

# revitalise

A briefing on UNISON Scotland's public services campaign  
No 14 Spring 2011

UNISON  
Scotland

## Christie Commission

Spring Revitalise will focus on UNISON's participation in the Commission on the Future Delivery of Public Services more commonly known as the Christie Commission.

Chaired by the former General Secretary of the STUC Campbell Christie, the commission was established by the Scottish Government to look at the long-term pattern of public service delivery in Scotland.

It will report its findings in June 2011. UNISON's hard-hitting submission to the Commission criticised 'top-down' solutions and said staff and service users must be at the heart of public service delivery – not just through consultation but by working together in genuine partnership. Our submission is just one part of our participation in the process and we encourage branches to organise meetings to discuss the issues and support the development of our position of the future shape of Scotland's public services.

UNISON has called for the commission to focus on the design and delivery of services, not just structures. The basis for public sector delivery should hinge on five key public service principles: democracy, investment, fairness, excellence and partnership.

Our submission challenges the assumptions around the drive for ever bigger and more remote service delivery and structures. It ar-

gues that refocusing delivery on the needs of service users locally is more efficient and effective than splitting services into artificial front office/back office functions.

Public services developed over many years as a response to market failure. These services are central to Scotland's economy and the quality of life for our citizens. Scotland has begun to develop its own public ser-

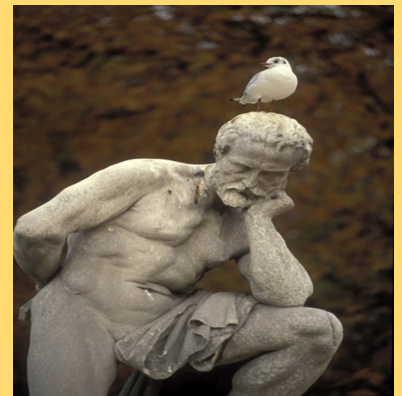
vice model leading to real improvements in people's lives. Cutting services and jobs risks the achievements and will halt progress in tackling the challenges we still face. The current cuts in public spending are driven by ideology not economics.

Scotland has delivered improvement and value for money through collaboration and co-ordination rather than competition. The ethos of the public domain is different from the market domain. It is this public service ethos based on the principles, set down by Lord Nolan, of selflessness, integrity, objectivity, openness, accountability, competence and equality that underpins our approach to Scotland's public services. There needs to be a grown up debate about how we pay for the services we need, alongside a discussion about what we need and how best to provide it. A fair tax system that raises enough money to pay for services is essential.

**PUBLIC  
WORKS:**



## What do you think?



UNISON has responded to the initial call for evidence from the Christie Commission reflecting our current position. Branches are encouraged to discuss the issues raised and feed back their views to Kay Sillars in the P&I Team. (k.sillars@unison.co.uk) The following questions may help start off your discussions. There are links to further information on the back page of this Revitalise.

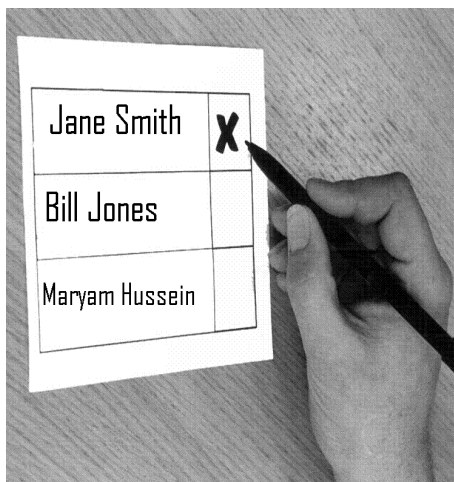
- What would you change about Scotland's public services?
- How would you involve ordinary people in designing public services?
- How would you make sure all voices are heard not just the most powerful?
- What services should be controlled locally, where would a national service work?
- How would you raise more money to pay for services?

# Democracy and Mandate

The defining difference between public and private services is democracy. It is democratic structures that will make public services responsive to the needs of those who pay for and use them. UNISON believes that this is more than direct elections, important though that is, but also about ensuring that the public are able to meaningfully participate in the decision making processes about the areas in which they live. Key issues include:

**Democratisation of the Quango state:** Democratic structures create public bodies which are open and transparent in their dealings with the public. Government at all levels must explain and accept responsibility for its actions. However, weak mechanisms and the rise of the Quango State have devalued many of our democratic structures. As far as possible public bodies be directly elected. The current pilot of directly elected health boards is an important step forward. If direct elections are not practicable for some bodies an amalgam of elected representatives, appointed laypersons and professionals with a statutory duty to engage in a deliberative way with service users and the public would offers the best way forward.

**Subsidiarity:** Establishing the Scottish Parliament is an excellent example of how devolving decision making has seen a different approach to public services. Subsidiarity also requires the Scottish Government to resist the tempta-



tion to centralise services. Decision making at the appropriate level leads to more responsive services for users. The current calls to create national services will weaken the power of people to influence the development of local provision and of local government to respond to the demands in their areas.

**Deliberative involvement of users and staff:** All public bodies should have a statutory duty to meaningfully involve users as

partners, not as customers in the decision making process. This means more than just consultation. It means involving users and staff in defining the problems as well as the future direction of their public services. The best public service organisations are developing a range of such mechanisms and there should be a forum to provide guidance and disseminate best practice. Improvement Scotland has made some progress in providing this role but all too often looks to the private sector and consultants rather than those working in public services for its examples.

**Equality of access & social justice:** As Scotland aspires to be a nation built on principles of social justice then we must allow all people to access, and participate in, public services. As recent academic studies have shown, more equal societies do better on every count and public services are the key to achieving this.

**Freedom of Information:** Meaningful involvement requires equal access to information. A range of bodies are now delivering services and many are not subject to Freedom of Information Legislation. This limits their accountability to those who fund these services.

## Real Improvement

Real improvement can be achieved through the involvement of staff and users in defining both the problem and solution. Listening to service users about what they want and empowering staff to respond leads to lasting improvement. This bottom up approach to service delivery contrasts with the current perceived wisdom that top down solutions are the way ahead. The best way to deliver public services is to start from the proposition that staff who deal with service users should be able to resolve most issues first time. We therefore reject

the front office/back office split that simply results in costly failure transaction costs. UNISON submitted range of examples to the commission. The following are crucial:

**Broad national standards** – local innovation: There must be space for local innovation with only broad national standards, together with a robust framework to disseminate (not prescribe) best practice.  
**Appropriate performance measures-** These should be based on inputs, outputs and outcomes together

with process measures. Outcomes alone simply allow different levels of government to pass the buck.  
**Quality not just price-** Efficiency and effectiveness is about more than price, it must also take into account the quality of services offered.

Public delivery is cost effective. It provides excellent value for money. We need a fair and unavoidable tax system to provide the investment necessary to develop the services to meet the needs of the people of Scotland

# Investing in our future

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Private Finance ~~Le~~usion

Ongoing debates in the Scottish media have been highly critical of the scale of public spending in Scotland. It's as if the banks didn't collapse and the crisis was caused by too many bin men. Research commissioned by UNISON Scotland demonstrates that there is little evidence over the long term of a negative relationship between public spending and private investment. In fact public investment is crucial to the success of the Scottish economy. Scotland can still afford to invest in its public sector to create world class public services for all.

At an international level, there is no significant link between countries with high economic growth rates over the 1990s and levels of government spending and personal taxation. There is a small negative relationship between corporation tax rates and economic growth although outliers suggest this is not statistically significant.

Equally significant is the relationship between tax receipts and income equality. Countries with higher state involvement generally have lower levels of income inequality, suggesting that government intervention remains important in ensuring wealth is fairly distributed. Claims made about Ireland as a successful example of a

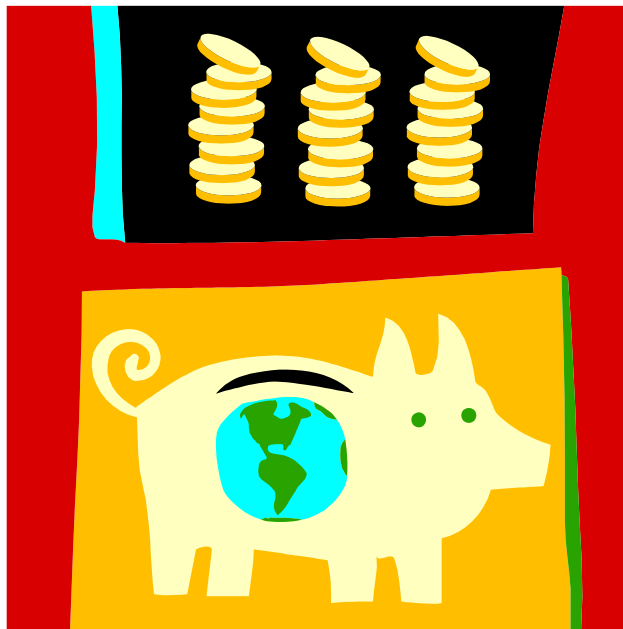
'minimalist state' economy during the 1990s need to be critically appraised in the light

of the considerable subsidy that the country has received from the European Union over the period in question. Ireland's slash and burn approach to the crisis has also resulted in it being even more deeply mired in crisis rather than moving forward.

Scottish public sector institutions are critical to the success of the Scottish economy through providing basic infrastructure as well as key human and technological resources for emergent sectors such as biotechnology. Public debate needs to move beyond a simple dichotomy of public sector 'bad', private sector 'good', to develop a more sophisticated understanding of how the two inter-relate in successful and balanced economies.

Sustained long-term investment is essential if we are to revitalise Scotland's public services. This includes the revenue to run day-to-day services and the capital to rebuild the infrastructure. There needs to be a grown-up debate about how we pay for the services we need alongside a discussion about what we need and how best to provide it.

Public services developed over many years as a response to market failure. We tried relying on voluntary provision and the private sector in the 19<sup>th</sup> century. It failed. There was widespread destitution and disease. The wealthy could not protect themselves from the diseases cause by squalor. Britain developed new services, built infrastructure and eventually nationalised failing industries as a response to these failures.



Rebuilding Scotland's aging infrastructure has involved the extensive use of Public Private Partnerships and the Private Finance Initiative (PPP/PFI). Billions of pounds of public money have been wasted. Some of the alternatives require amendments to Treasury rules including new definitions of public expenditure in line with European models. Off balance sheet incentives inherent in the current block grant system and Departmental Expenditure Limits (DEL) also need reform. Enron economics is no way to finance our public services.

Alternatives, such as 'not for profit' Trusts (including the Scottish Futures Trust) are still PPP schemes just with a different form of company structure. Despite the government's claims PPP has never really gone away. However, it is now proposed to use revenue finance to deliver infrastructure investment totaling £2.5bn over the next four years, through PFI administered by the Scottish Futures Trust. Sadly this is anything but non-profit making and will cost the taxpayer £Millions more than conventional finance. The new plan is to hypothecate around £250m of revenue to finance £2.5bn (capital value) of PFI schemes. It remains to be seen if public bodies are given a real choice of funding, but it looks likely that we are to return to "the only game in town" position the last administration created.

There continues to be a well funded commercial lobby arguing for the privatisation of Scottish Water. They use the borrowing needs of our public water service as a Trojan horse for their case. Water is Scotland's greatest asset and increasingly scarce across the world, it is a public sector success story and should remain firmly in the public sector.

Conventional borrowing remains the most cost effective and flexible method of financing public services.

## Developing public service structures

UNISON Scotland believes that the focus of the Commission should be on service delivery, not structures. Structure should follow form and debates about boundaries often serve as a distraction from tackling the difficult issues raised by the spending cuts and other cost drivers. Whatever the approach, solutions (and a definition of the problem) should be developed in communities and not imposed from the centre. We would also caution against the view that ever larger public authorities are the solution. Remote governance is rarely good governance and can undermine democracy. There are good examples in similar size countries, like Norway, of alternative more, local structures.

In our submission we evidence the value of partnership approaches to public service structures based on co-operation not competition. This approach is appropriate for Scotland's culture, scale and geography. The creation of the Scottish Parliament has raised the issues of the structure of the rest of

Scotland's public services. Does a nation of five million people really need 32 councils, 14 area health boards, 8 police forces, 8 fire brigades and six sheriffdoms? The creation of large strategic



authorities might have some benefits: such as a more strategic approach; joined up services, the alternative structures of power to provide the checks and balances essential to democracy. Quangos would be brought under democratic control. Tackling the fragmentation of services through

larger authorities does though run a real risk of being remote from the users of the services. To counteract this there would need to be effective devolved structures with meaningful deliberative involvement of staff and users to counteract this.

The assumption that 'big is beautiful' is also questionable. For example Norway, a country with similar population and geography to Scotland, has 430 local and 19 regional councils. Norway also has all purpose authorities. That said, in order to achieve better co-ordination of services we accept that there is a strong case to have co-terminus boundaries between different services.

Whatever the approach, solutions (and a definition of the problem) should be developed in communities and not imposed from the centre. Members are therefore encouraged to lead the debate in their branches and communities so that we can influence the future development of services.

## Further Information

A wide range organisations are participating in the debate on the future delivery of public services both in Scotland and the UK. The following links will give an idea of the range of ideas being put forward. You could use their views to kick off discussions in your branch. Links to our own campaign pages are also included.

**Christie Commission:** <http://www.scotland.gov.uk/About/publicservicescommission>

**Public Works:** <http://www.unison-scotland.org.uk/publicworks/index.html>

**Revitalise:** <http://www.unison-scotland.org.uk/revitalise/index.html>

**Co-production:** <http://www.compassonline.org.uk/>

[publications/item.asp?d=705](http://publications/item.asp?d=705)

**Systems Thinking:** <http://www.systemsthinking.co.uk/home.asp>

**Scottish Government:** <http://www.scotland.gov.uk/Topics/Government/PublicServiceReform>

**Spirit Level, more equal societies:** <http://www.equalitytrust.org.uk/resource/the-spirit-level>  
Guardian society section: <http://www.guardian.co.uk/society>

**CBI** <http://publicservices.cbi.org.uk/>

**KPMG:** <http://www.kpmg.com/UK/en/IssuesAndInsights/ArticlesPublications/Pages/default.aspx?k=Sector%3a%22Public+Sector%22&s=KPMGAP->

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**APSE** <http://www.apse.org.uk/>

**Reform Scotland** <http://www.reformscotland.com/index.php/publication/>

**IPPR** <http://www.ippr.org.uk/research/themes/projects.asp?id=4272&theme=Public%20Service%20Reform>

**Local Government Information Unit** <https://member.lgiu.org.uk/Pages/default.aspx>

**New Local Government Network** <http://www.nlgn.org.uk/public/nlgn-publications/>

**Improvement service** <http://www.improvementservice.org.uk/>