citizens can choose what performances to attend – wide range of repertory for public to choose from including main stage, Linbury, Clore, other ROH spaces, On the Road etc  With availability of discounted pricing, cost should not be a barrier; a larger barrier may be perceptions of opera  As only a portion of ROH's funding comes from the government, it is necessary for the ROH to fill its house; thus, citizens exert considerable influence vis à vis their purchasing power	How do you change the public's perceptions of opera?

## Annex A: Public value assessment framework - example of the Royal Opera House (continued)

1. What public value does the organisation create? (Continued)				
			Examples and evidence	Comments/questions
<b>B: Services (continued)</b>	Employee advocacy	Employees providing the service promote the benefits of the service to citizens	<p>'In my experience, our employees are nuts about the place.' Evidenced by high take-up of rehearsal tickets and other staff offers</p> <p>Staff engaged in promoting culture via art forms and involvement in educational initiatives</p> <p>Via the training and development they receive at ROH, artists are able to offer their talent to the public</p>	
	Ethos	There is a strong ethos of service to the public among employees	Sense of not wanting to disappoint the public, but this can't be proven	Is there a stronger ethos of preserving and extending knowledge about culture rather than fulfilling a duty of service to the public?
<b>C: Outcomes</b>		<p>The desirable outcomes of that service as set by the organisation are clear to the public</p> <p>The outcomes that a service is attempting to achieve have taken into account citizen needs and expectations</p> <p>The service helps to achieve the desired social outcomes</p>	<p>Strategic goals and outcomes are clearly laid out in the strategic plan, but not publicly available</p> <p>The ROH also conducts evaluations of some of its education and access initiatives, also not publicly available</p> <p>If the ROH lets its heritage go by failing to maintain the level of quality the public expects, then future generations will not be able to enjoy the ROH experience as an audience member or as an artist</p> <p>All activity is aligned behind the key strategic goals rather than performance indicators. Outcomes that are 'indirectly' assessed include:</p> <ul style="list-style-type: none"> <li>Diversity – audit of existing activities completed in spring 2005, audiences and workforce to support development of excellence among BME artists</li> <li>Happiness, catharsis (user satisfaction) – audience attendance, donor support</li> </ul> <p>(See sections 1.4)</p>	<p>Is there a desire to obtain the views of the larger public?</p> <p>What is the relevant weighting accorded to particular strategic objectives?</p> <p>What is the tension between a more instrumental approach (eg indirect contribution to core policy objectives including social cohesion, regeneration, education) to culture, and culture for its direct benefit to the public?</p>

## Annex A: Public value assessment framework - example of the Royal Opera House (continued)

1. What public value does the organisation create? (Continued)				
			Examples and evidence	Comments/questions
<b>D: Trust</b>		Trust and confidence in the institution, the service and the employees providing the service is high	<p>'The Royal Opera House is built on trust. The trust invested by our audiences that our performances will be exceptional; and the trust invested by those who enable this place to exist by their financial support. We can only demonstrate that this trust is well placed by running this organisation on a sound, secure and sustainable basis.'<sup>29</sup></p> <p>ROH has very low employee churn, which is a rough proxy of satisfaction/trust</p> <p>Other proxies include box office returns, ability to fill slots in educational initiatives etc</p>	ROH believes that trust can be 'measured' via its audience and its donors – should this be more formally measured?

2. How does the organisation produce public value?				
			Examples and evidence	Comments/questions
<b>A: Authorisation</b>	Construction	<p>The organisation seeks out, listens to and guides public conceptions of why the service is valuable</p> <p>This includes both representative forms of democracy and civic engagement</p>	<p>Ensures that art forms serve and benefit the public, including artists, regular users and targeted users</p> <p>Also responsive in other ways, eg public interest in costume and theatre craft led to a touring exhibition with these as focus</p> <p>ACE requires ROH representation at the National Opera and Dance Co-ordination Committee meetings; representation as a presenting venue at meetings of the London Venues Presenting Dance and Ballet; presentation of information (as requested) by the London Co-ordination of the National Dance Co-ordination Committee</p> <p>In providing public funding to the ROH, ACE is vouching for the added value of the ROH to society</p>	Has the ROH explored citizens' perceptions of culture and its relative importance in relation to other services?
	Conception	<p>Legitimacy for the service is sought from a wide range of stakeholders</p> <p>Those with an interest in the service as a provider or user have a voice in shaping and defining that service</p>	<p>Seeks views of artists, audience, ACE, schools, critics, wide range of politicians and opinion formers</p> <p>Choice of repertoire attempts to satisfy the artistic directors, artists, core audience members and novice audience members</p>	Is this responsiveness biased towards cultural experts?

<sup>29</sup> Royal Opera House, *Royal Opera House Annual Review 2004-05*, London, 2005

## Creating public value: Case studies

### Annex A: Public value assessment framework - example of the Royal Opera House (continued)

2. How does the organisation produce public value? (Continued)				
			Examples and evidence	Comments/questions
<b>A: Authorisation (continued)</b>	Democratic legitimisation	Services are responsive to the needs of citizens, as defined and shaped through public engagement in those services	Role is not wholly to respond to needs of the majority, but also a significant number of minority needs vis à vis art forms Broad repertoire	
	Methods of consultation	An organisation deploys a range of innovative consultative methods to understand what the public wants from its services  These include collection of static information (preferences eg surveys) and deliberative processes that refine preferences (eg citizens' juries)  These add to rather than substitute for effective formalised methods of holding institutions to account	Robust analysis of purchasing behaviour (CRM will further this) backed up by periodic qualitative research  These may not need to be weighted as much for ROH as audience attendance is the ultimate 'preference survey'  As recipients of ACE funding, the ROH cannot do away with its formal accounting methods	Need more information on qualitative research  Should there be more investment in more deliberative forms of measurement?
	Democratic accountability	Citizens, employees and stakeholders are engaged in the process of good governance and accountability structures are clear, effective and transparent	Board of trustees (must abide by detailed board manual), ACE, media, <i>About the House</i> , internal team briefings and ROH intranet	
	Political calculus	Politicians authorise what outcomes are important, ensuring that the organisation does not drift from its public purpose	ACE and ACE's strategic objectives, media	Who really determines what the ROH does? Senior staff? ACE? Do ACE objectives ever steer the ROH away from its own goals?
<b>B: Creation</b>	Justifying resource allocation	With values authorised and prioritised, resources are allocated to those services that achieve those values. How this allocation occurs can involve a range of analyses to support the process of authorisation – for example, establishing the balance between public and private supply of services/goods; cost-benefit analysis; collective decision making; redistribution to tackle inequality  Politicians and public managers may guide and educate the public that some services are of public benefit, even if the public does not think so	Activities align behind one or more of the strategic goals; many new initiatives target education and access while creating efficiencies in other areas  While ACE is key here, the ROH is not primarily publicly funded – it raises £2 for every £1 of public money  70 per cent of funds in 2004-05 directed to performance, education and outreach activities  As attendees of its art, the public 'justifies' the ROH's activities Professional expertise and knowledge guides creative development	Are there examples where a performance or initiative seemed 'high risk' but was publicly successful?
	Public value as a strategic goal	The goals of the organisation are clear and all activity and resources are aligned behind them. These are revisited regularly to ensure that public value is produced	Very clear strategic plan with annual targets  Public value is now part of ROH's strategic plan	

## Annex A: Public value assessment framework - example of the Royal Opera House (continued)

2. How does the organisation produce public value? (Continued)				
			Examples and evidence	Comments/questions
<b>B: Creation (continued)</b>	Public value as a management tool	The organisation's internal planning aligns with the strategic goals and authorisation environment, ie stakeholder needs	Very clear strategic plan that aims to address diverse stakeholders' needs	
	Managing citizen expectations	Processes of engagement with the public link to the decision-making process and delivery of a service  Processes of engagement attempt to balance the 'benefits' of public engagement against the 'costs'	Continuous process – the test is attendance  By responding to the public's needs, the ROH can share its heritage among a larger population. Yet the ROH needs to maintain its role as a cultural leader by offering a variety of art forms, some of which are not in line with the wider public's preferences	Any other types of engagement with larger public?
<b>C: Measurement</b>	Why and what to measure	The system of measurement blends approaches that fit with the strategic goals of the organisation, eg effectiveness, efficiency, input, output, outcome, quality, access, appropriateness and equity	See section 1.4. Important for ROH to go beyond effectiveness, efficiency etc and include more abstract constructs including artistic excellence, inclusion and diversity, leadership etc	How can you measure intangible outcomes? Should the ROH establish a more 'user focused' measurement strategy using some of the deliberative methods available?
	Clarifying intentions	Performance management improves quality and performance rather than just drives towards standardisation or defines the relative performance of institutions to their peers	Attendance (not just how many, but who) is key indicator of 'good' performance as it passes on the intrinsic value of art	
	Measurement that destroys public value	Performance measures reflect the strategic goals of the organisation; allow the organisation to focus on a few targets rather than many; motivate staff; support improvement rather than apportion blame	Performance review and other measures focus on strategic plan, but still a focus on bottom line	
	Measurement that creates public value	Performance measures help assess both core or centrally agreed objectives, plus locally determined objectives	Performance review and other measures focus on strategic plan  Education strategic impact report created to: investigate the most and least efficient programmes potentially to modify programmes; identify programmes that need fuller evaluation; understand connections between education and access programmes to establish a 'cycle of involvement' for new and potential audiences	
	Public accountability	There are mechanisms that allow for public debate and scrutiny of the organisation's performance; not just top-down departmental or sectoral processes of accountability	Media – critique of performances; low audience attendance; letters in <i>About the House</i>	

## Annex B: Public value assessment framework - example of the V&A Museum

1. What public value does the organisation create?				
		<i><b>NB Organisations need to decide on a case by case basis and revise over time what each of these core values means in relation to a specific service or their organisation as a whole</b></i>	Examples and evidence	Comments/questions
<b>A: Qualities</b>	Universal	All citizens have access to the service, free at the point of need  Where citizens do not have access to the services provided by the organisation due to their personal circumstances, geographical location or income, then there must be public consensus about the appropriate terms of access	GIA depends on free entrance. Evaluations of 'access' are carried out by the NAO  V&A is looking to increase its access and reach across England and as a world leader, but does not currently have significant presence in Wales, Scotland or Northern Ireland	What is the 'rate of access'? How is this changing between different social groups?  What do citizens in these regions think about access to the V&A's activities?
	Equitable	The organisation's service provision is just and fair  Citizens derive a direct benefit from others' use of that service, even if they do not use it themselves	Use by teachers, designers, manufacturers etc  Representation of UK abroad	What is the balance between activities that target key social groups? For example do particular BME communities get a disproportionate amount of attention and involvement? How is this justified?  What do citizens who don't use the V&A think about its activities?
	Accountable	Systems of good governance are in place ensuring that the organisation can give an account of its activities to appropriate stakeholders	Regular board and trustee meetings, performance monitoring etc	
	Transparent	Governance arrangements, systems for redress and scrutiny, and all information associated with the provision of a service are transparent to the public	Publication scheme and Freedom of Information compliance  Annual report and accounts laid before the House of Commons National Audit Office scrutiny	What are the policies and procedures in place to ensure public scrutiny of resources, above and beyond the trustees?
<b>B: Services</b>	Satisfaction	Satisfaction with the service is high and/or increasing	Regular evaluations of exhibitions including visitor satisfaction data	Is this done in a piecemeal way, targeted only at major exhibitions (due to the resource implications of evaluations)?  How does the V&A know that target audience's satisfaction is increasing?
	Information	Information about the service is publicly available and accessible	Improvements to the V&A's website, visitor information etc  More diverse marketing strategy	

## Annex B: Public value assessment framework - example of the V&A Museum (continued)

1. What public value does the organisation create? (Continued)				
			Examples and evidence	Comments/questions
<b>B: Services (continued)</b>	Choice	Citizens have an element of choice over how the service is provided and how to access those services	Citizens can choose what exhibitions and collections they choose to visit/engage with  Consultation in planning	
	Employee advocacy	Employees providing the service promote the benefits of the service to citizens	Staff engaged in promoting the wider benefits of culture, professionally and with target groups, eg under-16s, through educational projects	
	Ethos	There is a strong ethos of service to the public among employees		Is there a stronger ethos of preserving and extending knowledge about culture rather than fulfilling a duty of service to the public?
<b>C: Outcomes</b>		The desirable outcomes of that service as set by the organisation are clear to the public	Strategic goals and outcomes are clearly laid out in the strategic plan	
		The outcomes that a service is attempting to achieve have taken into account citizen needs and expectations	Consultation in planning stages	How were these strategic goals and outcomes derived? Did that process involve citizens and/or users/visitors?
		The service helps to achieve the desired social outcomes	All activity is aligned behind the key strategic goals rather than performance indicators, as set by the government	What is the relevant weighting accorded to particular strategic objectives?  What is the tension between a more instrumental approach to culture and culture for its own sake?
<b>D: Trust</b>		Trust and confidence in the institution, the service and the employees providing the service is high	Minimising theft and damage by securing the physical safety of objects        Intellectual and financial integrity Peer review, professional advice, NAO scrutiny	There is an expectation among visitors that the V&A should be high quality and authoritative, but 'trust' and confidence are not explicitly examined. Are there examples where a failure to secure public confidence in an exhibition has led to problems, eg poor security leading to theft of objects?

## Creating public value: Case studies

### Annex B: Public value assessment framework - example of the V&A Museum (continued)

2. How does the organisation create public value?				
			Examples and evidence	Comments/questions
<b>A: Authorisation</b>	Construction	The organisation seeks out, listens to and guides public conceptions of why the service is valuable	Yes, in terms of individual exhibitions, programmes and projects	Has the V&A looked in more detail at wider citizen perceptions of culture and its relative importance in relation to other services; and the role of the V&A in this?
		This includes both representative forms of democracy and civic engagement	Civic engagement happens on a case by case basis, ranging from direct involvement in community projects to quantitative evaluations of visitors reactions to collections	
	Conception	Legitimacy for the service is sought from a wide range of stakeholders	Yes – V&A active in policy work with the DCMS on behalf of its sector (museums), and engaging with individuals and organisations across the arts and culture sector	Although rather biased toward those with expertise or professional experience of cultural activities
		Those with an interest in the service as a provider or user have a voice in shaping and defining that service	Yes, significant links with subject specific networks, government officials, other museums	
	Ethos	There is a strong ethos of service to the public amongst employees		Is there a stronger ethos of preserving and extending knowledge about culture rather than fulfilling a duty of service to the public?
	Democratic legitimisation	Services are responsive to the needs of citizens, as defined and shaped through public engagement in those services	Not clear how and why certain exhibitions are chosen over and above others?	Would be interesting to hear about some of the creative processes for selection of activities? What didn't happen and why?
	Methods of consultation	An organisation deploys a range of innovative consultative methods to understand what the public wants from its services	Hugely innovative range of evaluation techniques eg front-end evaluation of the Jameel Exhibition of Islamic Art – user groups of teachers (one with children was not as successful, but attempted nonetheless)	Could some of these techniques be applied to more strategic decision making about what exhibitions should be there to do; on the content of forthcoming exhibitions and so on?
		These include collection of 'static information (eg preferences, surveys) and deliberative processes that refine preferences (eg citizens' juries)	On a case by case basis with specific exhibitions	
		These add to, rather than substitute for effective, formalised methods of holding institutions to account	Yes	
	Democratic accountability	Citizens, employees and stakeholders are engaged in the process of good governance, and accountability structures are clear, effective and transparent	Yes, regarding employers and wider stakeholders (as members of committees, boards and informal groups across the sector, eg member of Museums Association)	

## Creating public value: Case studies

### Annex B: Public value assessment framework - example of the V&A Museum (continued)

2. How does the organisation create public value? (Continued)				
			Examples and evidence	Comments/questions
<b>A: Authorisation (continued)</b>	Political calculus	Politicians authorise what outcomes are important, ensuring that the organisation does not drift from its public purpose	Yes, the DCMS performance indicators emphasise the importance of access, but increasingly confused as the government seeks to evaluate culture in terms of its contribution to education and regeneration	Who really determines what the V&A does? Senior staff or politicians? How does the V&A define its own success? How is it influencing the new round of funding agreements?
	Justifying resource allocation	With values authorised and prioritised, resources are allocated to those services that achieve those values. How this allocation occurs can involve a range of analyses to support the process of authorisation; for example, establishing the balance between public and private supply of services/goods, cost-benefit analysis, collective decision making and redistribution to tackle inequality	Activities align behind one or more of the four strategic goals	Less clear how activities are decided
<b>B: Creation</b>		Politicians and public managers may guide and educate the public that some services are of public benefit, even if the public does not think so	Significant evidence of professional expertise and knowledge guiding the development of new collections, exhibitions etc	Are there examples of where an exhibition seemed high risk, but proved very successful, eg the tiara exhibition?
	Public value as a strategic goal	The goals of the organisation are clear, and all activity and resources are aligned behind them. These are revisited regularly to ensure that public value is produced	Very clear strategic plan	
	Public value as a management tool	The organisation's internal planning aligns with the strategic goals and authorisation environment, ie stakeholder needs	Very clear strategic plan	
	Managing citizen expectations	Processes of engagement with the public link to the decision-making process and delivery of a service  Processes of engagement attempt to balance what public preferences against the burden of participation	Extensive examples on public involvement with specific exhibitions or collections  No information	Less clear how the wider sections of the public are involved  How much evaluation takes place, how many people are involved and how much does it cost?
<b>C: Measurement</b>	Why and what to measure	The system of measurement blends approaches that fit with the strategic goals of the organisation (eg effectiveness, efficiency, inputs, outputs, outcomes, quality, access, appropriateness, equity)	Yes, organisation uses a balanced scorecard approach that includes a range of stakeholders, input, output, outcome measures and internal processes. V&A supplements DCMS targets with internal ones. Separate systems are used to report to the board and to the DCMS	

## Annex B: Public value assessment framework - example of the V&A Museum (continued)

2. How does the organisation create public value? (Continued)				
			Examples and evidence	Comments/questions
<b>C: Measurement (continued)</b>	Clarifying intentions	Performance management improves quality and performance rather than just drive towards standardisation or define the relative performance of institutions to their peers	Yes, although information is used to compare the V&A with other national museums (eg V&A provides loans more of its collection to external organisations)  V&A leads others rather than aims for mediocrity	Is there more evidence of how performance data helps to inform the quality of specific activities? Or is it just a reporting mechanism?
	Measurement that destroys public value	Performance measures: reflect the strategic goals of the organisation, allow the organisation to focus on a few targets rather than many, motivate staff and support improvement rather than apportion blame	Yes, the DCMS PIs and wider V&A KPIs are linked explicitly to strategic activities	How are sanctions/rewards used internally in relation to meeting targets?
	Measurement that creates public value	Performance measures help assess both core and centrally agreed objectives, plus locally determined objectives	Yes, KPIs reflect DCMS and the V&A's own performance measures	
	Public accountability	There are mechanisms that allow for public debate and scrutiny of the organisation's performance – not just top-down departmental or sectoral processes of accountability	Trustees act as main mechanism for public accountability	What other forum could be used to engage the public/ sections of the public in determining what success looks like?

## Annex C: Public value assessment framework - example of Leicester College

1. What public value does the organisation create?				
		<i><b>NB Organisations need to decide on a case by case basis and revise over time what each of these core values means in relation to a specific service or their organisation as a whole</b></i>	Examples and evidence	Comments/questions
<b>A: Qualities</b>	Universal	All citizens have access to the service, free at the point of need  Where citizens do not have access to the services provided by the organisation due to their personal circumstances, geographical location or income, there must be public consensus about the appropriate terms of access	All citizens have access although only the following groups are not required to pay tuition fees (Under 19 years, those in receipt of JSA, Income Support, Housing/Council Tax Benefit, Working Tax Credit or is an unwaged dependent of any of the above or those undertaking their first full level 2 qualification)  Publicly provided learning and skills are available across the country	However, nationally determined priorities for funding will mean that colleges will need to make decisions about what provision they will have to cease to offer with the unintended consequence of excluding some potential learners  The national agenda is moving towards a regional rather than local approach to the planning of education and skills, which may have implications for ensuring accessibility
	Equitable	The provision of services by the organisation is just and fair  Citizens derive a direct benefit from others' use of that service, even if they do not use it themselves	Unclear whether the costs of undertaking higher education versus further education are the same (from individual's perspective)  Issues of equity (versus efficiency) arise frequently, for example the local authority cutting the transport for a group of learners with learning disabilities. How does the college decide what to do?  Citizens and employers benefit from the economic and social advantages of having a more skilled workforce	
	Accountable	Systems of good governance are in place ensuring that the organisation can give an account of its activities to appropriate stakeholders	Yes, through the board of governors and college's committee structure. An AGM also provides an opportunity for public scrutiny	
	Transparent	Governance arrangements, systems for redress and scrutiny, and all information associated with the provision of a service are transparent to the public	Information about governance and other aspects of the college's services is available on the website	
<b>B: Services</b>	Satisfaction	Satisfaction with the service is high and/or increasing	Yes – student satisfaction has risen by 15 percentage points	
	Information	Information about the service is publicly available and accessible	Yes – via website and brochures, and information is available in different languages	

## Annex C: Public value assessment framework - example of Leicester College (continued)

1. What public value does the organisation create? (Continued)				
			Examples and evidence	Comments/questions
<b>B: Services (continued)</b>	Choice	Citizens have an element of choice over how the service is provided and how to access those services	Yes – they have a choice of courses although how that learning is provided is set by the type of course and increasingly by the priorities decided by the Learning and Skills Council. Leicester College works with local employers to design and deliver bespoke training for employees	
	Employee advocacy	Employees providing the service promote the benefits of the service to citizens	Difficult to quantify although staff culture surveys indicate an increasing willingness to recommend the college as a good place to work	
	Ethos	There is a strong ethos of service to the public among employees	Staff culture surveys suggest clarity of purpose and awareness of college priorities among staff. There is also a clear view that learning and skills are central to the college's management strategy and that feedback is encouraged from all of its customers	
<b>C: Outcomes</b>		The desirable outcomes of that service as set by the organisation are clear to the public	Yes – via the strategic plan and the website. Less clear is the success of the FE brand in general	A recent white paper announces plans work to enhance the FE brand nationally
		The outcomes that a service is attempting to achieve have taken into account citizen needs and expectations	Tends to focus on users of the service (eg via board of governors, student representatives etc), but the college also conducts profile research on what the public thinks about the college  Programmes are also designed to be convenient and appealing to particular groups, eg courses aimed at women returners are run during school hours	
		The service helps to achieve the desired social outcomes	Yes – and measured against LSC targets. Less clear what the long-term impact is on students (no information available on the long-term social and economic impact of learning and skills as it relates specifically to Leicester students, eg impact on income or wellbeing.) Data tends to focus on satisfaction and success rates although they are looking at measures showing 'distance travelled'	

## Annex C: Public value assessment framework - example of Leicester College (continued)

1. What public value does the organisation create? (Continued)				
			Examples and evidence	Comments/questions
<b>D: Trust</b>		Trust and confidence in the institution, the service and the employees providing the service is high	Need to use proxies for trust such as satisfaction (staff and learners) and the absence of financial mismanagement or removal of senior staff. There is a high reliance on the college by other local institutions as a major player in local initiatives, for example acting as a broker and as a voice for partner institutions. Employers' increasing willingness to use the college to deliver education and training for its employees also demonstrates a high level of confidence in the institution.	

2. How does the organisation create public value?				
			Examples and evidence	Comments/questions
<b>A: Authorisation</b>	Construction	The organisation seeks out, listens to and guides public conceptions of why the service is valuable  This includes both representative forms of democracy and civic engagement	Tends to focus on users of the service (eg via board of governors, student representatives etc), but the college also conducts profile research on what the public thinks about the college  Yes – through the elected board of governors and through engagement with local communities and users	
	Conception	Legitimacy for the service is sought from a wide range of stakeholders  Those with an interest in the service as a provider or user have a voice in shaping and defining that service	Yes – perhaps through too many stakeholders. DfES, LSC, local authority, employers and local communities  Good example is the employer training pilot, where employers and the college jointly design bespoke training	
	Democratic legitimisation	Services are responsive to the needs of citizens, as defined and shaped through public engagement in those services	Yes – although how much flexibility the college has over providing what it thinks the local community needs as opposed to what the government thinks which skills ought to be developed is hard to discern.  Increasingly defined priorities as to which courses can be funded are likely to reduce the college's ability to respond to the needs of local citizens as distinct from nationally identified needs	

## Annex C: Public value assessment framework - example of Leicester College (continued)

2. How does the organisation create public value? (Continued)				
			Examples and evidence	Comments/questions
<b>A: Authorisation (continued)</b>	Methods of consultation	<p>An organisation deploys a range of innovative consultative methods to understand what the public wants from its services</p> <p>These include the collection of static information (eg preferences, surveys) and deliberative processes that refine preferences (eg citizens' juries)</p> <p>These add to rather than substitute for effective formalised methods of holding institutions to account</p>	<p>Increasingly consulting and working with local employers to address the deficit between education and employment</p> <p>Course representatives groups, focus groups and an AGM</p> <p>Limited evidence of deliberative forms of engagement</p> <p>No information</p>	
	Democratic accountability	Citizens, employees and stakeholders are engaged in the process of good governance and accountability structures are clear, effective and transparent	Yes – through the board of governors and committee structures, student representatives and AGM	
	Political calculus	Politicians authorise what outcomes are important, ensuring that the organisation does not drift from its public purpose	Via the LSC's performance framework and funding arrangements	
	Justifying resource allocation	With values authorised and prioritised, resources are allocated to those services that achieve those values. How this allocation occurs can involve a range of analyses to support the process of authorisation – for example, establishing the balance between public and private supply of service goods; cost-benefit analysis; collective decision making and redistribution to tackle inequality	Less clear when and why the private sector is used to deliver services or indeed where the market could provide services. For example, a decision for the market to provide health and safety training (from the LSC) could adversely affect standards in Leicester, where most business are small and medium-sized employers who may not be able to organise collectively to provide this essential training	Contestability will mean that colleges failing to deliver sufficiently high-quality provision or provision that meets the needs of employers will face the prospect of other providers being given the contracts for provision
<b>B: Creation</b>		Politicians and public managers may guide and educate the public that some services are of public benefit, even if the public do not think so	Adult basic skills	
	Public value as a strategic goal	The goals of the organisation are clear and all activity and resources are aligned behind them. These are revisited regularly to ensure that public value is produced	Strategic plan	

## Creating public value: Case studies

### Annex C: Public value assessment framework - example of Leicester College (continued)

2. How does the organisation create public value? (Continued)				
			Examples and evidence	Comments/questions
<b>B: Creation (continued)</b>	Public value as a management tool	The organisation's internal planning aligns with the strategic goals and authorisation environment, ie stakeholder needs	Strategic plan and development plan agreed with the LSC and other internal strategy and planning documents. These take into account identified need and are influenced by demographic data, eg school leaver information, restructuring of local employment – major redundancy programmes or industrial decline	
	Managing citizen expectations	Processes of engagement with the public link to the decision-making process and delivery of a service	No information	
		Processes of engagement attempt to balance public preferences against the burden of participation	Lack of information on the cost of public engagement	
<b>C: Measurement</b>	Why and what to measure	The system of measurement blends approaches that fit with the strategic goals of the organisation, eg effectiveness, efficiency, input, output, outcome, quality, access, appropriateness, equity	A blend of outputs (success rates), inputs (staff numbers), quality (satisfaction), outcomes (distance travelled), access and equity (numbers from disadvantaged communities)	
	Clarifying intentions	Performance management improves quality and performance rather than just drive towards standardisation or define the relative performance of institutions to their peers	Standard information required by the LSC (from all providers that it funds), eg on success rates  College undertakes its own self-assessment on quality and performance	
	Measurement that destroys public value	Performance measures: reflect the strategic goals of the organisation; allow the organisation to focus on a few targets rather than many; motivate staff; support improvement rather than apportion blame	Unclear whether the large number of targets is a help or a hindrance	
	Measurement that creates public value	Performance measures help assess both core or centrally agreed objectives, plus locally determined objectives	Unclear which measures are set by the LSC and which one are determined by the college	
	Public accountability	There are mechanisms that allow for public debate and scrutiny of the organisation's performance, not just top-down departmental or sectoral processes of accountability	Course representatives, AGM, governing body, publicly available inspection reports and increasingly the notion of contestability	

## Annex D: Public value assessment framework - example of recycling at the London Borough of Lewisham

1. What public value does the organisation create?				
		<i><b>NB Organisations need to decide on a case by case basis and revise over time what each of these core values means in relation to a specific service or their organisation as a whole</b></i>	Examples and evidence	Comments/questions
<b>A: Qualities</b>	Universal	All citizens have access to the service, free at the point of need  Where citizens do not have access to the services provided by the organisation due to their personal circumstances, geographical location or income, there must be public consensus about the appropriate terms of access	75,000 households in Lewisham receive kerbside collections of recycled items  Differs across local authorities; geographical location determines whether recycling as a national policy is 'universal' or not	How many of them use the service and how often (participation rates)?
	Equitable	The organisation's provision of services is just and fair  Citizens derive a direct benefit from others' use of that service, even if they do not use it themselves	Citizens will benefit in the long term environmentally, socially and economically through the activity of others recycling, even if they do not	
	Accountable	Systems of good governance are in place ensure that the organisation can give an account of its activities to appropriate stakeholders	No information	Through the normal local authority systems of accountability?
	Transparent	Governance arrangements, systems for redress and scrutiny, and all information associated with the provision of a service are transparent to the public	Callpoint environmental service with telephone number for enquiries about provision	What about systems for complaints/redress etc?
<b>B: Services</b>	Satisfaction	Satisfaction with the service is high and/or increasing	Satisfaction risen sharply from 8 per cent to 55 per cent in 2004, exceeding the London average by 2 per cent	No links to participation rates What exactly are users 'dissatisfied with'?
	Information	Information about the service is publicly available and accessible	Large amount of activity for raising awareness, eg recycling awareness campaign, environmental standards etc	Could test in a more comprehensive fashion user understanding of recycling provision
	Choice	Citizens have an element of choice over how the service is provided and how to access those services	Depends. Not clear what proportion of residents have 'easy access' to recycling: which ones have weekly collections coming to their doorstep and for what, eg glass, paper, household waste etc	But they can choose not to recycle. Whether a system of fines or incentives to recycle could be put in place remains an issue for debate. Clearly there are penalties for obvious waste eg fly-tipping
	Employee advocacy	Employees providing the service promote the benefits of the service to citizens	No information	
	Ethos	There is a strong ethos of service to the public among employees	No information	

## Annex D: Public value assessment framework - example of recycling at the London Borough of Lewisham (continued)

1. What public value does the organisation create? (Continued)				
			Examples and evidence	Comments/questions
<b>C: Outcomes</b>		The desirable outcomes of that service as set by the organisation are clear to the public	Publicly available on website, but may not be well known by residents	What about leaflet campaigns/information with council tax facilities etc?
		The outcomes that a service is attempting to achieve have taken into account citizens' needs and expectations	No information that citizens' expectations have been taken into account – page 5 of document stated that when presented with the options for waste management, people want more opportunities to recycle	
		The service helps to achieve the desired social outcomes	Huge amount of activity such as provision of recycling facilities aimed at achieving outcomes	But no explicit evidence linking the extent to which recycling improves real experiences of liveability in Lewisham in relation to other factors
<b>D: Trust</b>		Trust and confidence in the institution, the service and the employees providing the service is high	No information	

2. How does the organisation create public value?				
			Examples and evidence	Comments/questions
<b>A: Authorisation</b>	Construction	The organisation seeks out, listens to and guides public conceptions of why the service is valuable  This includes both representative forms of democracy and civic engagement	The authority guides rather than seeks out and listens to the public, mainly because it is trying to change behaviour positively.  No information that citizens' expectations have been taken into account – page 5 of document stating that when presented with the options for waste management, people want more opportunities to recycle	
	Conception	Legitimacy for the service is sought from a wide range of stakeholders  Those with an interest in the service as a provider or user have a voice in shaping and defining that service	Yes, large number of agencies and tiers of government working together to improve the amount of waste recycled  Limited information	
	Democratic legitimisation	Services are responsive to the needs of citizens, as defined and shaped through public engagement in those services	Limited information	Need to understand why and what people are satisfied with Not clear what propensity to recycle existed among citizens in Lewisham before the policy/activities began

## Annex D: Public value assessment framework - example of recycling at the London Borough of Lewisham (continued)

2. How does the organisation create public value? (Continued)				
			Examples and evidence	Comments/questions
<b>A: Authorisation (continued)</b>	Method of consultation	An organisation deploys a range of innovative consultation methods to understand what the public wants from its services  These include collection of 'static information' (preferences eg surveys) and deliberative processes that refine preferences (eg citizens juries)  These add to, rather than substitute for effective, formalised methods of holding institutions to account	No information  No information  No information	Have any deliberative forums been run on liveability, and in particular recycling, to understand what the barriers are to recycling more?  Is there information available from the environment committee (or whichever committee recycling falls under?)?
	Democratic accountability	Citizens, employees and stakeholders are engaged in the process of good governance and accountability structures are clear, effective and transparent	No information	
	Political calculus	Politicians authorise what outcomes are important, ensuring that the organisation does not drift from its public purpose	Information about the GLA and London Mayor, eg Mayor's green procurement code, Mayor's municipal waste strategy	Is there information available from the environment committee (or whichever committee recycling falls under?)
<b>B: Creation</b>	Justifying resource allocation	With values authorised and prioritised, resources are allocated to those services that achieve those values. How this allocation occurs can involve a range of analyses to support the process of authorisation – for example, establishing the balance between public and private supply of services/goods; cost-benefit analysis; collective decision making and redistribution to tackle inequality  Politicians and public managers may guide and educate the public that some services are of public benefit, even if the public do not think so	Large number of recycling activities and information campaigns trying to change individual behaviour	What is the annual expenditure on recycling? How much does it cost to recycle in relation to other strategies? What sort of calculation is made about the benefits and the costs?
	Public value as a strategic goal	The goals of the service are clear and all activity and resources are aligned behind them. These are revisited regularly to ensure that public value is produced	Large number of targets at a number of levels, but essentially top-down	Less clear how activity stacks up against achieving specific targets, but this may be clearly espoused in a single strategy?
	Public value as a management tool	The organisation's internal planning processes align with the strategic goals and authorisation environment, ie stakeholder needs	No information	How are actual activities decided and what is the balance between them? How do they align between the overarching objectives and strategy?

## Creating public value: Case studies

### Annex D: Public value assessment framework - example of recycling at the London Borough of Lewisham (continued)

2. How does the organisation create public value? (Continued)				
			Examples and evidence	Comments/questions
<b>B: Creation (continued)</b>	Managing citizen expectations	Processes of engagement with the public link to the decision-making process and service delivery	No information	Is there evidence of how the public is involved in designing the services?
		Processes of engagement attempt to balance public preferences against the 'burden' of participation	No information	Is there evidence of how the public is involved in designing the services?
<b>C: Measurement</b>	Why and what to measure	The system of measurement blends approaches that fit with the strategic goals of the organisation, eg effectiveness, efficiency, input, output, outcome, quality, access, appropriateness, equity	Majority of measures are inputs (number of recycling bins) and outputs (tonnage collected)	Is there more information on - not quality/outcome, eg liveability of a ward improved/ number of households regularly recycling most of waste- access to services of all households- effectiveness, ie as do not know how much its costs in relation to the benefits
	Clarifying intentions	Performance management improves quality and performance rather than just drives towards standardisation or define the relative performance of institutions to their peers	Degree of flexibility to set own targets and stretch objectives, eg with local public service agreements (LPSAs)	Limited information on how targets actually drive improved performance or just improve the process of gathering data How is the information used? To feed upwards to departments/GLA or to reassess the success of particular initiatives/activities?
	Measurement that destroys public value	Performance measures reflect the strategic goals of the organisation; allow the organisation to focus on a few targets rather than many; motivate staff; support improvement rather than apportion blame	?	Are there measures/targets that the authority disagrees with?
	Measurement that creates public value	Performance measures help assess both core and centrally agreed objectives, plus locally determined objectives	Degree of flexibility to set own targets and stretch objectives, eg with LPSAs. But majority of targets are tied to national goals on waste management	
	Public accountability	There are mechanisms that allow for public debate and scrutiny of the organisation's performance, not just top-down departmental or sectoral processes of accountability	No information	Any evidence of public debates on recycling and waste management? What does the Love Lewisham Campaign do?

## Annex E: Public value assessment framework -example of the London Borough of Lewisham and Lewisham PCT tobacco control

		<b>NB Organisations need to decided on a case by case basis and revise over time what each of these core values means in relation to a specific service or their organisation as a whole</b>	<b>Examples and evidence</b>	<b>Comments/questions</b>
<b>A: Qualities</b>	Universal	<p>All citizens have access to the Stop Smoking service, free at the point of need</p> <p>Smoking prevention in all schools</p> <p>Enforcement of legislation</p> <p>Where citizens do not have access to the services provided by the organisation due to their personal circumstances, geographical location or income, there must be public consensus about the appropriate terms of access</p>	<p>Yes, all citizens wanting to use smoking cessation services have access to them</p> <p>Other tobacco control measures not just aimed at smokers</p>	
	Equity	<p>The provision of services by the organisation are just and fair</p> <p>Citizens derive a direct benefit from others use of that service, even if they do not use it themselves</p>	<p>The stop smoking service is targeted at those who want to quit smoking</p> <p>Reinforcement of tobacco legislation targeted at those shops that still sell cigarettes to children</p> <p>Some evidence to suggest that the policies do not address health inequalities – health equity audit of the Stop Smoking service is currently being undertaken</p> <p>Smoking prevention in schools</p> <p>Non-smokers benefit from there being fewer smokers, either in the workplace or at home</p>	
	Accountable	<p>Systems of good governance are in place ensuring that the organisation can give an account of its activities to appropriate stakeholders</p>	<p>Statutory requirement on the local authority to consider a programme of enforcement if there is a complaint about a vendor</p> <p>Regular reports provided to PCT board</p> <p>DoH returns from PCT provide information about service provision</p> <p>Health Equity audit will provide additional information</p> <p>Shared objectives in LAA (this is a pooled budget)</p>	
	Transparent	<p>Governance arrangements, systems for redress and scrutiny, and all information associated with the provision of a service are transparent to the public</p>	<p>No – see above</p> <p>Local authority scrutiny panel?</p> <p>PCT board provides scrutiny of Stop Smoking service</p>	

## Annex E: Public value assessment framework -example of the London Borough of Lewisham and Lewisham PCT tobacco control (continued)

			<b>Examples and evidence</b>	<b>Comments/questions</b>
<b>B: Services</b>	Satisfaction	Satisfaction with the service is high and/or increasing	There is evidence from telephone surveys of a high level of satisfaction among both successful and unsuccessful smokers	
	Information	Information about the service is publicly available and accessible	Via PCT website and intranet, and leaflets and posters	
	Choice	Citizens have an element of choice over how the service is provided and how to access those services	Yes – smokers are not forced to attend Stop Smoking clinics  Feedback from telephone surveys informs location of Stop Smoking services	
	Employee advocacy	Employees providing the service promote the benefits of the service to citizens	Lewisham Council, Lewisham PCT, and SLAM and Lewisham Hospital's no-smoking policies, providing a smoke-free environment and one of support for those wanting to quit	
	Ethos	There is a strong ethos of service to the public among employees		
<b>C: Outcomes</b>		The desirable outcomes of that service as set by the organisation are clear to the public	Yes – as set by the LPSA	
		The outcomes that a service is attempting to achieve have taken into account citizens needs and expectations	Data draws on national, regional and local consultations. Anecdotal evidence only about what the public thinks in Lewisham about activities aimed at reducing smoking	
		The service helps to achieve the desired social outcomes	Evidence that local nurses and pharmacies have helped at least 1,794 people to quit between 2000 to 2005. Local counsellors have been helping pregnant smokers to quit. Increased access to smoking cessation service by minority ethnic groups, young people and unskilled manual smokers. Increased range and scope of smoking cessation services. Yet lack on data on measuring health inequalities	
<b>D: Trust</b>		Trust and confidence in the institution, the service and the employees providing the service is high	Feedback from local telephone surveys suggest that this is so	

## Creating public value: Case studies

### Annex E: Public value assessment framework -example of the London Borough of Lewisham and Lewisham PCT tobacco control (continued)

			Examples and evidence	Comments/questions
<b>A: Authorisation</b>	Construction	<p>The organisation seeks out, listens to and guides public conceptions of why the service is valuable</p> <p>This includes both representative forms of democracy and civic engagement</p>	<p>No information</p> <p>No information</p>	
	Conception	<p>Legitimacy for the service is sought from a wide range of stakeholders</p> <p>Those with an interest in the service as a provider or user have a voice in shaping and defining that service</p>	<p>Tobacco control strategy group – wide range of partners</p> <p>Yes – LBL works in partnership with the local PCT. Lewisham Community Development strategy underpins partnership working with voluntary and community sector</p> <p>LAA and LPSA commissioning voluntary sector</p> <p>Yes – re providers as demonstrated through partnerships</p> <p>Stop Smoking providers update days offers feedback to team</p> <p>Work of community activists key to finding out health issues, but may conflict with LBL's wish to support those who are 'ready to quit'</p> <p>Users have a say through telephone survey</p>	
	Democratic legitimisation	<p>Services are responsive to the needs of citizens, as defined and shaped through public engagement in those services</p>	<p>Stop Smoking services are highly personalised, including one-on-one support. However, this is not a consequence of public engagement, but due to the nature of the problem being addressed and the fact that only 2 per cent of smokers give up unaided</p>	
	Methods of consultation	<p>An organisation deploys a range of innovative consultative methods to understand what the public wants from its services</p> <p>These include collection of 'static information' (preferences, eg surveys) and deliberative processes that refine preferences (eg citizens' juries)</p> <p>These add to, rather than substitute for, effective formalised methods of holding institutions to account</p>	<p>Stop Smoking service offers a range of innovation including community development, workplace advice and outreach at community venues and shopping centres</p> <p>Test purchasing by young people</p> <p>Quality of life survey – percentage wanting to give up</p> <p>Stop Smoking telephone survey</p> <p>No information</p>	

## Creating public value: Case studies

### Annex E: Public value assessment framework -example of the London Borough of Lewisham and Lewisham PCT tobacco control (continued)

			Examples and evidence	Comments/questions
<b>A: Authorisation (continued)</b>	Democratic accountability	Citizens, employees and stakeholders are engaged in the process of good governance, and accountability structures are clear, effective and transparent	PCT and LBL governance arrangements – services do not exist outside these structures	How clear is this with regard to smoking cessation, given the need for a number of organisations being involved in the HIMP, LSP etc?
	Political calculus	Politicians authorise what outcomes are important, ensuring that the organisation does not drift from its public purpose		What is the mechanism for being held to account for achievements on smoking reduction?
<b>B: Creation</b>	Justifying resource allocation	With values authorised and prioritised, resources are allocated to those services that achieve those values. How this allocation occurs can involve a range of analyses to support the process of authorisation – for example, establishing the balance between public and private supply of services/goods; cost-benefit analysis; collective decision making; redistribution to tackle inequality  Politicians and public managers may guide and educate the public that some services are of public benefit, even if the public do not think so	Evidence/rationale for government intervention, eg targeting children, pregnant women and those who are most disadvantaged, has led to targets and resources being directed at these groups  Media and publicity campaigns	
	Public value as a strategic goal	The goals of the organisation are clear and all activity and resources are aligned behind them. These are revisited regularly to ensure that public value is produced	Clarity around the targets, but less clear how resources in the action plan stack up behind each one  Stop Smoking service has a clear budget allocation	
	Public value as a management tool	The organisation's internal planning aligns with the strategic goals and authorisation environment	Yes – as stated in Lewisham's strategic plan	
	Managing citizen expectations	Processes of engagement with the public link to the decision-making process and delivery of a service  Processes of engagement attempt to balance what public preferences against the burden of participation	Not separate – see above  In relation to smoking, it is unclear where the balance between prevention and cessation lies. Most of the data focuses on numbers smoking or quitting. Furthermore, there is no data on some of the aims of the action plan, eg enforcement, the success of the anti-smoking publicity campaign etc	

Annex E: Public value assessment framework -example of the London Borough of Lewisham and Lewisham PCT tobacco control (continued)

			Examples and evidence	Comments/questions
<b>C: Measurement</b>	Why and what to measure	The system of measurement blends approaches that fit with the strategic goals of the organisation, eg effectiveness, efficiency, input, output, outcome, quality, access, appropriateness, equity		
	Clarifying intentions	Performance management improves quality and performance rather than just drive towards standardisation or define the relative performance of institutions to their peers	Not clear how much locally agreed targets matter as much as those that benchmark the authority against other areas through nationally available data	
	Measurement that destroys public value	Performance measures - reflect the strategic goals of the organisation; allow the organisation to focus on a few targets rather than many; motivate staff; support improvement rather than apportion blame	Performance measures are clear, ie to stop	
	Measurement that creates public value	Performance measures help assess both core or centrally agreed objectives, plus locally determined objectives	Yes – targets are set nationally by the DoH and locally by the LSP	
	Public accountability	There are mechanisms that allow for public debate and scrutiny of the organisation's performance; not just top-down departmental or sectoral processes of accountability	LBL and PCT structures	

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