

# revitalise

A briefing on UNISON Scotland's public services campaign  
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UNISON  
Scotland

## Budget for Growth

Despite the constant demands for massive cuts in public spending UNISON's new **Budget for Growth** shows that we can afford to continue to invest in public services. In fact cuts in public spending risk extending and deepening the recession. We must invest to help the economy recover.

The Tories talk as if public debt caused the crisis. It's private corporate debt at almost 300% of national income that pushed this country to

the brink of depression. Britain must tackle falling incomes and rising unemployment. Professor David Blanchflowers, former Bank of England economist, has warned that cuts in public spending could push unemployment to 5million. The current public debt levels are far from unprecedented. It is manageable.

Cuts are a false economy

On average every redundancy creates £16,000 in extra costs to the public sector

92% of the cost of employing a public sector worker is recouped by the state through increased tax revenue and reduced benefit pay-

stop the cuts  
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ments.

### UNISON's budget

UNISON believes that everyone including the super rich should pay their fair share.

£4.7bn could be raised every year by introducing a 50% tax rate on incomes over £100,000.

£14.9bn could be raised every year by introducing minimum tax rates to stop reliefs being used to disproportionately subsidise incomes over £100,000.

Banks must pay back tax payers for the bailouts. Estimates for the bailout costs vary from £20bn to 120bn.

Public sector productivity continues to improve. UNISON believes that the following are ways to further increase productivity.

£1bn could be saved by eradicating healthcare acquired infections from the NHS. Extra cleaners would cost half this.

£3bn would be saved in user fees and interest charges by replacing PFI with conventional public procurement.

£2.8bn could be saved by ending central government use of private consultants.

And of course the £76bn that could be saved over 40 years by cancelling trident.

The **Budget for Growth** can be downloaded from <http://www.unison.org.uk/acrobat/18887.pdf>

### IMF says no to cuts

An IMF report has warned that it is too soon to cut public spending. The report warns that the economy is still very fragile and that "fiscal and monetary stimulus may need to be maintained well into 2010."

The Tories' promised emergency budget to rush in cuts in public spending could, as happened in the past, push the economy into a deeper crisis. The report puts the

UK's budget deficit into context: 70% of countries are now running deficits higher than 3% of GDP. The ratio of debt to GDP in so-called advance economies was projected to rise from 73% in 2007 to 109% in 2014. While this is the highest since the 1950s it reflects the enormity of the damage done to the economy by the unfettered greed of bankers. The IMF warn that "unwinding the vast web of domestic and international crisis financial measures should be

done gradually and cautiously and may take a considerable period of time" band that "an early withdrawal of policy stimulus can be very costly.... the risks associated with an early withdrawal ... seem to outweigh the risks of maintaining it for longer than possible needed." If even a famously "privatisation at any cost" organisation like the IMF is warning against cuts in public spending then it really must be a bad idea.



# Cleaners beat bankers

Hospital cleaners are worth more to society than bankers. In the wake of the financial crisis where greedy bankers brought the world economy to the brink of collapse the **New Economics Foundation** report: *A Bit Rich* compares six professions. The report uses "Social Return on Investment Analysis" to quantify the social environmental and economic values of hospital cleaners, recycling plant and childcare workers and compares that to a city banker, an advertising executive and a tax accountant. At a time when there are constant calls for job cuts in the public sector it's a timely reminder of the real value of the work done by these low paid workers and the harm done by so-called wealth creators.

City bankers earn between £500,000 and £10 million but destroy £7 of social value for every pound in value they generate.

**For every pound a childcare worker earns they generate between £7 and £9.50 worth of benefits to society.**

Advertising executives earn between £50,000 and £12million but destroy £11 of value for every pound in value they generate.

**Hospital cleaners generate £10 in value for every pound they are paid.**

Recently calls for a fairer tax regime in the UK have been shouted down by those who claim that we need the rich and taxing them will make us all poorer as they flee. The report rubbishes this and other myths about the super rich.



## Rich Myth Busters

**The City of London is essential for the UK economy:** best estimates are that it contributes 3 per cent a year in added value, manufacturing's contribution is 12.5 per cent

## We need to pay high salaries to attract and retain talent in the

**UK:** The report shows that high salaries don't necessarily reflect talent. People generally want to live in stable countries with a good infrastructure, quality public services and the rule of law. More equal countries manage to retain plenty of clever talented people.

**Workers in highly paid jobs work harder:** People on low incomes can't pay others

to take on their domestic and caring responsibilities. They are also more likely to have more than one job. People on low incomes work as hard if not harder than high earners.

**The rich contribute more to society:** the rich pay a much smaller proportion of their earnings in tax than the poor. VAT is highly regressive. The rich even give less relatively to charity than those on lower incomes.

This report provides valuable information to support our campaigns for improved wages for low paid workers and the need to tackle high pay as well as low pay. The full report can be downloaded from: <http://www.neweconomics.org>

# Bits and Pieces

## UNISON publications

UNISON has produced a new branch guide to support branches when faced with privatisation. It aims to help counter the lazy assumptions made by those who think that private is more efficient than public particularly round procurement. As employers increasingly look to outsourcing in the mistaken believe that it will save money branches need to be able to make the argument for in house services. UNISON new branch guide *The Case for In-house Services* can be downloaded from. <http://www.unison.org.uk/file/The%20case%20for%20in-house%20services%20-%20a%20branch%20guide.pdf>

UNISON has also produced a guide to political devolution and health services across the UK. The useful guide covers the emerging differences and similarities in health across the UK. The report is available from: <http://www.unison.org.uk/acrobat/18890.pdf>

A report by the New Local Government Network ((NLGN) **We Can Work It Out: Local employment and skills for economic recovery** lays out ways in which local government can lead the way out of recession. In particular the report suggests that focusing on skills training would be the best way to benefit long term employment and economic growth locally.

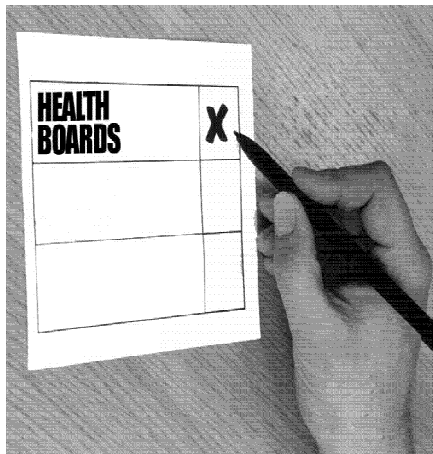
NLGN report argues that for what it calls a "place-based" approach for employment and skills, with greater local economic activism by councils to steer funding towards particular sectors to stimulate new jobs". It recommends that councils should ensure that the training available suits the economic needs of the area. <http://www.nlgn.org.uk/public/2010/we-can-work-it-out-local-employment-and-skills-for-economic-recovery/>



# Health Board Pilots Underway

The NHS Fife and NHS Dumfries and Galloway pilot direct elections to health boards are now underway. The ballot will close on June 9<sup>th</sup>. The election will take place by postal ballot and for the first time 16 and 17 year olds will be able to vote. UNISON has long supported direct elections as a means to increasing democracy and accountability in the health service.

The new boards will then have three types of members: elected, appointed and local authority councillor. When added together the directly elected members and councillors will make up the majority of health board members. The pilot is a victory for a UNISON campaign. The boards will last a minimum of two years and the pilots are being independently evaluated. UNISON hopes this will lead quickly to direct elections to all health boards. As the pilot also allows people aged 16 and 17 to take part this will hopefully boost campaigns to extend the franchise to this age group for all elections.



Despite support in the Parliament for direct elections many are sceptical of moving away from appointed members. Two alternative non-statutory pilots are therefore also taking place in NHS Grampian and Lothian. The aim of these pilots is to improve diversity of board members by enhancing the current appointment system. Members will be appointed to boards from Public Partnership Forums and other methods to improve diversity. UNISON is encouraging members to support the direct elections pilots so the health branches in the areas involved are meeting to discuss how they will encourage members to participate in this exciting development.

Details and deadlines are now available on the two health board websites. The details on the Dumfries and Galloway website show a pilot health board elections timetable of

- 15 / 22 April 2010: Nominations for Candidates open.
- Candidate nomination form should be completed along with a 250 word Candidate Profile Statement.
- Nominations close on 6 May 2010.

A similar timetable is available on the Fife website their elections.

Branches are encouraged to support this exciting opportunity in enhance local democracy.

## Real Efficiency

A joint report for Audit Scotland and the Accounts Commission for Scotland indicate that the public sector in Scotland has exceeded the efficiency targets set by the Scottish Government by more than half.

In 2008/09 the public sector in Scotland reported £839million savings against a target of £534m. The report *Improving Public sector Efficiency* warns that making 2 per cent saving will not be enough to deal with ex-

pected future budget cuts and calls for new approaches to increase efficiency and reduce spending. Another report by the Accounts Commission into local authorities also shows that services are improving.

The report also calls for radical action because of what it calls of the impact of the recession, stating "Councils need to develop a fresh approach to the way in which they prepare budgets and plan services so they are best placed to generate the efficiencies and savings required." Despite the calls for fresh

## revitalize Systems thinking

In the constant steam of attacks on overpaid public sector staff the real hard work they do to improve services is overlooked. Staff led initiatives have though been achieving real improvement in public services. A new book (by John Seddon) giving examples of the use of "systems thinking" in the public sector gives examples of improved services to the public and real cost savings. The theory of systems thinking is that you improve services through listening to users and staff. His first book called for

*Scrapping the myth of choice: people don't want to choose a hospital they just want a good one*

*Scrap targets: they don't work and people spend time trying to massage the targets*

*Scrap the obsession with sharing administrative and back office services in huge call centres: because they don't work half as well as letting workers talk to the public.*

Edinburgh Council: and Glasgow Housing Association (GHA) amongst others have had real success with these methods. GHA has allowed staff to take the lead in designing processes and monitoring of services. They have now reduced rent arrears by 2.4m and halved the time to let houses.

The book is available from Triarchy Press. [http://](http://www.triarchypress.com/pages/Systems_Thinking_Case_Studies.htm)

[www.triarchypress.com/pages/Systems\\_Thinking\\_Case\\_Studies.htm](http://www.triarchypress.com/pages/Systems_Thinking_Case_Studies.htm)

thinking the report suggest more shared services, improved workforce planning, better asset management and procurement. Sound familiar?

The reports can be downloaded from Audit Scotland.

[http://www.audit-scotland.gov.uk/docs/central/2010/nr\\_100225\\_improving\\_efficiency.pdf](http://www.audit-scotland.gov.uk/docs/central/2010/nr_100225_improving_efficiency.pdf)

[http://www.audit-scotland.gov.uk/docs/local/2010/nr\\_100218\\_local\\_authority\\_overview.pdf](http://www.audit-scotland.gov.uk/docs/local/2010/nr_100218_local_authority_overview.pdf)

## Big business group rattled by UNISON video

Well it is clear who the Tax Dodgers Alliance see as their main opponent in their campaign to attack services for the people of the UK – they have been burning the midnight oil over at their plush offices in the right-wing enclave in Tufton Street to cut and paste their lists of so-called ‘non-jobs’ onto UNISON’s video attacking public spending cuts - <http://www.unison.org.uk/million/> .

Utilising the Telegraph blog of Tory MEP Daniel Hannan - the man who recently rubbished the NHS as a ‘60-year mistake’ in America (on Fox news - <http://www.youtube.com/watch?v=FiSPRkq28iU> ) – they have put this video out in the media to claim (as they always do) that there are loads of non-jobs in the public sector.

Their lists of so-called non-jobs are also instructive. Many of them (for all the fancy names) are about dealing with the media. Are they suggesting that the public sector doesn’t have to deal with the misinformation that they and others pump out on a daily basis? Indeed, I notice they themselves have just appointed a ‘New Media

Co-ordinator’. I assume that is someone to co-ordinate, ‘new media’ rather than a ‘new’ co-ordinator of all media. So, assuming that someone deals with the ‘old’ media, that means that they have at least two. Well what is sauce for the goose ...!

Drama therapists? – I think most clinicians know the value of therapy in healthcare – obviously the TPA neither knows nor cares. Green jobs – doesn’t surprise me. What are the TPA’s policies on climate change? Do they accept that carbon emissions are increasing global warming or not? Do they think that the polluters are going to reform themselves without regulation? Most people actually think that the public sector should lead the way in reducing carbon emissions and carry out the function of protecting the environment – who do they think should do it? Exxon?

But the one I am most surprised to notice is the ‘Street Football Co-ordinator’. Maybe they think people have forgotten their most widely dropped clanger – but we haven’t. This post was created by Moray Council in 2006 and – two

years later - the TPA whipped up its usual froth of righteous indignation about it. However Moray Council’s press office (yes that non-job) had other ideas and put the true story out.

The job was in fact part-time, and therefore the cost was half what the TPA – who had only noticed the top-line salary – claimed. It was only part-funded by the council, the rest being paid by the police, by other agencies and by the private sector – the TPA’s chums – who were delighted that the work was taking kids away from vandalism and other anti social behaviour. So much so in fact that the council has been able to secure funding until later this year –from all the original partners. So now we know – if you want increased vandalism, environmental damage, poorer healthcare and authorities who are unable to put their views into the media – lets thank the TPA!

**Chris Barter on the UNISON Blog:** <http://unison-scotland.blogspot.com/>

## Insourcing: best way to improve services!

Councils are increasingly bringing services back in-house. Many of these councils (in England) are controlled by the Tories or “no overall control”. This trend is therefore not driven by ideology but by what an APSE report calls “pragmatic and sound business reasons”

APSE identify four core reasons for this trend.

### Poor performance

### Drive for quality and value for money

### Strategic governance and local policy drive

### Workforce

The key benefits identified are

- **Improved performance and governance**
- **Cost efficiency**
- **Community wellbeing and satisfaction**
- **Local economy**
- **Flexibility and added value**
- **Service integration**
- **Employment considerations**
- **Quality of services.**
- **Sustainability.**

The APSE guide shows clearly that substantial cost savings and in improvements in service delivery can be achieved through insourcing. It



gives many examples which can be used by branches fighting privatisation . This report a useful tool when drawing up alternative plans and campaigning locally.

It is also an excellent time to fight to bring previously outsourced services back in house. **Insourcing: A guide to bringing local authority services back in-house** is available from APSE. <http://www.apse.org.uk/>