

Weathering the Storm?

Small countries and public services in times of

austerity



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28 Nov 2013

**A perfect storm?**

**Best practice from around the world**

**What it means for Scotland**

“ Since its creation by Andrew Carnegie in 1913, the Trust has worked with many partners in the UK and Ireland to help build our modern society – promoting policy change, creating new organisations, and supporting innovative practice.

The 21st century brings new technological, cultural, economic and social changes, but the underlying purpose of the Trust – to promote the wellbeing of the people of the UK and Ireland – continues to underpin all our work. ”



# Foundations and society

CarnegieUK  
TRUST

CHANGING MINDS • CHANGING LIVES

100  
YEARS

1913 – 2013

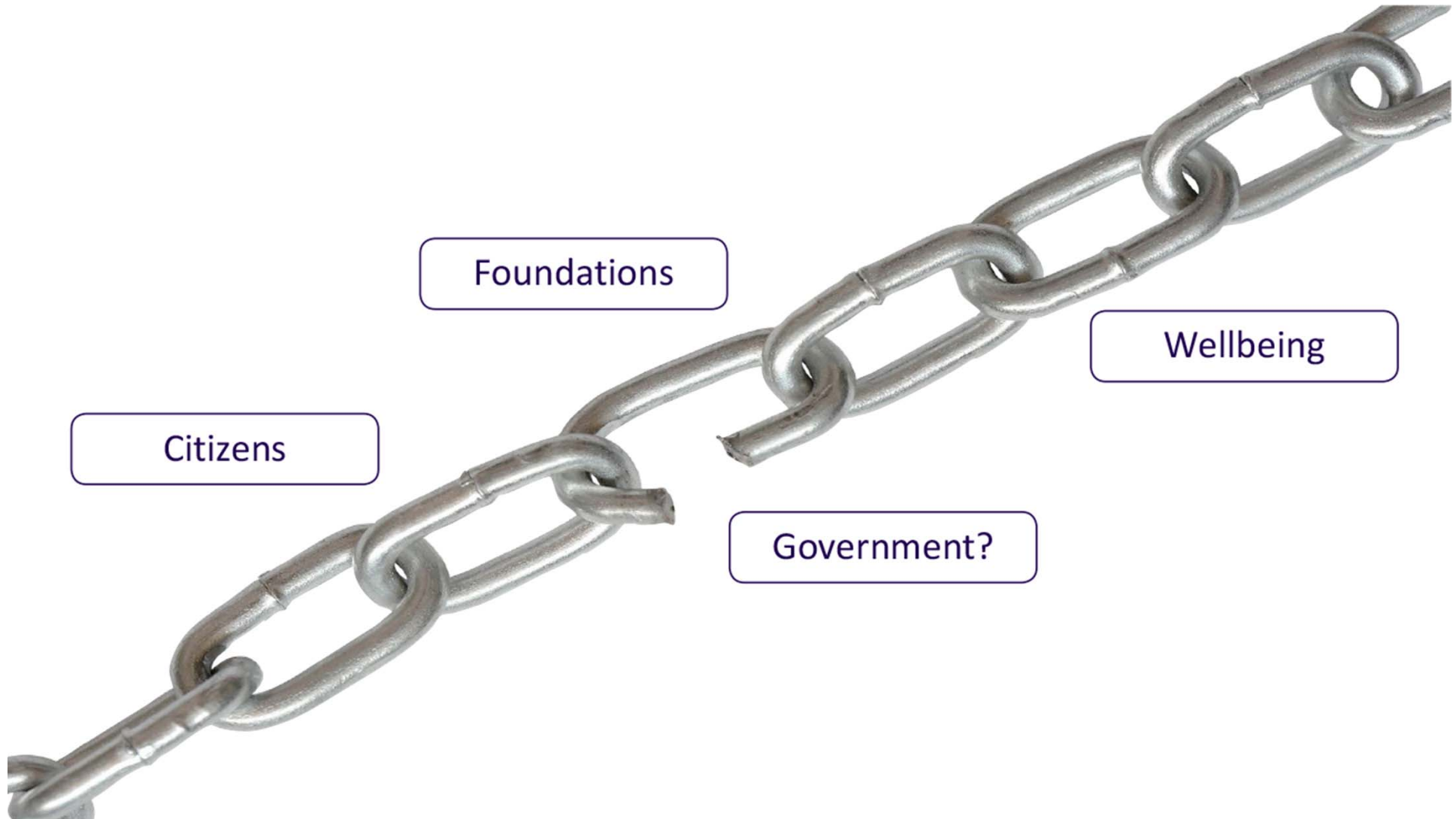
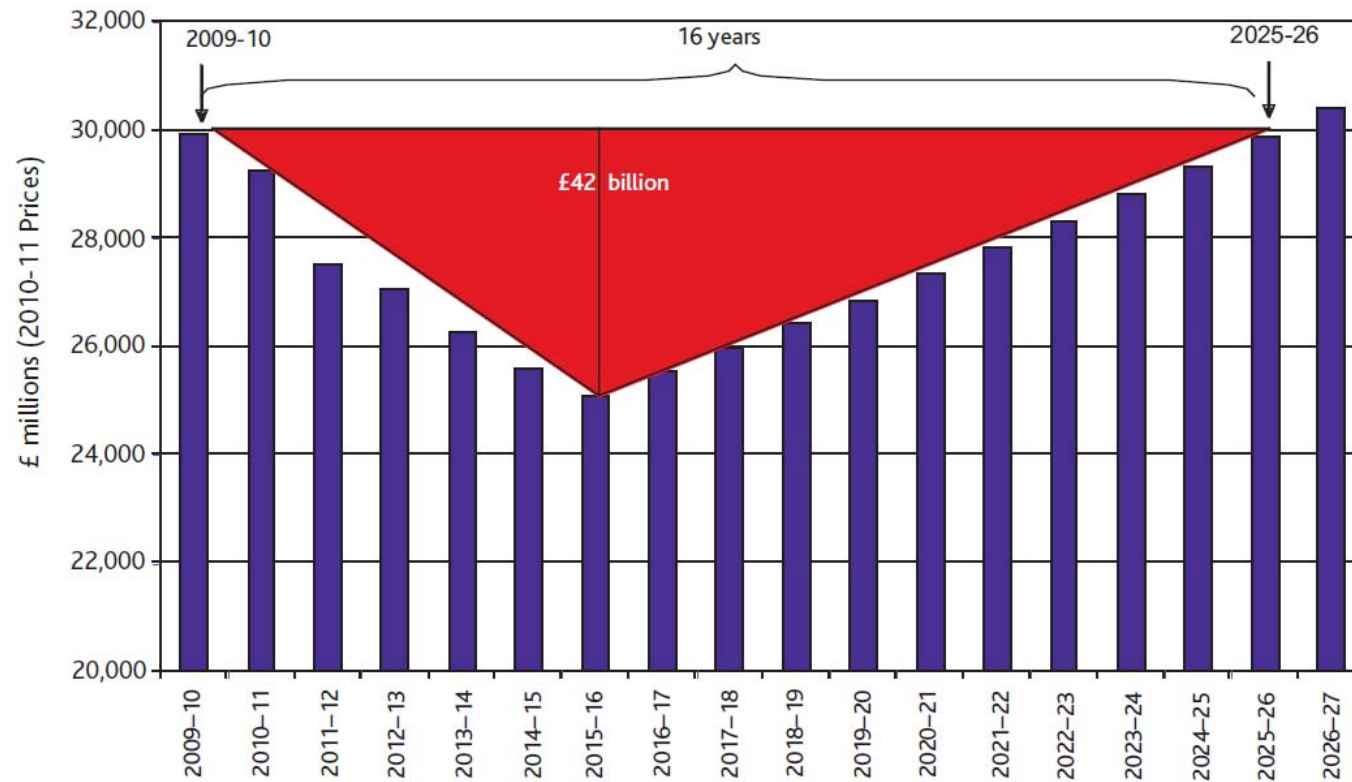


Figure 2.2 Estimated Scottish Government DEL Expenditure – June 2020  
Budget Results (2010-11 Prices)



## A perfect storm?



- Fiscal crisis
- Ageing population
- Increasing demand for public services

And then....



*No one here thinks the public spending tap will open wide again once 'austerity is over'. A declining tax base, the need to restrain tax pressure on the 'squeezed middle', the rising costs of an ageing society and the need to priorities investment in research and infrastructure will all restrict many other areas of spending.*

Denham, 2012

# Three propositions on the Enabling State



Our welfare state has (largely) served us well...



But we continue to fail the most disadvantaged and it's getting worse...



There is system failure for those suffering the greatest disadvantage.



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the world**

What it  
means for  
Scotland

2025

## Gwasanaethau Cyhoeddus Cymru Wales Public Services



## Rapid Review of 6 small countries:

1. Scotland
2. New Zealand
3. Quebec
4. Denmark
5. Netherlands
6. Austria

# Dealing with the storm

**Retrenching:**  
reducing  
services



**Restructuring:**  
organising  
services in a  
different way



**Reforming:**  
where the focus  
is on improving  
delivery



**Rethinking:**  
where a  
fundamental  
change in  
approach is  
adopted



	<b>Scotland</b>	<b>New Zealand</b>	<b>Denmark</b>	<b>Québec</b>	<b>Netherlands</b>	<b>Austria</b>
<b>Rethinking</b>	<ul style="list-style-type: none"> <li>• Outcomes-based approach</li> <li>• Prevention</li> </ul>	<ul style="list-style-type: none"> <li>• Outcomes-based approach</li> </ul>	<ul style="list-style-type: none"> <li>• Co-production</li> <li>• E-Government</li> </ul>	<ul style="list-style-type: none"> <li>• The social economy</li> </ul>		<ul style="list-style-type: none"> <li>• Rights to long-term care</li> <li>• E-Government</li> </ul>
<b>Reforming</b>			<ul style="list-style-type: none"> <li>• Right and duty to work for young people</li> </ul>	<ul style="list-style-type: none"> <li>• Growing old at home programme</li> </ul>	<ul style="list-style-type: none"> <li>• Market-based approaches to health care</li> </ul>	<ul style="list-style-type: none"> <li>• Health care insurance</li> <li>• Economic participation of young people and those with young families</li> </ul>
<b>Restructuring</b>	<ul style="list-style-type: none"> <li>• Reductions of Police and Fire Boards</li> <li>• Health and social care integration</li> </ul>	<ul style="list-style-type: none"> <li>• Voluntary amalgamation of municipalities</li> </ul>			<ul style="list-style-type: none"> <li>• Reduction in municipalities</li> </ul>	
<b>Retrenching</b>	<ul style="list-style-type: none"> <li>• Affected by UK welfare cuts</li> </ul>	<ul style="list-style-type: none"> <li>• Welfare cuts</li> <li>• A shift from universal to targeted welfare</li> </ul>	<ul style="list-style-type: none"> <li>• Tighter fiscal controls</li> <li>• Welfare cuts</li> </ul>	<ul style="list-style-type: none"> <li>• Affected by Canadian welfare cuts</li> <li>• Cutbacks in childcare programme</li> <li>• Increased tuition fees</li> </ul>	<ul style="list-style-type: none"> <li>• A shift from universal to targeted welfare</li> </ul>	

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**What it means for Scotland**

# Rethinking Scotland? Is a Scottish Model emerging?

**A world leading outcomes-based approach**

**A horizontally joined-up government**

**An asset based approach to communities**

**A commitment to prevention**



# Implementation Deficit Disorder?

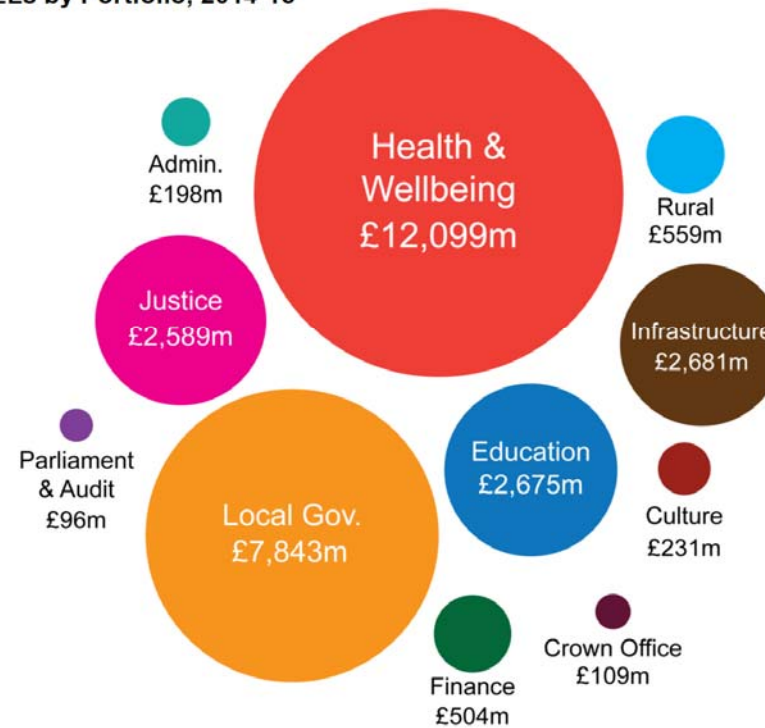


- **Tinkering at the edges?**
- **The power of culture**
- **Inverting the pyramid**

# Tinkering at the edges?

## DEPARTMENTAL EXPENDITURE LIMITS

Figure 4: DELs by Portfolio, 2014-15





## The power of culture

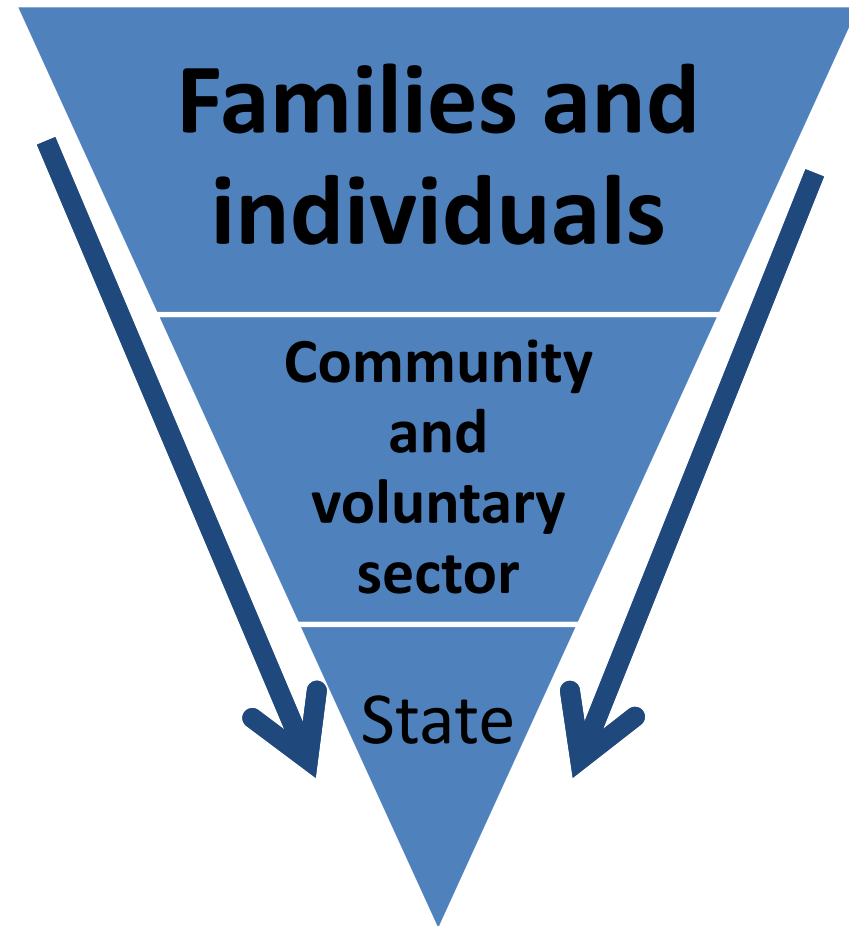
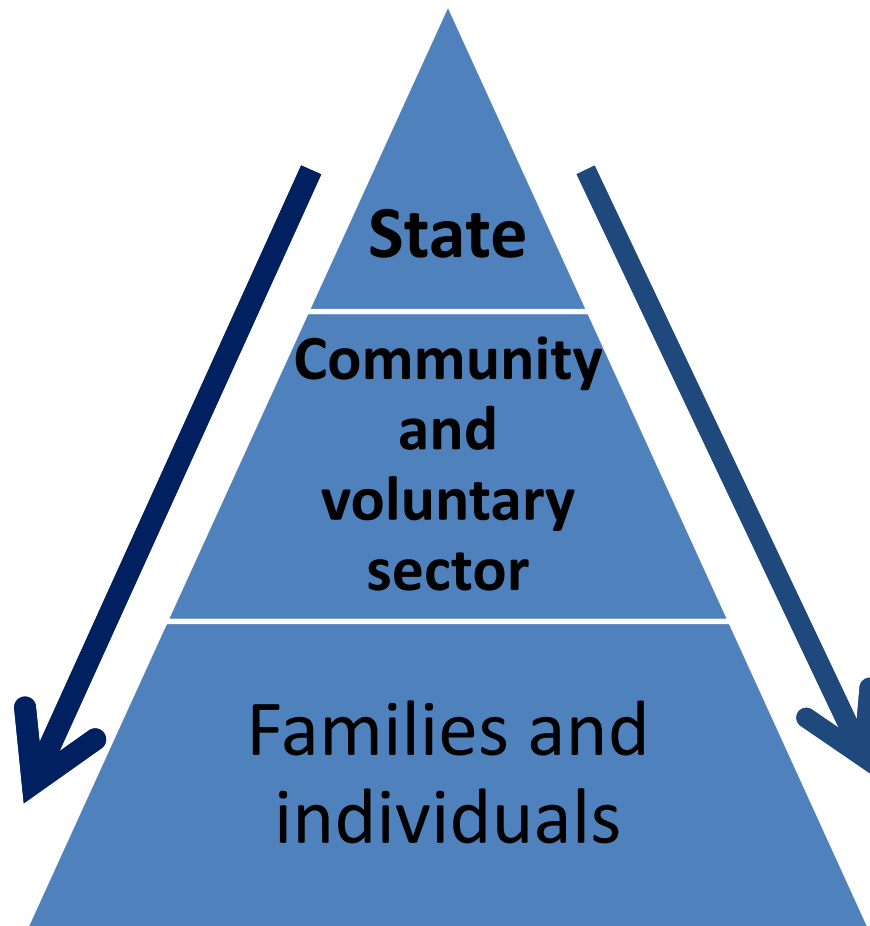
- Between different professional groupings



- Between professionals and citizens



## Inverting the pyramid...



## Bringing it all together?



- From new public management to public value
- From centralised to local states
- From representative to participatory democracy
- From silos to integration
- From crisis intervention to prevention
- From recipients to co-producers
- From state provision to the third sector

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<http://www.carnegieuktrust.org.uk>

#### References:

- The Enabling State: A discussion paper (2012)
- Weathering the Storm: A look at small countries' public services in times of austerity (2013)
- The Enabling State in Scotland (2013)
- The Rise of the Enabling State: A review of policy and evidence across the UK and Ireland (2013)
- The Enabling State: From Rhetoric to Reality - Case studies of contemporary practice (2013)