The cuts don’t work

The impact of ‘austerity’ cuts on Scotland’s public services

June 2014
In real terms, Scotland’s budget is being slashed by:

£6 billion

60% of cuts have still to come

50,000 Public service jobs have already been lost across Scotland

60,000 Further public services jobs are expected to go

Just some of the services affected across Scotland:

- Libraries
- Police
- Home care
- Health
- Social work
- Food safety
- Further education
- Voluntary sector

Lilian Macer, UNISON’s Scottish Convener

“It’s impossible to take this level of funding and staffing out of public services without serious problems arising over time. And most of the cuts are still to come. It’s a major assault on services everybody relies on.

“Some problems may become visible suddenly and dramatically if something goes wrong, for example in food safety, or hospital cleaning where lives can be put at risk.

“Others may not be noticed in headline news, but are also deeply damaging to the people affected, their families and communities.

“It could be local libraries closing, or the rushed - and very impersonal – 15 minute care visits your grandmother gets, or children whose lives could have been helped and turned around with proper social work support and intervention. Then there is the isolation of people who relied on day care centres that have closed down.

“And there are too many false economies where preventive spending now, for example on a range of early years initiatives, or on reducing obesity, or keeping schools and hospitals properly maintained is judged unaffordable, yet stacks up problems for the future.”
This report shows the impact of ‘austerity’ spending cuts on NHS, council and other vital services across Scotland, and highlights examples of what it means for public services.

UNISON, along with the STUC and others, has argued strongly against the UK Conservative Lib Dem Coalition Government’s massive austerity cuts. These are driven by ideology – to slash public spending - not by genuine economic need.

The cuts are affecting everyone in Scotland, but particularly the most vulnerable, as services are cut back, jobs go, pay is cut, living standards fall, and key welfare safety nets come under increasing attack. On top of cuts to devolved spending, £6 billion is being axed from welfare, of which £1 billion relates directly to children.

Although Scotland’s overall budget from Westminster has gone down dramatically, UNISON believes that subsequent choices made by the Scottish Government, councils and other public sector employers have in some cases made the impact worse. Worse for the general public, due to poorer services, and worse for the staff working hard to care for sick and elderly people, to make food safety checks, to protect children and keep schools and hospitals clean while pressures on them mount.

One example is the council tax freeze, which has cost more than £2.5 billion. However, good work has been done on the Living Wage. This is widely supported by Scotland’s public sector, helping many thousands of low paid workers. More need it and a big next target is using procurement to bring it in throughout social care.

We know that 60% of the total revenue cuts are still to come, with the deepest cut in 2016-18. This is exacerbated by a shift from revenue to capital spending and even that is understated because of ongoing and newer payments for expensive PPP/PFI projects eating into health, local government and other budgets. Since 2010, contracts for £1.7 billion PPP projects have been agreed using revenue-financed methods. A further £1.7 billion are planned.

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#### Exhibit 1
The Scottish Government DEL budget 2007/08 to 2015/16 (real terms at 2013/14 prices)

![Graph showing the DEL budget from 2007/08 to 2015/16](image)

**Source:** Audit Scotland

### The facts:

- **cuts to jobs and services make no economic sense. It is a false economy and works against the Scottish Government’s commitment to preventative spending**

- Cuts are putting pressure on overworked, underpaid staff across Scotland including in hospitals, schools, police support staff, colleges and the voluntary sector. Services are being hit by direct cuts and by the impact of massive job losses.

- Fair pay and quality employment helps local economies. UNISON believes there is a better way. Through our Public Works and Worth It campaigns we promote decent jobs, quality services, fair taxation and fair pay and the Living Wage.

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Scotland's budget

Scotland's budget has been cut by 9% in real terms since 2009/10, falling from £31.9 billion to £28.9 billion in 2014/15. This Departmental Expenditure Limit (DEL) budget covers day to day spending, and Audit Scotland says it could fall to £25.6 billion by 2018/19.

The two biggest spending areas are health and local government. The health budget was protected, but next year, 2015/16, the health DEL budget will be cut by £73 million (1%). Area health board budgets are increasing by 1%, while special health boards are cut by 1% and central spending is cut by 3%.

The local government DEL budget will drop by 3%, from £7.7 billion to £7.5 billion.

Those reductions come on top of six years of cuts and ‘efficiency savings’. There are immense financial pressures now in both health and local government and both are currently implementing health and social care integration.

Health

The health budget was supposedly protected, but this made no allowance for health inflation being higher than general inflation, including costs of drugs, equipment etc. And the total health budget is forecast to go down by 1.6% in real terms in the next three years (a rise of 0.6% in the revenue budget, but a 61% cut in the capital budget). The ageing population, rise in obesity and an £858 million maintenance backlog in NHS properties all pile pressure on. Health boards have been making 3% efficiency savings each year, but these become increasingly difficult to achieve and cannot be made indefinitely.

Local government

Local government has borne the brunt of the cuts and is the only Scottish Government budget that has had a cash cut. More than 80% of council funding comes from the Scottish Government, which makes the continuing council tax freeze unsustainable. Although not fully funded, the freeze has so far cost more than £2.5 billion.

Welcome decisions such as free school meals for P1-P3 and expanded childcare should be fully funded, but councils warn they may not be. So far cuts have involved mainly salami slicing but bigger direct cuts into services seem inevitable in future. As do ongoing rises in charges, which hit the poorest hardest.

The only area of income that councils can now control is service charges. Income from charges has gone from approximately £750 million to over £1.25 billion. This is equivalent to more than half of their income from council tax charges. Added pressures come from the ageing population, the maintenance and repair backlog, particularly on the roads, and rising energy and fuel costs.

The Joseph Rowntree Foundation (JRF) found that cuts hit poorest areas hardest. It estimated that councils in the most deprived areas cut spending between 2010 and 2013 by £90 per head more than the most affluent councils. The cuts in spending power and budgeted spend are systematically greater in more deprived local authorities, mainly because these councils are more grant dependent. West of Scotland councils suffer more than those from the East. JRF also warned that councils are experiencing increased demand for services “as a direct consequence of the austerity measures”, with increased social risks including higher drug and alcohol abuse, deteriorating domestic situations and increased unemployment and debt. They will also be hardest hit by the loss of £1.6 billion annually from the Scottish economy due to welfare reform.

Fact:

- Cuts are hitting the poorest areas hardest. Spending in the most deprived areas has been cut by £90 per head more than in the most affluent councils
The overall public sector workforce in Scotland has gone down by nearly 50,000 since the financial crash, 4,400 in the last year. Based on OBR and IFS forecasts, another 60,000 jobs could go in the next five years.

This affects services in numerous ways, with fewer people to do the work, and often less experienced people, as it is those with expertise and long service who are taking voluntary redundancy/early retirement. Also, as councils are not recruiting new staff, younger people are not able to join the workforce. These two effects combine to create an ageing workforce with a growing proportion of staff in their 50s and the proportion of young workers in the workforce falling by 25%. Long hours and unpaid overtime, send stress levels soaring which hits sickness levels which puts more pressure on.

Other workforce pressures include reductions in administrative, clerical and other employees, often a very false economy as more senior, higher-paid staff then spend more of their own time doing the same work inexpertly, as has been seen with the cuts to police support staff and in many other areas.

**Additional pressures on public services**

**Service demands**
- Ageing population
- Obesity
- Impact of welfare reforms
- All means pressure on health, social care, advice services, affordable housing

**Workforce bear brunt**
- Ageing workforce, big fall in younger staff
- Fewer experienced staff
- Pay freezes and squeezes
- Long hours, unpaid overtime, stress = sickness up = more pressure

**Financial**
- Health inflation high
- Maintenance backlog – e.g. buildings/roads
- Council tax freeze
- Rising energy & fuel costs
- Costs of redundancies
- Short-term false economies, not preventive spend
- Old and new PPP/PFI/NPD payments pressures on revenue budgets

**Services struggling**
- Salami slicing (hard decisions still to come)
- Loss of experience/expertise
- Can’t keep doing more with fewer staff
- Backfilling, staff doing jobs of those who’ve left
- Poorest areas hit hardest
- Risk of reducing to only statutory minimum services, loss of discretionary, often preventive services
- Rising charges puts pressure on poorest users = more demand
A UNISON survey found that 63% of social workers felt their work and ability to make a difference was affected by cuts and nearly half (48%) left work on the survey day with serious concerns about cases.

“If I was given the time and energy to apply to the families that I work with I could change their lives forever but currently we stick plasters on wounds that need stitches.”

Social worker

On pay, while prices have gone up by 14% over four years, most public sector workers had to endure a pay freeze, an effective pay cut – a £1600 a year fall in real wages since 2010. At the same time the 1,000 richest people got £183 billion richer. They could pay off the UK deficit three times over.

“I earn under £10K - I have to choose between heating and eating. I deliver vital services to elderly people in my community making sure they are well fed and help with their personal care - my service users would agree I’m Worth It!”

Home carer

Audit Scotland warned last year about the dangers of loss of professional trading standards and food safety expertise in councils, saying that at a time of economic hardship, consumers most need protection and help but there is a worrying longer term threat to services. “(Cuts) left nearly half of councils with so few trading standards staff that they may not be able to provide an acceptable level of service. Food safety has not lost so many jobs, but both services are concerned about loss of expertise and lack of trainee posts.”

A recent survey of staff, mainly women on lower pay grades, working in the NHS in one of Scotland’s cities found that 48% were experiencing ‘in-work poverty’, compared to 28% for the Scottish population.

Local economies get a boost thanks to fair pay and a Living Wage because workers spend much of it in their own communities.

“We have not had a decent pay rise for years and inflation is still more than our pay rise and we now have to pay more towards our pension.”

Nurse, Highlands

Local government worker

Due to the rise in gas and electricity, public transport, shopping bills, and general living costs I no longer get the chance to socialise with friends as often as I would like. I have a night out if I’m lucky once a month. I cant afford to buy myself new clothes or any haircuts as I’m scraping together money to pay my bills.”

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Pressures on services as jobs and pay are cut
Where are the jobs being lost?

Local government has had the biggest job losses, with 39,300 jobs going since the 2007 high point. This includes 9,600 of staff transfers – to arms lengths organisations, or the NHS in Highland. Last year, after discounting police and fire transfers when both became single services, 2,800 posts were lost, leaving 246,100 people working for councils.

Councils are planning to cut staff by about another three per cent, the equivalent of 3,700 full time posts, in the next two years.

A total of 2,400 NHS posts have gone since the health service high point of 159,800 in 2009, with variations over the years including a rise in NHS staff last year, from 2,100 to 157,400. The 2,400 fall is in fact closer to 4,000 when staff transfers are accounted for. The NHS is planning a 0.3% increase in staff in the next two years.

The Scottish Government and other central government bodies, including non-departmental public bodies, have reduced their workforces by 2,100.

Ageing workforce

Cuts have led to an ageing workforce and figures reveal the number of young workers has fallen by a quarter. We are seeing an ageing workforce with nearly 40 per cent retiring in the next 10-15 years, leading to serious skills shortages. Better workplace planning at both Scottish and local level can help, but it’s only a sticking plaster on the gaping holes that are developing in service provision.
These are a few examples to show how the cuts are impacting on local government, health, colleges, the new single police force and in the community and voluntary sector. Often cuts in one service can have a knock-on effect on others. One example is so-called bed-blocking, where not having enough care home beds available leaves patients who should be discharged stuck in hospital, putting hospital services under needless pressure. Police cuts have seen councils left to take on some responsibilities, e.g. traffic wardens and some road safety work. And the voluntary sector can be hit hard where councils look for savings in contract costs or by cutting grants. As councils put charges up due to the council tax freeze, these affect the poorest families most, but services they rely on run by the council or local voluntary organisations may also be disappearing. Charges may seem small but they build up on essential services which some families use as often as daily. It’s much fairer for everyone to pay a small amount extra in tax, than have big increases in charges.

**Local government**

**A snapshot of Scotland’s cuts**

- Glasgow City Council is cutting £21m this year, following on from £130m of cuts between 2010 and 2013/14. Another £100m of savings are forecast for 2015/18. Around 300 jobs are going this year and 250 clerical jobs by 2018. 3,500 have gone since 2010.

- Glasgow is also closing 3 of 7 learning disability centres, with the number of spaces for users down from 500 to 150. Personalisation cuts affecting disabled people total £15M over three years (nearly 20% of that budget).

- Inverclyde Council: is outsourcing more home care, reducing council provision from 75% to 60%.

- North Ayrshire Council cuts of £19m over 3 years. Proposals include a threat to speech and language therapy services.

- Stirling Council is closing nursing homes, reducing school patrol crossings and reviewing library provision.

- Moray Council has closed four libraries despite UK-wide outrage at their initial plans to close seven libraries.

- South Ayrshire Council has closed 10 school kitchens, alongside a 25% cut in purchased care to save £1m.

- Edinburgh City Council is cutting £35m this year, with £327m and 1,000 jobs to go by 2018. UNISON’s City of Edinburgh branch successfully fought off privatisations with Our City’s Not for Sale campaign.

- Food sampling by councils is down by more than half in the last ten years. Environmental health officers jobs cut.

- Spending on school education fell by 5% in real terms from 2010-11 to 2012-13, down to £3.8 billion, largely through employing fewer staff. Audit Scotland warned that councils “need to be alert to the potential impact of increased workloads on remaining staff.”

- Costs for burials and cremations across Scotland have soared in the last seven years with some councils seeing a rise of more than 50 per cent.

- North Lanarkshire Council approved cuts for 2015-16 of £62.4m. The next two years will see a projected £70m of cuts, leading to a loss of nearly 1,400 posts this year and next.
“Libraries are about more than just books. They play a key role but the service has never been under more pressure. Our council has cut mobile libraries and reduced hours in most libraries. When so many people are struggling financially, it’s just wrong to make it harder to access libraries where they can get books, entertainment, education, information and use of computers and the internet.”

Librarian

“Qualified EHOs in my council are now doing ALL their own admin work due to reduction in admin/clerical staff. This has reduced ability to do the job by 30-40%.”

Environmental health officer

“Reduce the tasks - e.g. instead of a full body wash top and tail. Cut down on recording notes. Don’t take time to speak to client.”

Home carer

“All my utilities keep going up but my wages haven’t, leaving less to spend on food but prices in the supermarket are increasing too. I dread interest rates going up, as they eventually will, as that will put more pressure on when my mortgage goes up.”

Local government worker

“Rush rush rush, I think they forget we are dealing with human beings, old ones at that.”

Home carer
The health budget was supposedly protected, but this made no allowance for health inflation being higher than general inflation and services are being squeezed as a result.

**Bed blocking:** While the very long waits for patient discharge have largely gone, 837 patients are still in Scottish hospitals who should not be. That’s the equivalent of the Southern General Hospital.

An OECD report found that Scotland is losing more hospital beds each year than most developing western countries.

**Stressed workforce:** NHS Scotland Staff Survey 2013, only 31% agreed “there are enough staff for me to do my job properly”. Only 42% said “I can meet all the conflicting demands on my time at work”.

Figures earlier this year showed that in Tayside 24.5% of all NHS sick days were stress related, with 16 per cent in Fife and 14 per cent in Lanarkshire.

The number of patients waiting more than the four hours waiting time standard in A&E nearly trebled from about 36,000 in 2008-09 to around 104,000 in 2012-13. 8,300 waited more than four hours in Dec 2013, up from 3,659 in Dec 2009. Performance has improved in last 12 months, with 93.5% seen within four hours in Dec 2013.

Head of NHS Scotland, Paul Gray, admitted concerns in June 2014 about patients recently being diverted to other hospitals due to overwhelmed A&E departments, including Glasgow’s Victoria Infirmary and Hairmyres in East Kilbride. In Aberdeen consultants warned about unsafe care due to a shortage of senior A&E doctors, and in the Highlands a shortage of out-of-hours GP cover has recently put pressure on ambulances - already hit with a high rate of vacancies - and on A&E.

A damning 2014 Mental Welfare Commission for Scotland report said too many people with dementia were not receiving care which met acceptable standards.
Where are the cuts hitting? - examples from across Scotland

Findings of the Dec 2013 Rapid Review of the Safety and Quality of Care for Acute Adult Patients in NHS Lanarkshire (which was looking into above average mortality rates) included noting that instances where patients and their families had experienced poor quality care were at times “due to inadequate staffing levels and poor working conditions.”

The cost of clinical negligence cases in NHS Scotland has doubled in six years to £36m.

A report by Healthcare Improvement Scotland found people needing specialist pain psychology services in the NHS Borders area had to wait up to two years.

“Growing workloads are a real problem. We often have to work through breaks, or work late, just to do the job properly and deliver the right level of care. We do it because we have a conscience, but it causes stress and affects your personal life.”

Community midwife, West of Scotland

“We are lucky to have a highly committed workforce which strives to provide high quality care for patients. However, in recent years a variety of pressures have built up in our hospitals which are now seriously impacting upon our ability to deliver the quality of care that patients require and should expect. Reductions in the numbers of acute beds while medical admissions have continued to rise, in parallel with workforce shortages, have placed almost intolerable pressure on our doctors and nurses.”

Dr Neil Dewhurst, outgoing President of the Royal College of Physicians of Edinburgh, Feb 2014

“Our workload has increased and staff numbers have gone down. There are constant shortages of wheelchairs. A lot of equipment like wheelchairs is faulty and not being maintained or replaced.”

Hospital porter, Central Scotland
Colleges

Proportionately colleges have taken the biggest job loss, losing 3,600 jobs from their high point of 17,100, to 13,500 this year, including 700 last year. The graph shows that the number of part-time students fell dramatically between 2006-7 and 2011-12. Regionalisation, aimed at saving £50m annually from 2015-16, led to college mergers, many courses being cut, a focus on longer courses and complaints that it will be much harder for people from under-represented socio-economic groups to access further (and from it higher) education.

Exhibit 9
Students attending Scotland's colleges, 2006-07 to 2011-12
In recent years, the number of part-time students has decreased while the number of full-time students has increased.

Police

Scotland’s eight police forces merged into a single service, Police Scotland, last year. The centralisation has seen 800 police support staff lose their jobs since April 2013, with a similar number under threat in the next two years, as the service seeks to make promised savings of £1.1billion. This is on top of 1,000 plus jobs gone since 2009.

We are also seeing predicted concerns about the loss of local policing priorities, with police station public counter closures and expertise and local knowledge in areas like control rooms being lost as some are closed down. Road safety officers work was passed to local authorities on merger.

Shockingly poor financial planning, overstated savings plans and a political commitment to maintaining police officer numbers at the arbitrary figure of 17,234 mean that massive cuts are falling on police support staff. Yet like so many other so-called financial savings as part of the cuts, police officers are being used to backfill posts - that they are untrained to do and at greater expense - taking them off the streets.

UNISON’s concerns about this were vindicated in a Scottish Parliament Public Audit Committee report in May which highlighted a range of criticisms and noted that the Scottish Government hasn’t yet decided whether to fund the merger’s extra £22m annual VAT costs.

“This was a badly planned and rushed centralisation of a vital public service, with flawed legislation and a confused governance structure. The estimated savings were optimistic and more importantly, not worked up in sufficient detail. Add to all that political targets on police officer numbers that makes a nonsense of the statutory duty of Best Value.

“Huge challenges remain, but even at this stage it would help if the Scottish Government stopped its political interference and allowed Police Scotland to adopt a balanced workforce.”

Dave Watson,
UNISON Scotland Head of Bargaining and Campaigns
Community and voluntary sector

Some of the worst impacts of austerity affect the community and voluntary sector, where many staff working with children, people with learning disabilities and other vulnerable groups have been facing cuts to pay and conditions, zero hours contracts, and fears that if they raise concerns, whether about care quality, health and safety or pay levels, they won’t be given more work.

“There is a lot more additional stress on our service users. We carry out harm reduction and counselling with people who have drug issues and they are often a lot more anxious and stressed out due to threats of cuts to their benefits, this could lead to them using drugs again as a way of self-medicating.”

Community worker

Meanwhile service users have care packages reduced, when these should be person centred and not about cutting budgets. They also face isolation as services are cut back and staff have less time to spend with them.

“It’s getting worse. I don’t know where it’s going to end, no one cares about the patient or client anymore.”

Carer

Current examples of cuts include 96 job losses among three employers; Quarriers are closing Seafield School with the loss of 69 staff, and Capability Scotland closing Wishaw day service, losing 13. Enable Scotland is making 14 people redundant.

However, there have been some successes in defending conditions or even improving them with the Living Wage.

UNISON worked with other unions to negotiate for Capability Scotland to pay the Living Wage, benefitting more than 400 staff, with some receiving a 14% pay rise.

All charities should look at what they pay care workers if they are serious about quality and continuity of care. Social care staff should not be financially exploited for their dedication to the people they look after.

“I’ve been a carer for 16 and a half years, so I am old school, I spend time with my clients, and therefore if I am over my time I am over. These are people who rely on you, not just in and out. Have a couple of minutes for a wee chat, it makes their day, not to get rushed about in the morning or evening.”

Home carer

UNISON campaigns to protect public services and for fair pay including a Living Wage. These examples show the damage cuts do to local communities, local economies and the fabric of our society. They are the result of decisions and choices made at every level of Government; local, Scottish and UK. We can afford public services. Cuts are neither necessary nor inevitable and UNISON will continue to campaign for the properly funded and accountable public services our society needs.

Further reading:

- http://publicworksscotland.blogspot.co.uk
- http://unison-scotland.blogspot.co.uk

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