

revitalise

A briefing on UNISON Scotland's public services campaign
No 8 Spring 2009

UNISON
Scotland

Public Services vital in a recession

The crisis in the financial system, caused by the greed of a privileged minority, is now impacting on the living standards and future security of millions of ordinary working people. Jobs, homes, savings, pensions and essential public services are all at risk

Unemployment is already at 2 million. This leads to reduced tax revenues and so further reduces the money available for public spending. High unemployment puts pressure on wages. Those in lower paid and insecure employment are most at risk. The asset base of pensions schemes is also under pressure.



Public services are vital at times of recession yet there have been constant right wing attacks since the crisis began.

The promoters of privatisation see no conflict in calling for cuts in public spending while demanding a higher share of public spending to be given to private companies. CBI Scotland are also calling for the

privatisation of Scottish water despite market failures elsewhere.

Public services have a vital role to play in supporting individuals and communities through the crisis. Public services also bolster the economy through creating and maintaining jobs in both sectors through direct employment, procurement of goods and services from the private sector and stabilising the building sector through public infrastructure projects.

The public sector developed in the UK (and internationally) as a response to market failure. Markets could and would not provide the services people want and need. This does not just mean the welfare benefits and services like health and education but the wider range of services we enjoy: parks, museums, galleries, roads and water. Gas, electricity and telephones were all set up as public utilities not because of left wing idealism but because the market could not deliver. Local government came into being to deliver local services because the market and charities could not deliver fairly or efficiently.

The current crisis has been caused by poorly regulated and controlled markets. Those who brought about the crisis cannot be trusted with essential services. Public services need more not less money in a recession. UNISON will continue to argue that now is the time to strengthen services in order to support people through the current recession.



We've been

revitalising
our
public
services

Back the Bill

UNISON has pledged its support for Paul Martin's bill to abolish parking charges in NHS car parks. His bill would apply across the entire Scottish NHS estate, including hospitals such as Ninewells and Glasgow & Edinburgh Royal Infirmarys, which continue to levy charges. Paul Martin said:

"My bill will make it illegal for a health board to levy parking charges on patients, visitors or staff – or anyone who has to visit a site for whatever reason."

"It is an extra hassle that patients and their families do not need at what is already a stressful enough time."



Matt McLaughlin at Glasgow Royal Infirmary

UNISON Regional Organiser Matt McLaughlin said: "We need a comprehensive solution to car parking across the NHS in Scotland. UNISON is backing this bill to ensure that the needs of patients, visitors and staff are met, in Glasgow and across Scotland." Back the bill by signing the online at www.gopetition.com/petitions/parking-at-nhs-sites.html

Driven by Dogma

A UNISON commissioned report by think tank OPM has found that the drive to increase outsourcing in the health service is driven by political will, rather than evidence that it will improve the service.

The report combined an overview into recent research into outsourcing and a large number of interviews, focus groups, etc with a cross section of health professionals from board members to cleaning staff.

The key findings of the report are:

- Those responsible for implementing outsourcing policy see it as being driven by political will rather than evidence based practice. This is often the only change option available to those looking to make service improvements.
- while there is hard evidence of where outsourcing has had a negative impact there is little available of where it has had a positive impact on value for money or quality of care
- where improvements were identified through outsourcing, it was often felt that these could have been de-

livered through investment in public provision.

- outsourcing is often seen by staff to be the cause of downward pressure on their



terms and conditions and having a negative impact on the public service ethos

- scrutineers such as patients' groups and scrutiny committee members see outsourcing as a challenge to lines of accountability.

The full report is available from the UNISON national website.

<http://www.unison.org.uk/acrobat/B4360.pdf>

Lone Star State

It is no surprise that Texan politicians have privatised public services. The state has been a pioneer in this area. Sadly politicians have not bothered to set up any system to monitor how effective this has been.

In Texas private companies maintain states roads, operate its parks, oversee prisons, sign up welfare recipients and develop IT systems on the basis that this will save money and be more efficient than direct delivery by the state. Recently the Austin American Statesman newspaper began to ask a few questions

- How much money has outsourcing saved Texans?
- How much work is now done in the private sector?

The answer was "nobody knows".

When asked for detailed analysis of outsourcing projects only one was cited by the state auditor. Contracting out health department HR was supposed to save \$21.7million but saved nothing. No doubt some services are now being delivered for less but there is also little indication of monitoring of levels of service. Mike Gross, of the Texas State Employees Union said "There seems to be an almost ideologically driven, long term movement to reduce the size of government and transfer work to private contractors in the face of failure after failure".

Shared Services "worst case"

Another shared services scheme has run into trouble costing rather than saving money. The Public Accounts Committee has called the Department for Transport's (DfT) shared services project "one of the worst cases of project management". Yet again promised savings have failed to appear in the real world. The projected savings were £57m. In reality costs rose by £81 million. The DfT plan was for

shared IT system for it and its seven agencies. The system was rushed through apparently without proper testing and it "likes" to randomly issue its messages in German. Although meant to be up and running last year only the central department and two agencies are using it. The system purchased has yet again not lived up to the sales pitch. Shared services will bring no quick savings for the public sector.



The Real Money Wasters

Audit Scotland has published a report into the use of consultants saying that the government wastes millions of pounds every year. The Auditor General, Robert Black, said there was no clear strategy and better management of consultants would save money. UNISON Scotland has been concerned about the use of private consultants in the public sector for some time. In particular information on what they do and what they cost is very hard to find. A previous Freedom of Information (FOI) request about the cost of consultants was refused on the grounds that the accounting system used did not differentiate between the work that companies do. It was not therefore possible to say what work was done in relation to bills. For example a company may have been employed to do an independent audit or a review of how a department was organised but this would not be identifiable in the records.

UNISON was also unable to find out about the use of consultants at the *Improvement Service* as they are exempt from FOIs. UNISON's concern about

the use of consultants goes beyond the costs, although this is also important. As the Auditor General's report states: Staff are not getting the training and experience they need to continue to deliver improvements in the public sector if consultants are used extensively."

Consultants take the knowledge and experi-

ence away to sell to another customer while staff would keep this valuable resource in house and freely available to other public sector bodies. Finally the failure of many shared services projects to deliver on promised savings shows that the public sector is more complex than the private. It therefore needs different solutions. Consultants are selling a product and a more questioning approach to the products they offer is required. Their advice is not independent they are often sales people. The report should lead to improved information about the use of consultants that UNISON will continue to monitor closely.



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Other
The TaxPayers' Alliance

"Fairer taxes not lower taxes"

In response to the calls for cuts in public spending the **Other Tax Payers Alliance** have been using Facebook to challenge some of the right-wing propaganda. Groups like the *Tax Payers Alliance* and *Reform* have wasted no time in calling for cuts in public spending as a response to the current economic crisis. Of course they want private businesses to have more access to our money. The *Tax Payers Alliance* claims to represent taxpayers and watch out for waste but is in fact a rightwing lobby group.

The Other Taxpayers Alliance provides an alternative view for those who recognise the value of public services and the importance of protecting them. Moray Council is also fighting back. The recently published annual "non-jobs" report where so called *Tax-payers Alliance* pick job adverts from the newspapers and say what a waste of money the jobs are. Moray fought back defending the decision to employ a street football coordinator. The Alliance claimed "kids don't need a council officer to set up jumpers for goal-posts". Moray pointed out that the project, supported by both private and public money has led to a marked reduction in anti-social behaviour.

Their latest attack was taken up by the Daily Mail who state with horror that the public sector workers are earning £62 per week more than the private. This really reflects the fact that many private sector jobs are poorly paid and non unionised, often cleaning and care work previously done in the public sector. The jobs left in the public sector are much more likely to be skilled and so higher paid. Polly Toynbee wrote a detailed response in the Guardian on February 10th <http://www.guardian.co.uk/commentisfree/2009/feb/10/taxpayers-alliance-public-sector>

Local Government Reorganisation ?

The Herald started the New Year with a range of articles on local government in Scotland. They rehashed the tired old arguments about too big a public sector, the private sector's efficiency and the need for change in difficult times. They even raised the idea of elected mayors for less but bigger councils.

The week of reports also highlighted eight Scottish councils beginning "unprecedented talks" over sharing services across their borders. The councils; Glasgow, East and West Dunbartonshire, East Renfrewshire, Inverclyde and North and South Lanarkshire, are apparently working together in the face of a savings target of £500m. Shared services are seen as the key to achieving the target. It seems the shared services sales team just keep on pushing. As the credit crunch hits private sector



plans the public sector is getting the full pitch. In the real world moves towards shared services in local government continue to break down as the real barriers to delivery become obvious. There is very little evidence that shared services will be able to provide the savings promised by the firms selling the IT systems. The limited evidence available indicates that

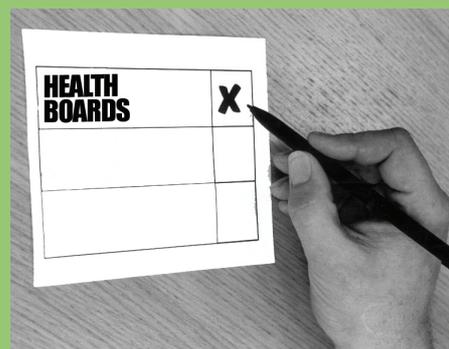
in the few projects where savings have been achieved they took five years to be realised. Councils also have to meet local demands for services and be accountable locally for delivery, they don't want to be accountable for a system they cannot manage. Inverclyde, West Dunbartonshire and Perth and Kinross started work on a combined IT project for payroll and HR but disagreements dogged the project almost from the start. Because of their differing needs, they could not agree on what requirements to place in any tender. Shared services will not help local government achieve efficiency savings in the lifetime of this parliament. A costly and disruptive reorganisation in the middle of a recession will be a diversion away from the delivery of services which are vital in this difficult time.

Direct Elections to Health Boards

Directly elected health board pilots are a stage closer. The bill passed stage two in the Scottish parliament in February. It now goes forward to the amendment stage before going back to the parliament for its final approval. Although this is a Scottish Government Bill, directly elected health boards is also Labour Party policy. A direct elections pilot was promised in the 2007 Election Manifesto. UNISON supports the Bill's principles and will continue to lobby for our ideas during stage three.

Democratic structures create public bodies that are more open and transparent in their dealing with the public. Scottish health boards are responsible for spending around £8bn of public money and local democratic accountability is essential for expenditure of this level. UNISON believes this Bill also provides an excellent opportunity to encourage active participation from patients and the community. There is a general perception that health consultations

are a cover for decisions that have already been made and that local views are not taken into account.



Responses to the consultation on this Bill and the earlier non-executive Bill indicated widespread support for this approach from patient groups in particular. It also offers routes for a better understanding of healthcare provision amongst the public. The recent community anger and campaigns around changes to health service provision show clearly that the current process is not working and that there is real interest in health issues locally. Of course democracy costs,

but the costs are small in the context of the sums of money spent by health boards. If this was a criterion then we would replace councils with regional governors. Directly elected members complement other public engagement initiatives, they do not replace them. What they should do is assist in changing the culture so that meaningful public engagement becomes the norm.

Opposition to the Bill in the main comes from the health establishment that believes health is too complex for mere mortals to comprehend. This reflects the 'we know best' top down health management culture that needs to be changed. UNISON believes that the current Bill has some failings. In particular we would not count councillors as part of the directly elected majority because their primary focus is representing the council. We would also end votes for paid health managers on health boards. We will continue to campaign for these changes.