

revitalise

A briefing on UNISON Scotland's public services campaign
No 9 Summer 2009

UNISON
Scotland

Public Works: how democracy transforms public services

An new book by Hilary Wainwright shows how to improve public services. When Newcastle council wanted to outsource its back office IT services the UNISON branch got organised. They didn't just say "no" they offered a new strategy. They aimed to improve services and make savings. UNISON members know that public services need to improve. They deliver the services.



How **DEMOCRACY** can transform public services

The successful UNISON strategy outlined the book "Public services reform but not as we know it" shows how effective it is to involve staff and users in service design. The council has improved delivery and made savings through new technology.

The strategy is based on a public benefit model rather than private

profit. If the IT services had been privatised money would have lost as profit to businesses instead all savings were re-allocated to social care services.

Changing the way people work is challenging. The collaborative democratic approach meant staff were given the power to look at how work was done and to design new approaches across departments. There was a commitment to avoid compulsory redundancies which meant staff felt confident to participate in the process. Newcastle achieved savings of £28m million.

New research by ORC International has also found that there is a clear link between employee engagement and customer satisfaction in local government. The report: *Linking Employee and Customer data- a new way forward for local government?* found that there are clear links particularly when employees feel they are

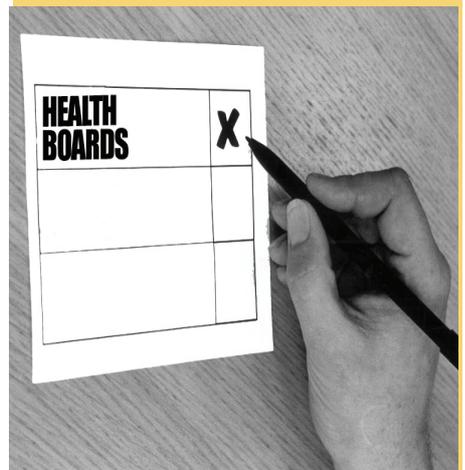
- Treated with fairness
- Aware of organisations' long term goals
- Proud to be working for the organisation
- Clear about what's expected of them in their job
- Clear that the organisation is committed to customer care

The book can be downloaded free from <http://clients.squareeye.com/uploads/compass/documents/PublicServiceReformWainwright.pdf> or purchased from Compass for £5 at <http://www.compassonline.org.uk/about/contact.asp>



Health Pilots Picked

NHS Dumfries and Galloway and Fife will pilot Directly Elected Health Boards in spring 2010. For the first time ordinary people will have a direct say on health boards. While there will still be health experts on boards the directly elected members plus local councillors will make up the majority on boards.



UNISON has long been a supporter of more democratic decision making in the NHS. The recent controversies over hospital closures ensured that there was widespread support in the parliament for trying out increased democratic control.

The Pilot will offer 16 and 17 year-olds a vote for the first time, a move it is hoped will lead to increased interest in voting in general among young people. The vote will be a postal ballot with single transferable vote. They will run for two years before independent evaluation. UNISON is convinced that more democracy will be good for service delivery.

Shared Services: Simplify Standardise and Share

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The *Improvement Service* has published a brief overview of shared services in Scotland. The paper describes some of the current initiatives and highlights what they believe are the next steps.

Operations Projects

Scotland Excel: now 28 local authorities are working together on collaborative procurement. The first contracts were set up in July/August. 30 new contracts are expected to be put in place this year. They expect to incorporate care and construction contracts soon.

Customer first: aims to create a national infrastructure which can host a number of nationally shared services/business applications. Examples include a national entitlement card scheme and a Card Management System to issue the One Scotland public sector smart card.

Shared Services recruitment portal: *myjobscotland* allows all 32 authorities to advertise posts in the one place. It also allows applicants to apply for posts and store their data to use to apply for future posts.

Council pathfinder: This is a process which allows councils to identify opportunities to improve.

Clyde Valley Learning and Development: This project aims to improve learning training and development practices across the participating councils. The councils are South Lanarkshire, East Renfrewshire Glasgow City, North Lanarkshire, Renfrewshire West Dunbartonshire Inverclyde and East Dunbartonshire.

Orkney Joint Working: the council and Orkney NHS are working to simplify and share services in a range of areas. They have moved through the business case and project initiation phases and are now working on change management.

Western Isles Integrated Services Delivery: work has been carried out to "scope opportunities" for integrated services. Some progress has been made on services access points and facilities management.

Development Projects

- Public Information Notices Portal
- Shared Workforce Planning
- Revenues and Benefits
- Pension' Pathfinder

The *Improvement Service* believes that "simplifying and standardising within an organisation is an essential part of the journey to greater collaboration" and will lead to at least £200million in savings. A new UNISON briefing and report based on an FOI to all 32 local authorities has also been sent to branches with more detail on what's happening in local authorities. See <http://www.unison-scotland.org.uk/revitalise/SharedServicesUpdateJune2009.pdf>



ICT problems

Canada

The Government is planning to build a single secure computer network creating millions of dollars of business for computer firms. Small and medium sized businesses complained at government hearings that the buying practices of Public Works and Government Services agency will cut them out and instead multinationals will get a monopoly. The Canadian Federation of Independent businesses is concerned that this shift to large contracts is going beyond IT and shutting out small suppliers from government spend on a whole range of goods and services.

Australia

Health worker groups in Southern Australia confirmed that workers are experiencing problems with their pay since the new shared services department took over payroll. People have been over and under paid and some were paid late. This leaves staff in trouble if they miss any regular payments like mortgages. The Rural Doctors Association president said that "the system doesn't seem to be able to cope when you have more than one business or hospital to work for." The Public Services Association are concerned about the pressure payroll staff are under due to the heavy workload.

NHS

The Committee on Public Accounts is warning of yet more delays in the introduction of computerised patient records in England. The project launched in 2002 aims to allow information about patients to be securely shared between hospitals and GPs. The original deadline was 2010 but following many difficulties a new deadline of 2015 was set. Meeting even this new target now looks increasingly unlikely. Two out of the four companies producing the system pulled out and some hospitals have brought in interim software solutions as their systems became obsolete.

First Tory Budget?

The rightwing think tank Reform's alternative budget plan is a good clue to the Tories' budget if they regain power in the next general election. The budget plan makes scary reading for public service workers.

Reform believes that excessive public spending is the cause of the fiscal crisis.

The fact that the public finances are under pressure because they have had to bail out the private sector seems to have passed them by.

They are, of course, particularly upset about the new higher tax rate. They claim that public spending will crowd out private sector investment in the recovery and that tax rises "will choke off recovery" and "putting people off work"

They called for £30 billion reduction in public spending in 2010-11 with a continued fall after that. This is a cut equivalent to the whole Scottish budget.

Their main proposals are

- Abolish universal child benefit
- Reduce the pay of doctors and NHS managers by 10%

- Remove winter fuel payments for pensioners and free TV licenses for over 75s
- Introduce market rates for student loans

Public service workers would bear the brunt of their plans. All civil service pay would be frozen and senior bonuses cancelled, with a 20% reduction in working week and salary. There would also be no guarantee of a return to full time work once the crisis was over.



They ask for the introduction of GP users charges and state clearly that this will save money not just by the revenue collected but also by reducing demand. A clear indication that they know it would put people off attending the doctors.

UNISON believes that investment in public services is essential: that public works. The public sector is

the mechanism to support us through the crisis and lead the recovery by both delivering services and providing the stimulus to support the private sector to adjust to the financial crisis. The public sector must also take the lead to move to a greener sustainable economy. Cutting public spending will only add to the crisis.

Tory Councillor challenges Taxpayers Alliance

Daniel Moylan, Tory Deputy Leader of Kensington and Chelsea Council, has attacked the so-called Taxpayers Alliance and accused them of ignorance, raucousness and nihilism on his *Conservative home* blog.

Their goals of lower taxes should make him naturally sympathetic to their cause but even Tories believe that they have nothing constructive

to offer the debate about the future of public services. He even defends local government communications departments against their childish "non jobs" attacks. He calls for the Tories to have nothing to do with these "dangerous people masquerading as promoters of lower taxes". Perhaps he will be joining the Other Tax payer's Alliance.



Performance targets backfire

Performance targets are a widely used management tool. A new report *Goals Gone Wild: the Systematic Side Effects of Overprescribing Goal Setting* is questioning the effectiveness of widespread use.

The report states that managers consider target setting and “over the counter” treatment when it is in fact a “prescription strength medication” that should be used sparingly and with care because of the serious side effects.

The report cites an experiment where students are asked to proof read a paragraph of text for a marketing brochure. The text contained both grammatical and clear content errors. Some were asked to “do their best”, others asked to look for either content or grammatical errors.

The people asked to “do their best” were more likely than the other groups to correct both the factual and content errors. So targets

actually led to poorer not improved performance.

Other work appears to show that people with specific targets are more likely to take risks to achieve targets than those with less specific targets. The target becomes everything.

The report also raised issues about the targets set by GM and Enron which focused managers on the targets which would lead to bonus payments rather than on the overall profitability of the companies. The same may also be true of the targets used in the big financial institutions leading to the current crisis.

The message seems to be that targets can help people focus but this can lead to a blinkered approach, which has serious implications for overall performance. Managers need to be very careful about what targets they set.

Single outcome Agreements

CoSLA, SOLACE and the Improvement Service have produced an interim report on the first phase of Single Outcome Agreements.



The report (available from <http://www.improvementservice.org.uk/single-outcome-agreements/>) looks at how the first set of outcome reports were developed. The real test will be when councils' performances are measured against these agreements.

Private Finance Illusion

UNISON Scotland rejects the Scottish Government claims that its schools building announcement represents better value for money than previous PFI/PPP projects.

Taxpayers will once again be charged massively over the odds for the **Scottish Futures Trust** continuing with PPP through the so-called Non Profit Distributing (NPD) model. The initial plan for the Scottish Futures Trust was to replace PFI/PPP. Early proposals proved to be merely window-dressing changes, or PFI-lite. Now we are told that the NPD model is to be used for building schools.

SFT chairman Sir Angus Grossart has not ruled out full-blown PFI/PPP.

Research by Edinburgh University confirms UNISON's argument that NPD maintains most of the flaws of PFI/PPP, and it highlights rates of return to investors similar to PFI schemes. The Scottish Government is continuing with a policy the SNP criticised in opposition for mortgaging future generations to the hilt.

Mark Hellowell, of Edinburgh University's Centre for International Public Health Policy, said that NPD was “a relatively minor variation... despite

political rhetoric which suggests there has been more substantive change”.

At a time of financial crisis, when the UK Government has been forced into bailing out PFI/PPP schemes, the Scottish Government should be using far less costly conventional funding for schools, as it is doing with the

