



Sustainability | Leadership | Innovation



2016 WINNER  
INNOVATIVE NEW IDEA

# LESSONS IN DRIVING BUSINESS SUSTAINABILITY

## THE PUBLIC SERVICES LAB

This year's award recognises groups or individuals that have developed new and innovative ideas that will have tangible impacts on one or more of the UN Global Goals for Sustainable Development. Following the presentations, public question-and-answer sessions with the judges and online voting by the audience at the Finance for the Future Awards ceremony, the winners were declared to be The Public Services Lab, a joint venture dedicated to radically changing the delivery of public services initially in Liverpool City Region. The UN Global Goals for Sustainable Development it aims to support are Goal 11-Sustainable cities and communities, and Goal 16-Peace, justice and strong institutions. Chris Wright, the CEO of Catch22, one of the participants in the joint venture, praised the award. 'It gives us some acknowledgment that what we are doing makes sense,' he said, 'that people recognise the importance of the challenge and that the idea resonates with people. Ultimately,' he said, 'this is about trying to reimagine how you can deliver public services in a post-austerity environment.'

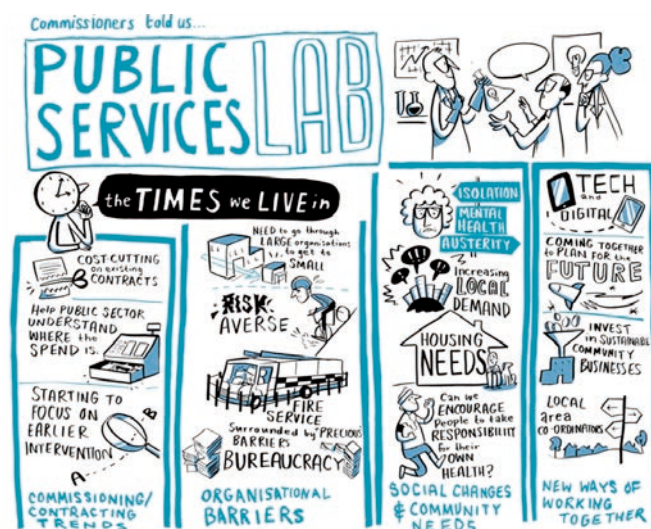
**Public Services Lab is a joint venture dedicated to radically changing the delivery of public services.**

The Public Services Lab, PSL, is a collaborative joint venture established by integrated services provider Interserve, social finance experts ClubFinance, social business Catch22 and independent financial institute Big Society Capital. The aim is to help voluntary, community, and social enterprises to develop the skills, business processes and practices they need to enable them to compete for projects and initiatives which will deliver innovative, effective and sustainable public services. 'This is a partnership between a number of different organisations,' said Wright, 'and the idea is that we bring our collective expertise, energy, drive and imagination to the fore to encourage others to step up and come up with solutions around the future of public service delivery. And we will do it by enthusing, encouraging and giving people access to the capability we bring to the PSL itself.'

**Do it by enthusing, encouraging and giving people access to the capability we bring.**

This will involve providing support for incubator and accelerator products; providing partnership opportunities to enable organisations to bid for larger public service contracts that they might otherwise have missed out on; back office products to support sustainable growth; and social consultancy 'to re-imagine public service delivery and build understanding of outcome-focused services'

The objective of the PSL is to support Merseyside in becoming a sustainable region where its citizens are empowered to deliver public services, thereby delivering savings and securing improved outcomes. PSL will secure this by embedding public service delivery into community assets, unlocking the strengths of the individuals and communities.



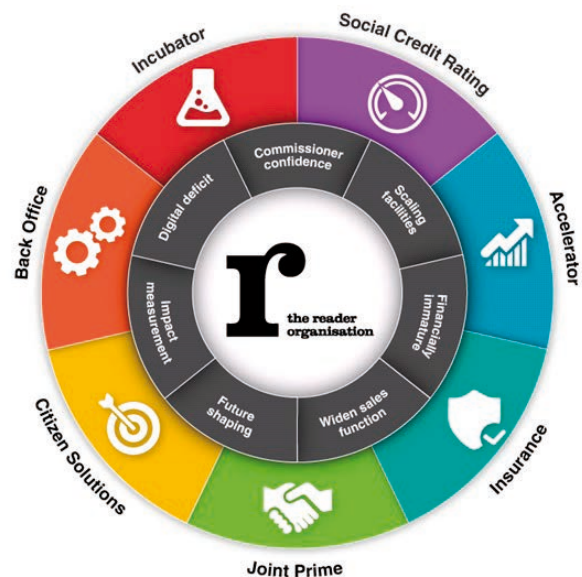
This infographic highlights the needs identified by public sector commissioners for the Public Services Lab

There is frustration with current procurement and delivery models and finance professionals within the team will address these issues and provide upfront resource and investment to support transformation. 'This is a really interesting time,' said Wright. 'People are desperate for new ways of thinking because many local authorities, for example, are salami-slicing their way through their budgets and we are interested in saying: "Actually you don't have to do it like that." It might be you think very imaginatively how you can run your parks, who can run your museums, who can help with managing your libraries, at one end of the equation. And at the other end of the equation you might take it to how do you create the conditions in which children's social care can be delivered differently by making better use of the capability that exists in our communities.'

It is all about changing the thinking. 'I think we have to enthuse public funders,' said Wright, 'responsible for statutory services, that time-honoured ways of doing things are no longer relevant or affordable or, possibly, the best way of doing it. This is a really dynamic environment and we think we should be giving the people, people who are the beneficiaries of services, the opportunity to shape these services themselves by exciting them about the ability to take control of their own services by helping shape what public services look like.' The organisations within the joint venture that makes up the Lab will provide the skill and expertise, and practical financial knowledge. 'We are saying to the community,' said Chris Graham, Chairman of the PSL, "You are allowed to think radically" or "We can imagine things quite differently" and frankly we have got to because the money is disappearing. We've got to find ways of doing better for less, but actually much better, delivering better outcomes, rather than the same old, same old.'

## Breaking out from the compartmentalisation of traditional delivery of public services.

Liverpool is seen as an ideal place to start. 'The test-bed is Liverpool,' said Graham, 'because that's where there is the enthusiasm, the commitment, and also the need. Then we can roll this out over the whole north-west, the whole of the north, and, perhaps even London could benefit.' As a practical example of what could be done Chris Catterall, CEO of the Lab, suggests parks. 'We have something, parks, which are seen as a liability by local authorities. But actually they are things that keep people active, which keep people mentally well. They are things that bring communities together. So I think there is a real opportunity there for the Lab to come in and say: "Reimagine what that is" and show the value that the park provides, and show a financial model that works. And I don't think that financial model is a completely state-funded financial model. I think it is about a mixed financial model. It's about what enterprise we can bring into that space along with potential local authority funding, and also health funding. Parks,' he concludes, 'could be a big space for us initially.' And the revolution within what the partners in the Lab are saying is that they are suggesting a model for local services which could produce real benefits from the change which could be brought about.



The above diagram showcases the type of services the Public Service Lab will offer to support reimagining public service delivery

'You can get benefits from breaking out from the compartmentalisation of traditional delivery of public services,' said Graham. 'Put these things together and you start getting benefits that create huge savings, in terms of impact on the health service, for example. And it is just by being a bit imaginative that we may be able to achieve not just huge benefits but also huge savings.' The optimism from the enthusiasm which stems from the shared expertise of those in the Lab is palpable. And they have a vision of what the landscape will look like after their ideas are taken up. 'It will look like empowered communities taking responsibility for managing their own needs and requirements,' said Wright.