

## Local Choices

**C**OSLA's [Commission on Local Democracy](#) is seeking the views of people across Scotland on the future of local services and decision making. Local Government faces considerable challenges: demographic change, ageing infrastructure and climate change in a period of substantial budget cuts. UNISON is collating a response to ensure that members' voices are heard by the commission

UNISON believes that the public sector provides a means to deliver services cost effectively and to allow citizens to participate in decision making and to engage with each other. Services must be designed through democratic processes to ensure that they meet the needs of all citizens not just those with the most money or power. UNISON supported devolution in order to bring decision making closer to ordinary people to make it easier for them to influence the decisions. This requires more than the devolution more powers to the Scottish Parliament; the parliament needs to devolve power further into communities. So far there is little evidence of this happening.

The moves to national police and fire services will do nothing to give ordinary people influence over these essential services. The commitment to teacher numbers tied to council tax freeze subsidy (and formerly police numbers) as well as the freeze itself mean that power is flowing away from communities. UNISON was opposed to the current 32 authority system being set up but has generally been opposed to further reorganisation because of the disruption and cost that this involves. Big reorganisations tend to focus on structures not democracy and organisations spend time not on what users want but instead inwardly focus on themselves. The questions should be how do we drive change to make services responsive to citizens and does this require better ways of making the current structure work or do the structures need to change?



These are not just issues in Scotland, across the developed world public services are facing the same demographic, climate and modernisation challenges. Most are also implementing substantial budget cuts in response to the economic crisis caused by casino banks.

Ireland is a prime example. Recently their government decided to move forward with a plan to radically reduce the number of councils. The Putting People First plan is to reduce the number of councils from 114 to 31. This will involve abolishing town councils and mergers in other areas. Irish local government has faced massive budget cuts and the government has now decided that the economies of scale provided by larger authorities outweigh the advantages of local decision making. This will make Ireland more like Scotland with a single tier of local government.

Ireland was one of the examples used by those arguing for more local decision making. Changes to health delivery in Nordic countries highlighted in the last Futures show that those who favour economies of scale over localised decision making seem to be increasingly gaining ground. We need to argue against this to improve local democratic control of services. The submission will be available on the UNISON Scotland website on December 20th.

### Three things to do today:

- [Catch up on the new census report](#)
- [Read about Scotland's taxation choices](#)
- [Ask a friend to join](#)

## Union Power

A new [IPPR](#) report indicates that unions are most effective at protecting workers where they try to influence economic and social policy. The report- which compares trade union structures in Australia, Canada, Germany, and the UK, among others- suggests there is evidence that the "egalitarian effect" of unions is best felt when their power is based on "strong political influence".

The paper highlights Germany as a country where the power of trade unions is drawn from their ability to mobilise workers within firms. In the absence of a wider political strategy this situation runs the risk of creating what the report refers to as a "two-tiered workforce" where unionised workers enjoy good conditions and pay while non-unionised workers remain unprotected. Where the participation of trade unions in decision making is better institutionalised at the political level, as in many Scandinavian countries, the report argues that more inclusive negotiating strategies are adopted which improve conditions for the workforce as a whole, regardless of union membership.

The report- which is largely focused on models of profit-sharing within companies- makes interesting reading for those who are concerned with the relationship between union activism and politics at large.

# Cowboys' Charter

The Regulatory Reform Bill moved on to the committee stage on December 4th. The main provisions of the Bill are based on the false premise that regulation somehow damages growth. Rather than improved regulation the proposed bill could damage good regulation.



UNISON's [evidence](#) to the Scottish Parliament's Economy Committee on the Bill gives more detail on our concerns

The Bill gives ministers powers to introduce national regulation systems and places a duty on listed regulators to exercise functions in a way that contributes to "achieving sustainable economic growth". There are a range of environmental regulatory changes largely affecting SEPA and powers for ministers to interfere in local planning administration through a performance management framework. The Bill, if passed as is, will add to the current government's growing centralising of services.

Regulations don't just protect the public they protect other businesses as well. Companies who don't follow the rules can offer a cheaper and/or faster service. This makes it difficult for those who do the right thing to compete. Fly-tippers can charge a lot less than those who pay to have their waste disposed of properly. This drives down profit margins and increases costs for taxpayers who have to pay to have the mess cleaned up.

The proposed duty on regulators to contribute towards achieving sustainable economic growth is ill defined and could confuse the role of regulators to keep us safe. It is also likely to encourage legal challenges that will be another burden on hard pressed staff. The Scottish Government's aim to make Scotland "healthier" and "safer and stronger" should be the aims for a Bill claiming to improve regulation. - accidents or ill-health caused by poor food hygiene, substandard housing and accidents at work are a greater burden on our economy than adhering to regulations.

The Scottish Government is also proposing to take major powers of direction that could further undermine local democracy. UNISON has on occasion been critical of local authorities for reinventing the wheel, when some strong guidance from CoSLA would have ensured greater consistency, without undermining genuine local responses. However, the solution is better coordination and best practice guidelines, rather than imposition from government.

## Companies who don't follow the rules offer a cheaper and or faster service. This makes it difficult for those businesses who do the right thing

The greatest interference in local democracy are the proposals to link planning fees to performance. The irony of Scottish ministers promoting a Blairite top down performance management framework is remarkable. All the evidence shows that other services suffer. For example, planning applications close to target dates, that could be dealt with by some discussion with the applicant, will instead be rejected and have to be resubmitted. Target met, but everyone unhappy. System thinkers have been highlighting this for a decade or more

The primary purpose of regulation is to ensure that Scotland is a safe place to live and work. It is the job of our members to ensure that, not to juggle that role with an ill defined responsibility for economic growth. The key provisions of this Bill are unnecessary and reflect the increasing centralisation of powers away from democratic local government.

## Just the Facts

The latest data from the 2011 Census is now available. The [report](#) focuses on education and the labour market in Scotland. While some argue that there are more up to date statistics, the point about the census is that everyone is surveyed at the same time. The breadth of data and the ability to cross reference each question to the other questions means there is no better source for information on Scotland's people and their lives. **Key findings:**

A massive 27% of people living in Scotland have no qualifications, 1% more than the proportion that has degrees or equivalent. Another reason not to cut further education budgets.

**Gender segregation in the workplace continues with women making up the vast majority of workers in caring, leisure and administrative and secretarial jobs which has a real impact on their pay**

While more people are working, partly because there are more people, there is also a growth in part-time workers: 530,000 people now work part-time. Almost five times more women than men work part-time.

**Qualifications, Economic activity, hours worked, unemployment, industry and occupation socio-economic classification (class) are all broken down by gender, age and local authority area. All really useful information for local campaigning.**

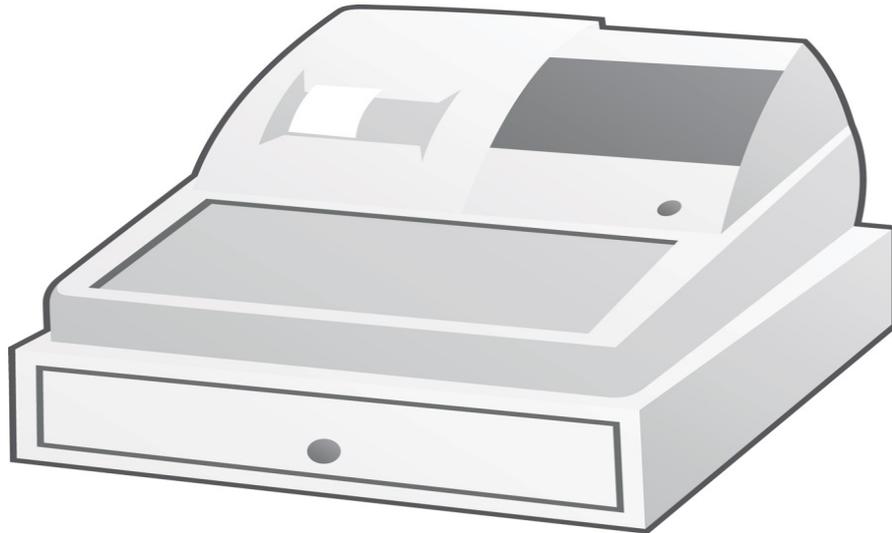
Census reports are the key tool for planning future public services. The data also forms the basis for ensuring that all other surveys are representative of the wider population. So when you see a spat about whether surveys are worth believing, this is how you would check.

Significantly the UK government is planning to get rid of the census, another victim of their slash and burn of public services. Danny Dorling lays out [here](#) why cancelling the census is stupid. A report will go the Scottish government in 2015. Let's hope they decide to reject the UK government's decision and carry on with a full Scottish Census.

# Paying for Services



Framing the economy:  
The austerity story



People across the UK face massive cuts in their public services. Despite this polling shows that many think that the cuts are necessary. Fighting against the cuts is hard if even those who suffer believe it has to be done. The [New Economics Foundation](#) shows how the coalition government “frames” its message and how to challenge that.

The coalitions is consistent, clear and uses emotional figures of speech which resonate with how people feel.

#### Key themes

- Dangerous debt
- Austerity is a necessary evil
- Big bad government
- Strivers and skivers
- Labour’s mess

So far attempts to create an alternative have been much less successful. Labour has been poor at defending its record. While those who support public spending in other parties also use “Labour’s mess” feeding into the wider attack on public spending.

Recommended themes include

- Casino economy: needs reform to become more stable
- Treading water: people are stuck, working hard but getting nowhere
- Big bad banks: caused the crisis not too many nurses
- Big guys and little guys: we need to show who has power and who doesn’t
- Jobs gap: people who want to work but can’t or those who work but don’t earn enough to live on
- Austerity is a smokescreen: an excuse to shrink and privatise public services

Language really matters, we must choose carefully in our campaigns if we want win.

The IFS briefing ‘[Taxation in an Independent Scotland](#)’ was caught up in the usual Indyref name calling. However, the briefing actually has more to say about the design of taxation and its analysis is particularly interesting for those areas that are already or about to be devolved, because Scotland will have autonomy over these areas what ever happens next September.

Council tax and business rates are important to UNISON members because they are already devolved. Scotland has made some different choices in this area than England and Wales, including the treatment of second homes, rebate schemes and of course generally lower levels of tax including the council tax freeze.

**All political parties** in the Scottish parliament have though ducked more fundamental reform of these taxes. The council tax is still based on 1991 property values, with the same band ratio and the same 25% discount for sole occupants. Business rates are still levied on the basis of assessed market rental values of properties, and at the same percentage of value as in England. IFS is rightly critical that even the most obvious reform, revaluation, has been ducked as the parties put sticking plasters over the system, rather than facing up to reform.

One of their options for raising revenue in an independent Scotland involves the council tax. They argue that there would be a strong case for relying more heavily on taxation of property, an immobile tax base, as the creation of a Scotland-rUK border made mobility of other tax bases

more of a concern. A 10% increase would raise approximately £170 million for local authorities (net of the resulting increase in council tax support for low-income families).

IFS also argue that the council tax as it stands is flawed. The most obvious problem is the need for a revaluation and they usefully remind us that this is not inherently revenue-raising or revenue-reducing, though it does inevitably redistribute from those whose homes have risen in value by more than the average since 1991 to those whose property values have risen by less. Similarly, making rates (more) proportional to property values would inevitably involve redistribution but could be made to raise or cost as much as desired by adjusting the tax rate(s). The other major weakness in council tax is the single person’s discount – the 25 percent reduction in council tax liability received by one-adult households. Removing this discount would raise £140 million from such one-adult households (again, net of the resulting increase in council tax support) and in the process remove a substantial distortion in the housing market which results in single adults occupying larger properties, and larger households smaller properties, than they otherwise would.

While much of this is pretty challenging stuff, we should be grateful to IFS for trying to wake policy makers out of their lethargy. UNISON Scotland agrees that a proper debate on this issue is long overdue. UNISON has produced a [new discussion paper](#) to support our debate. A political consensus might be wishful thinking, but we simply cannot duck this issue for ever.

# Chance to lead the way

**W**hat do the Living Wage, Fair Trade and action to tackle blacklisting and tax dodging have in common?

**Answer:** The Procurement Reform (Scotland) Bill – an opportunity to make significant improvements in these and other key policy areas.

The Scottish Government and public bodies should be using their near £11bn of spend each year on goods and services to help create a fairer Scotland. In particular, we want to see the Scottish Living Wage (currently £7.65) extended to those working for contractors delivering public services. Shamefully, the Scottish Government makes no mention of this in the Bill and its accompanying documentation.

Low paid women in areas like social care, who are being hit particularly hard by the living standards crisis, would benefit enormously from a boost to their hourly rate. We believe there should be a Scottish Living Wage Unit to promote extending the Living Wage throughout the private sector.

The Scottish Government says blacklisting in the construction industry is totally unacceptable. It will use the Bill and existing Scottish procurement regulations to ensure purchasers can exclude companies from bidding for contracts if they have



been found to have blacklisted workers and have not yet put their house in order.

We welcome the blacklisting action, but have joined with a coalition of civil society coalitions to highlight ten priorities for the Bill, including a sustainable development focus, action to tackle tax dodging, measures on ethical/fair trade, employment standards and positive social outcomes.

The STUC, SCCS, SCVO and others have agreed [priorities](#) that we can work together on. On tax dodging, it is entirely wrong that companies seeking to avoid paying their fair share of tax should be awarded public contracts. We hope MSPs will agree and act. There should be pre-qualification disclosure of company taxation policies, not just illegal tax evasion

## Health and care integration

The Public Bodies (Joint Working) (Scotland) Bill passed its first stage in the Scottish Parliament on 26 November following [scrutiny](#) in the [Health and Sport Committee](#). The Bill will provide the legal framework for health and social care integration across Scotland.

Councils and health boards are being offered four options for integration, but it is clear from initial soundings that most are going to opt for the Body Corporate Model, which provides for the delegation of powers from both health boards and local authorities to an integration joint board which will appoint a Chief Officer, draw up integration plans and manage the joint budget using resources from both partners.

Initial findings from a Joint Improvement Team enquiry in October of all prospective partnerships suggests that most will choose the Body Corporate Model – 16 have already agreed, 9 are

awaiting agreement and 6 are still considering. Only Highland, which integrated in 2013, is definitely committed to using the Lead Agency Model, where adult care functions were delegated from the local authority to the NHS and children's services were transferred from the NHS to the local authority.

Almost all partnerships have held discussions on local integration, but there is a significant variation in the extent to which this is happening and at the depth of engagement.

Questions remain over governance arrangements, staffing structures, especially if any staff transfer, inclusion of other functions, such as children's, leisure or housing services. UNISON is currently undertaking a FoI request of all councils and NHS Boards to ascertain answers to these, where so far available and will advise of the results in a later issue.

If you would like more information on any of the articles in this newsletter or have information you would like to share in the next issue please contact: [Kay Sillars](#) in the Bargaining and Campaigns team on 0141 342 2819 [k.sillars@unison.co.uk](mailto:k.sillars@unison.co.uk)



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