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voices
for
change

Securing the future of our public services

A UNISON manifesto

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A note on the territorial coverage of this document

The first section of this document is UK wide. The second section is more oriented towards the situation in England. Further UNISON publications over the coming months will reflect the situation in the devolved nations.

Most public services are devolved, with the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly taking responsibility for health services, education and local government etc. However, the decisions taken by the government in Westminster on public spending affect all nations of the UK. The key points covered in section one of this document are linked in one way or another to the Westminster government's decisions around eradicating the budget deficit, reducing the share of national income spent by the public sector and promoting market solutions to collective challenges.

Cover image: Steve Forrest

Foreword

Public services face tough challenges in the period ahead. UNISON members have a role to play in determining responses to these challenges, both as working people shaping and providing the full range of services that the public rely upon and, together, as a civil society organisation, speaking up for services users and citizens in communities the length and breadth of the UK.

The document is being published during a period of unprecedented austerity. The majority of the cuts to public spending signalled by the coalition government are yet to be implemented. The number of public service jobs likely to be lost, unless there is a change of policy, is likely to reach over one million.

Already the implications for our communities are stark, with drastically reduced access to a range of services, including social care, day centres for the elderly, children's centres, libraries and leisure facilities the new reality for many. For those providing public services pressures take the form of endemic job insecurity, the constant demand to do more with less, continual politically motivated reorganisations and an unparalleled squeeze on incomes. The average public service employee is now more than £2,000 a year worse off than in 2010.

But UNISON also recognises that the challenges facing public services are about more than just cuts. They also reflect demographic changes, technological innovations and rising expectations.

As this document demonstrates, UNISON has a clear sense of the policy solutions that will meet the short to medium term challenges and the principles and values that should underpin how public services can adapt to best serve the needs and aspirations of current and future generations. We look forward to working with other civil society organisations, politicians and service users to develop solutions to these challenges over the coming months.

Dave Prentis
General Secretary



Executive summary

Our public services face tough challenges over the coming years in all parts of the UK

- Cuts to funding are becoming critical – but there’s more to come.
- Privatisation, outsourcing and restructuring are disrupting delivery of public services and making it harder for them to develop to meet longer term challenges.
- The democratic accountability of decisions taken about how public services are delivered is being undermined by current government policies.
- The morale of those we rely on to deliver our public services is being damaged as staff are increasingly expected to do more for less. This has implications for recruitment and retention of staff.
- The government’s current approach to public services is damaging efforts to secure a fairer and more equal society.

Solutions: an agenda for 2015 and beyond – summary of recommendations

Sustainable funding for public services

- A new deal to repair the public finances and fund public services in the longer term is now needed – this should include more progressive taxation and monetary reform.
- A sustainable settlement for local authority finance is needed. This should include financial freedoms, to borrow against secure income streams (eg for housing and transport) and for this not to count against overall government’s borrowing; set higher council tax, including by setting higher bands for higher value properties and business rates; levy small local taxes such as tourism tax; and levy fees and charges to allow full recovery of costs of services that they provide. Distribution of local government finance needs to be organised on the basis of local need and a commission established to develop options for improving the way local government is financed for the longer term.
- Greater financial freedoms for devolved nations are necessary, including the freedom to raise taxes and borrow.
- A major review of the funding options needed to ensure the social care sector becomes sustainable is now needed – so that as a society we can meet the care needs of an ageing population.

A change of direction on privatisation, outsourcing and marketisation of public services

- Keeping services in-house should be the default position for all public services.
- New regulations must make better use of the EU Public Procurement Directive.
- Before services go out to contract there needs to be a public consultation to establish this is in the public interest. There should always be an in-house bid.
- In the NHS cooperation and collaboration should be placed ahead of competition, with repeal of the Health and Social Care Act and the NHS reinstated as preferred provider. (England)
- In probation, an incoming government in 2015 should reverse whatever it can of the Transforming Rehabilitation programme. (England and Wales)
- Increase grant support of the community sector to enable it to maintain its ‘independent’ ethos and provide less dependency on winning public service contracts.
- The code of practice on workforce matters should be reintroduced in England.
- Recent changes to TUPE should be reversed.

Greater democratic accountability of public services

- The recommendations of the Public Accounts Committee on accountability and transparency of public contracting need to be enacted in full.
- Clause 119 of the care bill should be repealed so that local communities have greater say over their local NHS. (England)
- Current ideas around devolution of power and localism need to be linked with financial freedoms and mechanisms to ensure that when power is devolved to community level, there are ample opportunities for all to have their say and that local services are underpinned by strong national standards.
- Measures need to be put in place to ensure the proper democratic accountability of the schools that serve our communities, where this has been eroded. (England)
- The Lobbying Act needs to be repealed, to enable civil society organisations to campaign properly for public services.

A renewed commitment to the public service workforce

- To tackle the cost of living crisis and ensure a fair and sustainable recovery we need a renewed commitment to collective agreements and equal pay and an end to the pay cap.
- Specific measures to tackle low pay must be introduced, including payment of the living wage across all parts of the public services and in public service contracting.
- Better enforcement is needed to stamp out National Minimum Wage abuses.
- Recognition is needed of the professionalism of support staff across the public services and commitment to their Continued Professional Development.
- Effective data collection and monitoring is required to support the implementation of the Public Sector Equality Duty across the UK.
- The School Support Staff Negotiating Body, scrapped by the coalition, should be reconstituted. (England)
- Measures should be introduced to stamp out zero hours abuses.
- Workforce Modernisation in the police should be reinvigorated.

Principles and values for public service reform

Reform to public services needs to be underpinned by the values of a good society: care and compassion, dignity and respect, fairness and equal treatment, accountability and the public good.

Government, including the devolved administrations in Scotland, Wales and Northern Ireland, need to do more to capitalise on the role of public services in securing an inclusive economic recovery

- The role of decent employment and pay in public service in addressing the cost of living crisis and boosting local economic activity has to be reinvigorated.
- The significance of local authorities, acting either alone or in partnership with others across regions and city regions in driving a more geographically balanced economic recovery needs to be fully reflected in policy interventions.
- The importance of increased public spending in addressing the private sector's huge failure to ensure that the people of the UK have access to decent affordable homes should be reflected in spending priorities.



South Birmingham NHS
Adinah Webb
Rehabilitation Assistant

Public services now: the situation in 2014/15

Our public services face tough challenges over the coming years in all parts of the UK. Some of these challenges reflect demographic changes, with people living longer and placing greater, and in some cases different, demands on services such as the NHS, social care and our public housing stock. Others reflect scientific and technological innovations, including breakthroughs in medicine that lead to new and often more expensive treatments and higher expectations from patients. But there are also more immediate and more politically rooted challenges. These are a consequence of the public spending cuts being implemented by the coalition government, and the range of related measures and policies that are being pursued partly to reduce short term costs and partly out of an ideological preference for a smaller state and market/private sector solutions. While these impact to different degrees across the nations, with England more vulnerable to coalition policies in devolved policy areas, austerity doesn't stop at national borders.

These challenges are being felt right across the public services: by service users, their families and public service workers alike. This section of the document summarises key issues and immediate priorities that need to be addressed for public services to be able to continue to serve our communities and secure the sound base from which to tackle longer terms challenges outlined above.

Section two then goes on to provide a short snapshot of what is currently happening in different parts of the public services in which UNISON has members: health and social care, local government, community and voluntary sector, police and probation, and education. This also includes utilities, where UNISON also has members and which also provide vital services to the public.

2 Summary of key issues

2.1 Cuts to funding are becoming critical – but there's more to come

By 2015/16 the government will have cut £37.5 billion from public spending. This will rise to £67.8 billion by 2018/19 because the delayed recovery means the coalition had to extend its austerity programme by three years.

Over half a million (642,000) public service jobs have been lost since the coalition came to power in 2010. Further planned cuts mean the total number of job losses is projected to rise to 1.1 million by 2018, unless there is a change of policy.

In local government consecutive Budgets and Autumn Statements since 2010 have slashed council funding. By the general election in 2015 councils in England will have had their collective budgets cut by over £20 billion. The most deprived local authorities are losing six times the amount in spending per head compared to the 10 least deprived. By 2020 it is predicted that there could be a shortfall in funding for local government of £16.5 billion a year. The impact on services is stark, with care for the elderly and the most disadvantaged severely compromised. In Scotland cuts imposed by the coalition and the Scottish government's council tax freeze mean eight out of 10 public sector job cuts north of the border are in local government. Local government is also the only portfolio in Scotland to have a cash cut since the crash.

In the health service the squeeze on funding is hitting all four nations. In England, the claims by the government to be protecting the NHS budget do not stand up to reasonable scrutiny and the reality of rising costs. The cuts in overall funding to the devolved nations by the Westminster government have meant that even the more progressive governments have had major issues to contend with. The prospect of frozen funding or minimal increases in the future, has led to suggestions that a £30bn funding gap will have appeared in the NHS's finances by 2020. There is already evidence of operations in the NHS being rationed, meaning that many are suffering needlessly while waiting for necessary operations.

In social care, chronic and persistent underfunding is a major problem across the UK and is widely acknowledged as the single biggest problem in the sector. Spending has been drastically cut back in recent years, despite a growth in demand. This means strict eligibility criteria and help denied to all but the most needy. In Scotland there is free care for those over 65 assessed as needing it by their local authority, but services have also been hit by a 'race to the bottom' in the quality of care.

Police forces have been faced with large budget cuts of

20%, key police staff jobs have come under threat. While the coalition government promised to protect 'front line' services, more than 3,500 police community support officer jobs in England have gone since 2010. The creation of a single police service in Scotland has resulted in police officers being taken off the beat to plug the gap caused by police staff job losses. Local police stations and control rooms are being closed.

Adult and Community Learning has been dealt death-blow cuts. Loans have replaced free entitlements as course costs have risen. The Welsh government in 2014 signalled cuts of over 35%, despite their 'vision' for 2010-15 which was to increase participation by those "who have benefited least from education in the past or who are most at risk of not benefiting in the future". While 16-18 year olds budgets enjoyed some protection, in 2014-2015 the budget was £250 million less than the previous year. And this is at a time when the participation age has risen to 18 and there are twice as many 16-18 year olds in colleges rather than schools.

2.2 Privatisation, outsourcing and restructuring are disrupting delivery of public services and making it harder for them to develop to meet longer term challenges

The current market for outsourced public services is now worth £100bn, up 25% since 2008. With the UK currently subject to the biggest increase in outsourcing since the Thatcher years, this is expected to rise to £125bn by 2016. This is bad news for service users, as more resource that should be spent on public services is taken up in profits and transactions costs. Its also bad news for people who work in public services, who invariably see their terms and conditions being put at risk, as providers seek to reduce their costs.

In the health service, the 2012 Health and Social Care Act has caused massive disruption in England and subjected NHS services to the full force of competition as never before. The cost of procurement is escalating, with a series of botched exercises taking place at the George Eliot Hospital and in Cambridgeshire and Lewisham.

In probation plans to restructure and privatise the service in England and Wales threaten to severely disrupt existing local community safety partnerships between probation, the police and local authorities and divert essential staffing resources from the front-line.

Although privatisation and outsourcing is a bigger issue in England than in Scotland, Wales and Northern Ireland, similar and related developments can be seen across the four nations. Scotland has a significant public private partnership. Since 2010 contracts and projects worth £1.7bn have been agreed, with a further £1.7bn planned for future years. Developments in probation impact on Wales as much as England. In Northern Ireland plans to reform the health service mirror the worst elements of the English approach.

In the community and voluntary sector frequent reorganisations designed to cut pay, are thinning out management layers and reducing support for front-line staff. Higher-level work is then being pushed downwards to

remaining staff.

The drive towards academies and free schools, while being depicted as increasing school autonomy, has led to a fragmented and incoherent education system in England.

2.3 The democratic accountability of decisions taken about how public services are delivered is being undermined by current government policies

As more and more of our public services are outsourced, so they become less transparent and accountable to the public. The Public Accounts Committee has recently issued a hard hitting report calling for the government to get its house in order. The report highlighted recent scandals and the way in which private providers are able to invoke commercial confidentiality as an excuse to withhold information.

In addition to an erosion of transparency, government actions are damaging local democracy and accountability. Local government in England has been subject to an arbitrary limit on the amount by which council tax can be increased without having to hold a referendum. While referendums, might, on the face of it, look like accountability in action, the cost to local tax payers of holding referendums and to local parties of campaigning in favour of an increase to pay for services risk being a strong deterrent. In Scotland the council tax freeze has undermined local democratic accountability.

In the health service in England the government recently introduced measures into its care bill (clause 119) that could see closure and downgrading of services, imposed by government appointed administrators, with decision making taken out of the hands of clinical staff, commissioners, patients and local communities.

In education academies and free schools in England have weakened the ability of local authorities to hold such schools to account and plan educational provision across the community. Local authorities have tried to raise concerns on performance with academies in their areas, but have been rebuffed as the councils had no power to intervene. Recent problems in the governance and financial management in some free schools were predictable.

Governance of colleges has been loosened even further with governing bodies now able to change their own articles and instruments, which has led to a decrease in staff and student governors. Shared services, mergers and commercial ventures here and abroad flourish as the commercial drive of colleges eradicating its community mission.

The advocacy and campaigning role of the community and voluntary sector has come under more scrutiny and implicit criticism from the right-wing. Not only have there been direct attacks, for example calls to restrict campaigning by organisations which receive public funds to provide public service contracts, but the UK wide Lobbying Act has now legally restricted this. In addition, there is a degree of 'self-censorship' whereby organisations are inhibited from speaking out in situations which could impair

the likelihood of them winning public contracts. Many workers in the sector are also scared to speak out when they see problems. The lobby act also inhibits the ability of UNISON to speak out on behalf of its members and those who rely on the services that our members provide.

2.4 The morale of those we rely on to deliver our public services is being damaged as staff are increasingly expected to do more for less. This has implications for recruitment and retention of staff

Surveys suggest that many staff choose to work in different parts of the public services (including those in the community and voluntary sector) because of their idealism and commitment. However this is being undermined by the austerity agenda – and the way this plays out in respect of terms and conditions and the ability of employees to be able to get on and do their jobs in the way they know they need to be done.

60% of employees overall feel their job is secure. In the public sector only 47% feel secure.

Less than 40% are satisfied at work. Perceptions of senior managers are more negative in the public sector. One third of public sector employees rate current performance management systems as unfair.

Recent analysis by the Institute for Fiscal Studies (IFS) suggests that public sector pay will fall relative to private pay by 8% between 2012/13 and 2018/19 and that the last time this occurred in the early 2000s it led to major recruitment and retention issues.

The average public sector worker is now £2,000 a year worse off than in 2010.

Exploitation is a factor too. In the social care workforce, zero hours contracts predominate with hundreds of thousands not even receiving the National Minimum Wage (NMW), often because employers refuse to pay staff for their travel time. As a result, recruitment and retention is also a major problem here too.

This increasingly unhappy situation for public service employees plays out against a backdrop of media hostility, with totally misleading accusations of feather bedding underpinned by a Tax Payers Alliance inspired race to the bottom.

2.5 The government's current approach to public services is damaging efforts to secure a fairer and more equal society

Our public services help create a fairer society. At a time when society is becoming more diverse and dynamic, and new inequalities and divisions put strain on our relationships and communities, public services are there to help. They reach out to excluded groups and provide support to people when their lives change – improving childcare, providing career guidance, helping new immigrants play their part, ensuring dignity and autonomy for the elderly and disabled. As employers too, public

services have historically sought to embody a commitment to fairness, with a stronger record on equal pay.

Unfortunately public services role as a force for a fairer society is under threat. Serious cuts are being made to equalities infrastructure – with equalities experts, teams and specialist services for specific equalities groups all in the firing line. The government have also reviewed the Public Sector Equality Duty (PSED), even though it has only been in force for a short time. In seeing the PSED, which was introduced to promote equality through delivery of public services, as red tape and bureaucracy, the government are sending a clear signal of their lack of commitment to greater equality. And as set out above, attacks on pay, terms and conditions are undermining the notion of decent employment standards in public services.

College cuts are impacting on the most vulnerable students with learning support, for example, now part of the general budget and consequently facing staff and course cuts. The abolition of the Education Maintenance Allowance (EMA) in 2010 signalled an end to supporting the poorer and poorest students to get a better start in life. EMA increased participation, retention and achievement of 16-18 year olds, whether they were at foundation level, on training programmes, catching up with GCSEs or studying 'A' levels on route to university. Most EMA students who went into HE continued to live at home and supported themselves with high levels of part-time work.

Raising of tuition fees to £9,000 in England has consequences for wider access in higher education. One recent trend has been a marked drop in applications from mature students. A large proportion of UNISON's members are from groups that would be deemed as non-traditional for HE purposes – working class, part-time workers and people from black backgrounds. People in these groups are all far more likely to try and attend university slightly later in life. While public debate around higher education overwhelmingly focuses on young people, the importance of life-long learning and opportunities for mature students should not be an afterthought.

At the same time the role that local authorities can play in addressing regional and local economic inequalities is being damaged by government decisions on where cuts should fall. Between 2010/11 and 2014/15 the 10 most deprived local authorities in England will lose six times the amount in spending per head of population compared to the 10 least deprived local authorities. Many, but not all, of these authorities are in northern cities.

Public services role as an employer also helps to create a fairer and more equal society. This too is under severe strain. One million people delivering public services are now paid below the living wage, split roughly half and half between those who are directly employed and those who work for companies and community and voluntary sector organisations that deliver outsourced public services. Deteriorating pay, as well as previously mentioned job cuts, are hitting women the hardest, as they make up the vast majority of the public services workforce.



3 Solutions: an agenda for 2015 and beyond

Specific commentary and proposals relating to different parts of the public services are included in each of the sectors covered in section two of the document. The following is a summary of top line priorities

3.1 Sustainable funding for public services

The major parties are committed to cutting the deficit created by the financial crisis over the next parliament – although the exact details of the balance between cuts and tax increases from 2015 are yet to be set out. Others, most notably Lord Adair Turner, suggest that fixing the public finances could include a degree of monetary reform, which might mean that cuts become less necessary. This is clearly an approach that needs to be fully explored.

In addition, a further set of propositions currently being advanced by a range of politicians and think tanks, suggest that the route to sustainable and affordable public services lies in placing a greater emphasis on preventative spending, collaboration between services such as health and social care and public interventions that are more oriented towards economic growth.

We note that whilst many of these ideas might provide some savings in the longer term, up-front investment will be needed first.

What is beyond doubt to most people working in the public services across the UK is that we have reached the limit on spending cuts and that public services need to be organised around the needs of those we serve and care for rather than arbitrary limits on public expenditure. To such ends UNISON is calling for:

- A new deal to repair the public finances and fund public services in the longer term. This should include more progressive taxation (including higher income tax on high earners and a clampdown on avoidance and evasion) and monetary reform to help deal with debts incurred during the financial crisis.
- A sustainable settlement for local authority finance, including financial freedoms, to borrow against secure income streams (eg for housing and transport) and for this not to count against overall government's borrowing; set higher council tax, including by setting higher bands for higher value properties; set business rates; levy small local taxes such as tourism tax; and levy fees and charges to allow full recovery of costs of services that they provide. Distribution of local government finance needs to be organised on the basis of local need and a commission established to develop options for improving the way local government is financed for the longer term.
- A major review of the funding options necessary to ensure the social care sector becomes sustainable – so that as a society we can meet the care needs of an ageing population.
- Greater financial freedoms for devolved nations

are necessary, including the freedom to raise taxes and borrow.

- Further details of UNISON's ideas for economic policies can be found in our alternative budget.

3.2 A change of direction on privatisation and outsourcing of public services

The evidence from the last 35 years of privatisation, outsourcing and marketisation is mixed at best, with numerous instances of service deterioration, profiteering and a race to the bottom on pay and terms and conditions of the workforce. As such, a new approach is needed that puts services and their users above the bottom line, takes out the profit motive, saves on transaction costs and ensures stability of provision.

- Keeping services in-house should be the default position for all public services.
- New regulations must make better use of the EU Public Procurement Directive, with authorities able to choose in-house (Teckal) models of provision, with trade union recognition, national and local collective bargaining and social criteria (NMW and Living Wage) applied to contracts.
- Before services go out to contract there needs to be a mandatory 'public interest case' made which sets out the reasons and business case as to why the contracting authority wishes to outsource the service. This should be a public consultation with an onus on the contracting authority to make the case that outsourcing is in the public interest. If the case is not answered then there should be no outsourcing and if the case is answered then in-house bids should be automatically included in the tender process.
- In the NHS in England co-operation and collaboration should be clearly placed ahead of competition, with repeal of the Health and Social Care Act. The NHS reinstated as the "preferred provider" of care.
- In probation, an incoming government in 2015 should reverse whatever it can of the Transforming Rehabilitation programme. If the community rehabilitation companies have not been sold to the private sector before the election, an incoming government should call off the sale.
- Increased grant support of the community sector is needed to enable it to maintain its 'independent' ethos and provide less dependency on winning public service contracts or being used as 'bid candy' by primary private contractors. Safeguards need to be put in place to prevent the exploitation of the Social Enterprise and mutual's reservation clause in the new Procurement regulations being used by the private sector to privatise public services.
- The code of practice on workforce matters in England should be reintroduced to protect terms and conditions for people working in outsourced parts of the public services.
- Recent changes to TUPE should be reversed.

3.3 Re-establish and develop measures to ensure the proper democratic accountability of public services at local level

The recommendations of the Public Accounts Committee on accountability and transparency of public contracting need to be enacted in full across the UK. This should include:

- An extension of freedom of information to public contracts with private providers.
- Access rights to the National Audit Office.
- A requirement for contractors to open up their books for scrutiny.

Current ideas around devolution of power and localism need to be linked with financial freedoms (see section 3.1 above).

Local authorities should be the lead agency for joined-up public services along the Community Budgets and City Deals models. Local authorities should be allowed to keep any savings released through efficiencies delivered under these models.

Clause 119 of the care bill should be repealed.

Measures need to be put in place to ensure the proper democratic accountability of the schools that serve our communities, where this has been eroded.

The Lobbying Act needs to be repealed, so that unions and other community and civil society organisations are not restricted from making their voices heard.

Re-instate a unified and locally accountable probation service in England and Wales.

3.4 A renewed commitment to the public service workforce

Preventing recruitment and retention problems, being able to guarantee safe staffing levels, and ensuring the very best service provision all rely on properly valued employees that work in partnership with employers and service users to shape provision around need.

Fragmentation of terms and conditions, continued attempts to make savings by pushing down pay and undermining negotiating frameworks and workforce protections are short termist and counter productive.

A new deal for the workforce is needed that includes:

- A renewed commitment to collective bargaining, existing agreements and equal pay.
- An end to the pay cap.
- Recognition of the professionalism of support staff across the public services and commitment to their Continued Professional Development.
- Re-establishment of The School Support Staff Negotiating Body, scrapped by the coalition.
- Effective data collection and monitoring to support the implementation of the Public Sector Equality Duty.
- Specific measures to tackle low pay, including payment of the living wage across all parts of the public services, in public service contracting

and the community and voluntary sector.

- Better enforcement to stamp out National Minimum Wage abuses.
 - Improved standards of training where it isn't already in place (eg housing and social care).
 - Measures to stamp out zero hours abuses.
 - Reinvigoration of Workforce Modernisation in the police in England and a balanced workforce in Scotland.
- (See section 2 for full details of what needs to happen in different sectors.)*

3.5 Public service reform needs to be underpinned by values and principles

Public services always need to adapt to a changing world and develop to meet new needs. At a time when society is becoming more diverse, when people have new ideas about what they want from services and how they want to shape the communities in which they live, public service workers need to react.

Some of the current political debates around how public services should be reformed are an important recognition of the challenges of a changing world. These include ideas about giving communities more say about how services are delivered at local level, creating networks of patients to enable them to help each other, providing patients with access to their medical records, placing a greater emphasis on preventive lifestyles and treatments, and fostering public services that are designed around the relationship between providers and users.

UNISON remains committed to an ongoing dialogue around how our public services can meet the challenge ahead. We believe that reform has to be underpinned by the values of a good society: care and compassion, dignity and respect, fairness and equal treatment, accountability and the public good.

We also believe strongly that users and communities need to be involved with public service workers in shaping our public services. Public services only exist because ordinary people campaigned for them and continue to defend and support them. And public services in turn give people the knowledge, skills, capacities and opportunities they need to play their part as active citizens.

The localism/devolution agenda provides plenty of scope for communities, service users and public service workers to shape future public services. But mechanisms need to be developed to ensure that when power is devolved to community level, there are opportunities for all to have their say, not just the more assertive members of the community and those with the most time and resource to become involved. Protections are also needed against the localist agenda being dominated by those that do not see services for the most vulnerable as a priority and to ensure that local services are underpinned by strong national standards.

3.6 Government, including the devolved administrations in Scotland, Wales and Northern Ireland, need to do more to capitalise on the role of public services in securing an inclusive economic recovery

Public services employ 5.7 million people across the UK. In 2013/14 annual expenditure amounted to more than £300 billion. This provides a significant boost to the economy. In addition there are multipliers from public expenditure that provide further benefits. Despite attempts by the current government and their friends in the media to talk down public services and the broader public sector, its clear modern economies are interdependent. A strong private sector benefits from a vibrant and confident public sector, acting in the public interest. It provides education, infrastructure, research. It ensures that we are healthy, cared for and able to live in a safe and clean environment. This should be seen as a building block as governments seek to ensure that the recovery is fair and sustainable. Such an approach will recognise:

- the role of decent employment and pay in public service in addressing the cost of living crisis and boosting local economic activity.
- the significance of local authorities, acting either alone or in partnership with others across regions and city regions in driving a more geographically balanced economic recovery.
- the importance of increased public spending in addressing the private sector's huge failure to ensure that the people of the UK have access to decent affordable homes.

Preventing recruitment and retention problems, being able to guarantee safe staffing levels, and ensuring the very best service provision all rely on properly valued employees that work in partnership with employers and service users to shape provision around need



Section two: services and sectors*

Local government

Challenge

Funding presents the single greatest threat to the provision of high standard public services that are delivered locally by a motivated workforce. Since the 2010 general election consecutive Budgets and Autumn Statements have slashed council funding so that by the general election in 2015 councils will have had their collective budgets cut by over £20 billion. A reduction of central government grant by 35% will hit poorer areas harder than the more affluent parts of the country because those authorities are more reliant on these grants, ultimately being able to raise less from council tax to pay for the higher demand on services.

These cuts will fundamentally change the role of local government, the scale and range of services that it provides and its capacity to deliver services to communities and individuals, regardless of their needs. Councils have had to bear the brunt of public sector cuts – compromising the care and support they provide to older people and most disadvantaged. In addition to these cuts, councils have seen their tax raising powers restricted, with a central government funded council tax “freeze” that will leave councils struggling to make up the shortfall when the current subsidy from Whitehall ends. Any council tax increase of 2% and above now requires a public referendum. Large scale redundancies, falling wages and cuts to local services provided are all the result of a failure to properly fund local government.

Rather than a balanced approach, cuts in financial support to local authorities have also been unfairly distributed - with significant regional differences. For example, between 2010/11 and 2014/15 the 10 most deprived local authorities in England will lose six times the amount in spending per head of population compared to the 10 least deprived local authorities. Many, but not all, of these authorities are in northern cities.

Local council services will also become increasingly difficult to deliver in the context of both an ageing population and as a result of the economic decline we have seen since the 2008 financial crisis. In 2010/11, 54% of council budgets in England were already spent on children’s and adults social care services – a growing population and longer life expectancy will place greater demand on these budgets. By 2020 the LGA predict that there could be a shortfall in funding for local government of £16.5 billion

a year – and again it is councils in the poorest areas who will be worst hit, with the 50 most deprived councils in England dealing with potential funding gaps of up to 48%.

The local government finance settlement is set on a different timetable to total government spending. While overall spending plans have been set until 2017/18, local government finance has not been set. However, it can reasonably be assumed that a further reduction in total government spending will include reductions in spending on local government funding. It would also be reasonable to say that funding for local government may have been reduced by such a significant amount in order to provide greater protection for other public services.

Cuts to local government funding will ultimately have significant negative consequences for services right across the public sector. When local authorities are forced to reduce care services and tighten eligibility criteria because of funding cuts, this will place a greater strain on hospitals and accident and emergency departments. Reductions in spending on local infrastructure and growth will damage the economic recovery, leading to fewer jobs being created locally and a higher social security bill. The withdrawal of non-statutory services such as leisure and cultural facilities will have a negative impact on the desirability of places to live and see world class municipally provided public facilities like the Birmingham NEC placed under threat of sale.

How could this change after 2015?

The Conservatives and Liberal Democrats are yet to publish their plans for local government after 2015 should they win the election.

The Labour Party’s *“Stronger, Safer Communities”* policy consultation document sets out a pledge to “to push power down to communities” and deliver localism to communities. It recognises that the government’s approach to deficit reduction by reducing public spending has resulted on above average reductions in local authority budgets and the “salami-slicing” of contributions from other departmental budgets. Labour acknowledges these reductions have unfairly targeted the most deprived areas and will lead to a huge gap in the funding of council services by 2020.

The document seeks to resolve this and proposes that “The next Labour government will change the way local authorities are funded and will implement a fairer funding system to ensure that those communities who need the most support are not unfairly targeted to bear the brunt of funding cuts.” Unfortunately, the policy consultation makes no further suggestion about how

*Section two of the document is primarily England only, though references to the devolved nations are included where this is relevant, or where comparisons are instructive or show wider trends.

this will be done and what opportunity there may be for more fundamental reviews of local government finance.

It is, however, welcome that the policy consultation goes on to state that “Labour believes that people living in communities across the country are best placed to make decisions about the areas where they live. We will give local authorities greater freedom and control, so that they can design and deliver the public services their communities need by pooling and devolving budgets to a single place.”

The Labour Party has also recently committed to providing new powers and funding to ‘city regions’. But, whilst many cities clearly suffer from a large amount of deprivation, the cuts in funding and welfare have caused problems across the country, with some more rural areas like Cornwall suffering more than most – and this must not be forgotten within the Labour agenda.

We note that devolution alone will not compensate for the loss of funding to local authorities or ensure fairness. A future government will need to ensure appropriate funding for services and pay and conditions comparable with the rest of the public sector for local government workers. There should be core service standards to ensure that devolution to councils does not reinforce the ‘postcode lottery’.

UNISON policy proposals

An immediate reassessment should be made of the distribution of the local government finance settlement so that it is done on a basis of local need

A commission on the future of funding local government should be established to explore the medium and longer-term options for either replacing or improving the existing system of financing local government, including alternatives to council tax and business rates. This should also include consideration of local government automatically receiving a share of national growth in income tax, VAT receipts and stamp duty above certain levels.

Greater financial freedoms for local authorities, including the freedom to: borrow against secure income streams (eg for housing and transport) and for this not to count against overall government’s borrowing.

Local government should be the lead agency for joined-up public services along the lines of Community Budgets and City Deals models. Local authorities should be allowed to keep any savings released through efficiencies delivered under these models.

Empty property, derelict property and/ or brownfield land taxes should be introduced – particularly as a way to tackle land banking and delays to redevelopment by large corporations.

The existing council tax structure should be reformed to introduce a “mansion tax” and/or additional bands on higher value properties. Single person discounts in higher bands should be abolished.

The Local Government Pension Scheme funds should be merged to create single funds for England and Wales with the efficiency savings retained by the member local authorities.

Local authorities should have the power to introduce small local taxes, such as a tourism tax or environmental taxation, in line with the recommendations within the London Finance Commission.

Locally set fees and charges should be introduced to allow councils to fully recover the costs of services they provide, such as planning applications, land searches and licensing fees.

Local authorities should be free to experiment within national frameworks for public services and limits should be placed on when central government can intervene in an individual authorities decision making process.

Future funding settlements for local government should be at a level which enables local authorities to employ and train the staff they will need to provide high quality services. A living wage at the bottom end, equal pay for work of equal value and fair pay across the pay scales, are essential if local government is going to treat its staff well and ensure continuity and quality of service.



Health and social care

Challenges

The squeeze on funding is a common factor across all four nations. In England, the claims by the government to be protecting the NHS budget do not stand up to reasonable scrutiny and, in any event, fail to factor in the need for health spending to rise at a rate higher than inflation due to the increasing expectations of a modern service and the rising cost of drug treatments and new technologies. The cuts in overall funding to the devolved nations by the Westminster government have meant that even the more progressive governments have had major issues to contend with in terms of cuts and the impact on staff. In Northern Ireland, where health and social care are merged, the lack of funding and wider austerity agenda has bitten particularly hard.

Scotland and Wales have been largely shielded from the full force of England-style marketisation, although there have been moves in Northern Ireland to mirror some of the worst English policies. It is notable that the English market has failed to achieve appreciably better outcomes for patients. The 2012 Health and Social Care Act has caused massive disruption in England and subjected NHS services to the full force of competition as never before. The cost of procurement is escalating, with a series of botched exercises taking place at the George Eliot Hospital and in Cambridgeshire and Lewisham.

The Francis report into care failings in Mid Staffordshire has placed a new emphasis on the quality of care, with important issues surfacing around safe staffing levels and regulation.

In social care, chronic and persistent underfunding is a major problem across the UK and is widely acknowledged as the single biggest problem in the sector. Spending has been drastically cut back in recent years, despite a growth in demand. Free personal care is available for everyone aged 65 and over in Scotland who has been assessed by their local authority as needing it. But elsewhere, and for other types of social care, the use of eligibility criteria has denied state support to all but the most needy, those with “critical” or “substantial” need. The use of personal budgets has failed to provide choice but has instead increased costs and bureaucracy.

The social care market is hugely fragmented, particularly in England, with the majority of services delivered by the private and community/voluntary sectors. Further privatisation is on the way with the government having legislated to allow local authorities to outsource social work functions for looked-after children, and now planning to extend this to most of children’s social work, even including child protection.

Given the lack of funding and the large number of profit-making enterprises operating within the sector, many providers aim to make money by cutting services and squeezing workers’ pay and conditions.

Exploitation is rife in the social care workforce, with zero hours contracts predominating and hundreds of thousands not even receiving the National Minimum Wage, often because employers refuse to pay staff for their travel time. As a result, recruitment and retention is also a major problem in the sector.

The NHS has traditionally experienced funding settlements well above inflation, particularly in the 2000s when the previous government sought to repair the damage done by previous under-investment. The prospect of frozen funding or minimal increases in the future, has led to suggestions that a £30bn funding gap will have appeared in the NHS’s finances by 2020. In social care, if it has not been reached already, the crisis point will be reached shortly as demand continues to increase with further cuts to local authority allocations in the offing. The government’s Care Act will further increase the burdens on English councils.

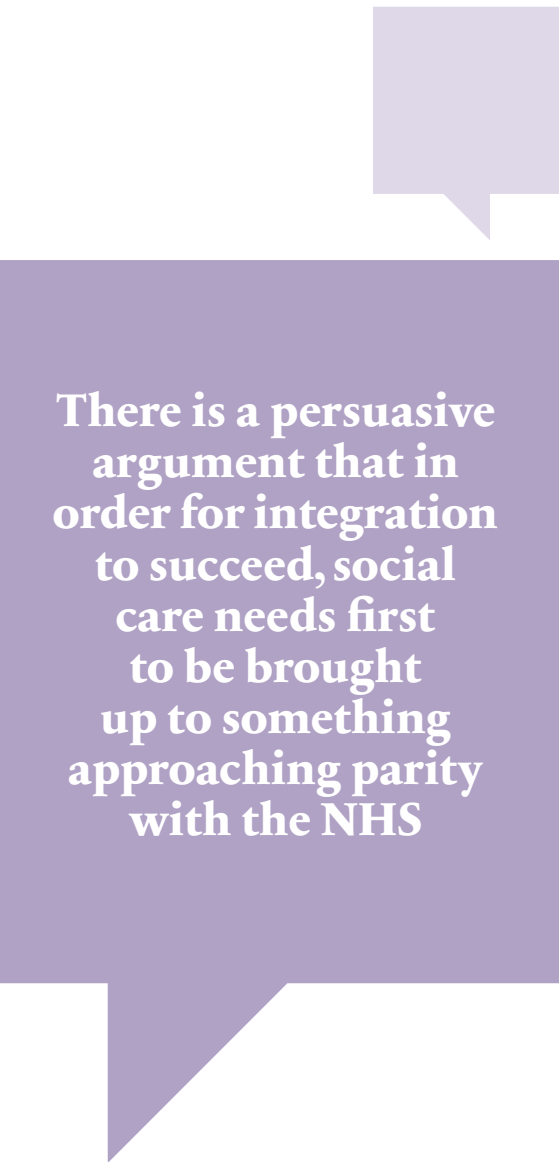
What could change after 2015

With the exception of Northern Ireland (where it already exists), the integration of health and social care has become a fashionable policy across the different governments and parties of the UK: Scotland has the Public Bodies (Joint Working) Bill; the Welsh Assembly government has consulted on a Framework for Integration; England has the Better Care Fund with more than £5bn of pooled money to be spent on integration, alongside 14 sites that will “pioneer” approaches to integration.

Based on previous conference motions and 2014’s health conference motion, UNISON is supportive of the greater integration of health and social care in principle, but with a number of important caveats. Principally these are that integration should not be a cover for cuts; that there must be proper engagement with staff, patients and service users; and that, where structural integration takes place, this should be on the basis of harmonising terms and conditions upwards, rather than levelling them down. There is also a need for realism about the amount of savings that integration can be expected to generate; integration should instead be targeted primarily at improving the quality and experience of care, rather than being seen as a shortcut for saving money.

Labour’s health and care policy document is largely concerned with England (particularly on the NHS side) and contains plans to combine social care with physical and mental healthcare in what the Party has termed “Whole Person Care.” The general anti-market direction of these plans is positive: repeal of the Health and Social Care Act and the reinstatement of the NHS “preferred provider” principle are important first steps in arresting the tide of privatisation. Also welcome is a proposed shift in the focus of the choice agenda to areas where patients can exert meaningful control – such as the right to die at home, greater birthing options, chemotherapy or dialysis treatments in the home – rather than the previous obsession with markets.

Labour's plans are stronger on the changes needed within the NHS. There is a need for a clearer acknowledgement of the crisis in social care and to make the case for the radical remedies required to make the current system sustainable. There is a persuasive argument that in order for integration to succeed, social care needs first to be brought up to something approaching parity with the NHS, at least in terms of the status of the sector and the treatment of its staff.



There is a persuasive argument that in order for integration to succeed, social care needs first to be brought up to something approaching parity with the NHS

UNISON policy proposals

In the NHS

Place co-operation and collaboration ahead of competition, with repeal of the Health and Social Care Act and the NHS reinstated as the “preferred provider” of care.

Reinstate the secretary of state's responsibility to deliver a comprehensive national service, and resist the clamour for co-payments or service charges by securing appropriate funding.

Provide a strong commitment to Agenda for Change along with an expectation that all providers should use or mirror Agenda for Change.

In social care

Carry out a major review of exactly what funding the sector needs to become sustainable (like the Wanless NHS review of 2002). Then the political and moral case needs to be made to provide this funding, with an explanation of the fate awaiting the sector if it is not forthcoming.

Ensure staff are properly valued by society, with this reflected in improved pay, terms and conditions. This should begin with a whole system approach of tackling National Minimum Wage non-compliance and a statutory requirement for employers to pay travel time.

Support UNISON's Ethical Care Charter as a short-term measure aimed at halting the race to the bottom while the longer-term work unfolds.

For health and social care

Use integration as a means of raising generally inferior social care terms and conditions, rather than levelling down in the NHS. It must not be a cover for cuts.

Set safe minimum staffing levels to provide peace of mind for patients, their families and staff.

Community and voluntary sector

Challenges

The sector has traditionally provided niche and additional services beyond the reach of and additional to the state sector. The state then sometimes extended into these areas to provide a larger scale, more integrated service on a long-term stable basis. The sector has also campaigned on behalf of vulnerable and marginalised citizens and service users. In recent years, and greatly exacerbated under austerity with the withdrawal of the state from some services, we have seen the sector develop some detrimental features.

A shift of funding sources from grants to public service contracts has pushed organisations into bidding to provide outsourced services. It has also restricted the greater innovation and autonomy that grant funding brings. External ‘donation’ funding has remained in place for many charities.

Overall funding has been cut. Procurement practice has driven down public contracts so they do not provide “Full cost recovery” by excluding, or not fully covering, overheads to support the running of the organisations, and increasingly not even covering existing staffing costs. Therefore organisations have to make cuts immediately upon winning contracts, and sometimes run public contracts at a loss by cross-subsidising them from fundraising.

Housing associations have traditionally had a reliable income stream from social rents, however the benefit cuts and especially delays in payment have forced tenants into arrears, hitting the association’s financial position.

Smaller organisations, traditionally very reliant on grant funding and on local infrastructure organisations, have particularly suffered as austerity has eroded the state and community framework in which they operate.

The advocacy and campaigning role of the sector has come under more scrutiny and implicit criticism from the right-wing. Not only have there been direct attacks, for example calls to restrict campaigning by organisations which receive public funds to provide contracts, but the Lobbying Act has now legally restricted this. In addition, there is a degree of ‘self-censorship’ whereby organisations are inhibited from speaking out in situations which could impair the likelihood of them winning public contracts. Many workers are also scared to speak out when they see problems.

Some parts of the sector are behaving increasingly like private companies. In part this reflects some charities becoming focussed on winning contracts, but also some larger housing associations have moved away from their local roots and locally accountable governance, towards providing private housing and a range of services well beyond their original remit. Many are seeking to grow by acquisition, and operate a group structure including explicitly profit making companies.

A sector broadly dedicated to the public good should treat its workers decently, and many staff choose to work in the sector because of their idealism

and commitment. However, the financial squeeze and increased commercialisation is undermining this. In our major survey of UNISON members in the sector, the key issues identified were:

- under staffing
- lack of a pay rise for several years,
- and high-handed management.

Unsurprisingly, there are very high levels of stress and a problem of low morale among the workforce. Violence and harassment in the workplace are also at high levels, as service users are under increased pressure and the state sector is less able to help.

Some key trends include:

- Spreading zero hours contracts and inadequately trained agency staff.
- Attempts to circumvent TUPE after every change in contract provider, to cut pay and conditions.
- Frequent reorganisations, often used to cut pay, but which also thin management layers and reduce support for front-line staff and push higher-level work downwards.
- Although not all workers are at the bottom of the pay scales, low pay is a problem.
- Many staff don’t receiving the living wage, and many social care workers face actual pay cuts.
- Pay rates are also moving towards local market rates and away from proper national pay structures in many employers. Cost of living pay rises are under threat as employers claim they are unaffordable.
- Decent defined benefit pension schemes typically disappeared several years ago, and many pensions offered fall well below the Pensions Quality Mark.
- Failure to comply with working time regulations regarding breaks in shifts and between shifts.
- Decent face-to-face training, being replaced by IT courses with ‘tick box’ assessments.

Unpaid work is also growing. There has long been a culture of some unpaid overtime being worked, but some organisations are now trying to use volunteers to replace paid staff. This ignores the good practice – for example that set out in the TUC/Volunteering England charter on volunteering – and puts the quality of their work at risk. Government initiatives such as “Community Work Placements” in the “Help to Work” scheme seek to use volunteers as free labour to replace experienced workers in the sector.

Small organisations benefit from more informality in their operation, but on occasion this also leads to poor employment practice.

If current trends continue, then during the next parliament the sector could further sink into being a cut-price outsourcing option for cash-strapped public services, hamstrung in speaking out for service users by fear of losing contracts and political criticism. On the other hand, if public policy plays to the strengths of the sector and supports it, then the workers and volunteers have tremendous reserves of commitment and creativity which can be mobilised as a catalyst to make sure public services are working in partnership with their local communities.



UNISON policy proposals

Improve the sector's finances by increasing funding and grant support for the sector. This would enable it to maintain its 'independent' ethos and provide less dependency on winning public service contracts or being used as 'bid candy' by primary private contractors.

Simplify and speed up the process of applying for benefits, and appealing decisions.

Repeal the bedroom tax.

Promote the value of using discretionary public sector grants for charities as low-bureaucracy creative investment tools for genuine partnership that nurture non-statutory community activities and support promising local social entrepreneurialism.

Improve commissioning. Issue guidance on the pricing of contracts, to ensure full cost recovery for staff, 'back-office,' sustainability overheads and other relevant costs.

Commission research into the quality benefits of paying the living wage, and use this to justify a requirement that the living wage be paid for all public sector contracts.

Ensure commissioning, in its broadest sense, is conducted (a) by appropriately skilled people with relevant sector expertise and (b) with effective partnership with workers and service users in the design, commissioning and delivery of services.

Ensure all community providers of outsourced services, including sub-contracted providers, are subject to the same procurement regulations, tender award criteria observing social obligations and targets, transparency and equalities requirements as public sector bodies.

Service quality and social value combined to account for at least 50% of any weighted scoring for contract awards.

Safeguard the voice of the sector. Repeal the Lobbying Act, and re-affirm the importance of community and voluntary organisations campaigning. Examine how the 'users voice' and 'whistle blowing' is heard and support organisations promoting these safeguarding and consultative mechanisms. Provide safety mechanisms to remove 'self censorship' barriers for community and voluntary organisations.

Give support to ensure strong tenants associations for social tenants, democratically run and independent of their landlords.

Develop the workforce. Improve required standards of training in housing and social care, but fund this so it is not left to workers to pay for their own essential training.

Give workers on a zero-hours contract – or a 'fixed hours plus' contract – the right to convert to a permanent contract after 12 weeks. Strengthen TUPE to repeal the recent changes.

Issue guidance on using volunteers in public service provision, based on the principles of the TUC/Volunteering England guidance. Require auto-enrolment DC pension schemes to match the Pensions Quality Mark (10%, with a minimum employer contribution of 6%).

Give trade unions access to circulate information to

an employer's staff on an annual basis if a union is not already recognised. Introduce a streamlined complaints process if union reps are refused facility time for trade union duties.

Many staff choose to work in the sector because of their idealism and commitment. However, the financial squeeze and increased commercialisation is undermining this

Police and probation

Challenges

Police forces and probation trusts in the UK have suffered budget cuts, structural reorganisations and continue to be confronted by attempts to outsource and privatise key parts of both services by the coalition government. Across all sectors – police, probation and CAF/CASS – UNISON members are facing major structural change and with that come both threats and opportunities: threats in particular to the continuation of national collective bargaining in both probation and police but also opportunities to organise more effectively to represent members' interests in a time of great uncertainty.

Last year saw the creation of a single police service in Scotland, with a merger of the previous eight Scottish forces. In England and Wales police and crime commissioners (PCCs) were elected in November 2012 to replace police authorities. Most police staff have since transferred to the employment of their chief constable via an interim period employed by the PCC. In both instances, UNISON has had to work to ensure that the voice of police staff was central to the change programme. Our members are now weary of structural change. CAF/CASS also stands on the brink of a major machinery of government change with its absorption into the Ministry of Justice, posing similar challenges for UNISON.

As police forces have been faced with large budget cuts of 20%, key police staff jobs have come under threat. While the coalition government promised to protect 'front line' services, recent UNISON research has revealed that more than 3,500 police community support officer jobs in England have gone since the start of the coalition. This amounts to an overall 22% reduction in the number of PCSOs in England. In contrast to England, there has been a 57% rise in the number of PCSOs in Wales, with an extra 500 posts created, with dedicated funding from the Labour Welsh government. Continued police cuts have called into doubt the current 43 force structure in England and Wales, but UNISON is opposed to regionalisation or force mergers.

The coalition government also made a push for increased private sector involvement in police forces, encouraging them to use outsourcing as a way of achieving 'efficiencies and cuts'. In April 2012, Lincolnshire Police and G4S held a seminar in London to discuss their partnership arrangement which saw the majority of its police staff transfer over to G4S. Representatives from 38 police forces attended the seminar. Cambridgeshire, Bedfordshire and Hertfordshire police announced in June 2012 that they were considering joining the Lincolnshire Police G4S contract. West Midlands and Surrey police forces were taking part in a joint procurement exercise with encouragement and financial resources from the Home Office. However, UNISON and other activists were able to use the first PCC elections to subject outsourcing

and privatisation to democratic scrutiny. As a result, only three forces have undertaken major outsourcing: Lincolnshire, Cleveland and Avon & Somerset, and there are major questions about the success of all three

The coalition government is also pursuing its plans to restructure and privatise the probation service. It proposes to reform probation by splitting it into two new delivery bodies: a small national probation agency and 21 community rehabilitation companies (CRCs). It will sell off the companies to the private sector, pay for the contracts via an untried payment by results model, abolish the existing 35 local probation trusts and prevent the trusts from competing with the private sector to run the services they have run for the last 105 years.

The effect of spending cuts is already having a detrimental effect on policing in England and Scotland. Reductions in the numbers of PCSOs and police staff in England has had a marked effect on neighbourhood policing in particular. The majority of UNISON's PCSO members in England have reported cuts to their services. As well as a reduction in the number of PCSOs, cuts in supporting roles also impact on front line policing as PCSOs often find themselves covering for these roles and spending less time out in the community. These budgetary and staffing pressures could lead to a rise in crime.

The creation of a single police service in Scotland has also been accompanied by job losses and local police station closures. With cuts of £139m from police budgets between now and 2017 and £1bn over 12 years falling upon local services and vital 999 and 101 services, policing in Scotland runs the danger of becoming increasingly remote from local communities. Police officers are being taken off the beat to undertake police staff roles they are not trained to do.

Breaking up the probation service threatens to disrupt the vital public protection work that our members perform to keep communities safe. The plans will severely disrupt existing local community safety partnerships between probation, the police and local authorities and cause confusion as to who should be supervising offenders, whose risk level can change frequently. These plans will also drag probation hostels, which house the most dangerous offenders, into an unnecessary re-organisation and divert essential staffing resources from the front-line to delivering the government's plans – a huge workload that will be dumped on the 35 probation trusts.

UNISON policy proposals

Re-instate neighbourhood policing grant that can only be spent by forces on safer neighbourhood teams.

Reverse the cuts to neighbourhood policing.

Critically examine the current powers for PCSOs with a view to extending/clarifying those powers where this would be in the best interests of communities.

Re-examine the mix of the police workforce to ensure that the best use of resources is being made at force level.

Review the performance of private contractors in the police service to assess the claims for private sector efficiency.

Police structure

The recommendations of the Stevens Commission on the future of policing suggest that the police and crime commissioner model of governance is broken and must be replaced. We believe there is a need to be cautious about launching an immediate review of police governance, as this may be seen as a distraction from more pressing matters around the funding and purpose of policing. Reform of the existing governance arrangements to policing would be preferable to total revocation and re-invention. UNISON's police staff members have faced two transfers of employment in the last two years: once from police authorities to police and crime commissioners and secondly from PCCs to chief constables. These transfers were time consuming and a distraction from the purpose of policing. This costly bureaucracy should be avoided.

Workforce modernisation

PCSOs have been part of a significant push to reform the police workforce via a process known as workforce modernisation (WFM). WFM sought to deliver a more cost-effective and efficient workforce by ensuring that police officers were not deployed to work that could be better carried out by suitably trained and skilled police staff.

Officers involved in work that did not require a warrant card were redeployed to the front line and police staff employed in their place. Labour should re-invigorate police WFM to drive efficiencies and innovation in policing. There remain many police officers doing essentially police staff jobs. The idea of structural reform of policing without workforce modernisation, would not deal with inefficiency; just replace 43 forces with another a smaller number.

Probation

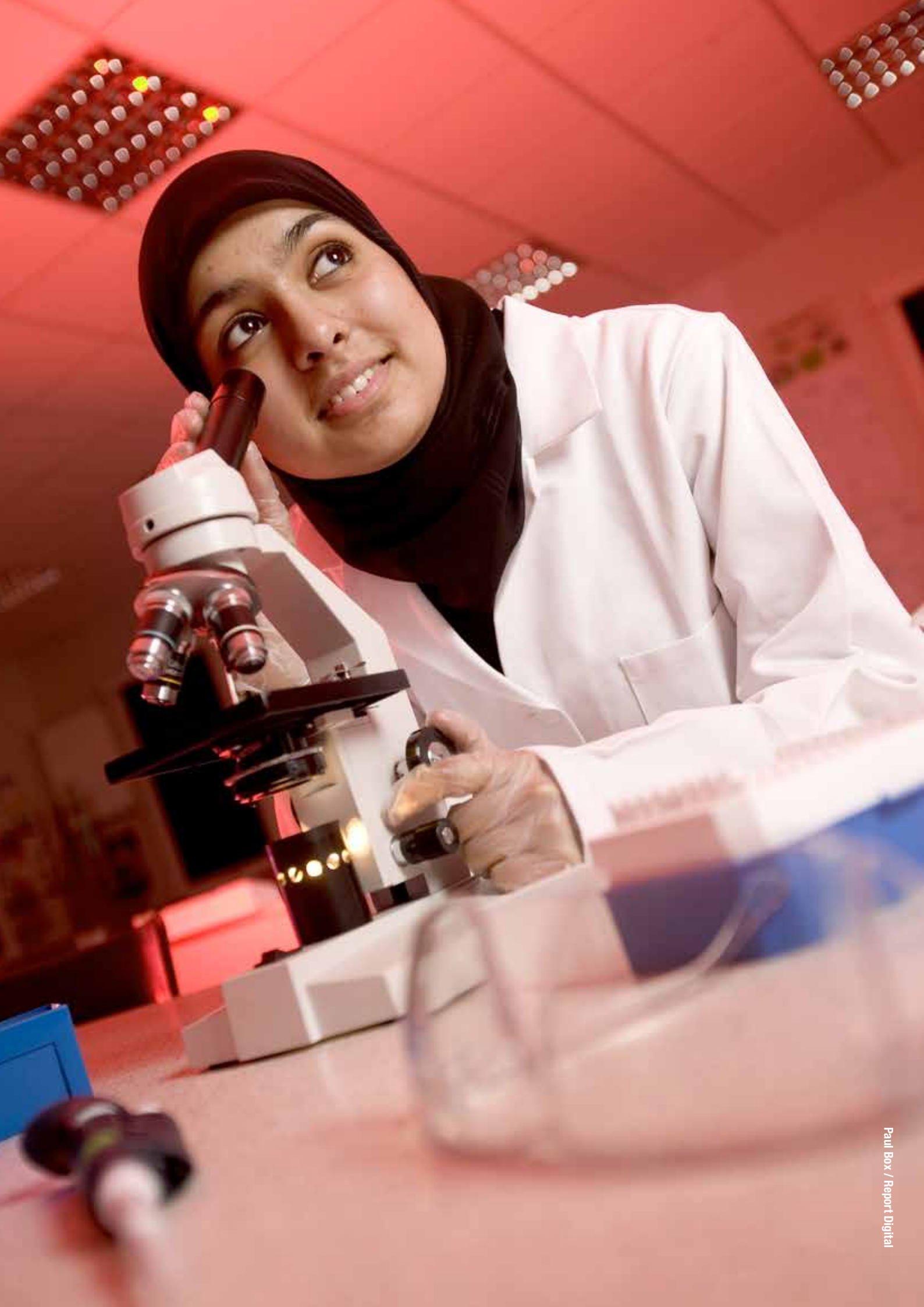
Continue to oppose Transforming Rehabilitation. Reverse as much as possible of the Transforming Rehabilitation programme if elected in 2015.

If the CRCs have not been sold to the private sector before the election, the sale should be halted.

Re-instate a unified and locally accountable probation service.

Allow police and crime commissioners and/or local authorities to commission a greater proportion of local justice services, including probation, locally with a greater proportion of the Ministry of Justice budget devolved to local areas. This is the concept of 'Primary Justice' promoted by UNISON and the Local Government Information Unit (LGIU).

The effect of spending cuts is already having a detrimental effect on policing in England and Scotland



Education

Challenges

Since devolution education policy and structural arrangements for schools and colleges in the UK has diverged even further. Education structures in Wales and Scotland have generally remained centred around the comprehensive, maintained schools model, while Northern Ireland has continued its grammar and faith based schools policy. However, in England the coalition government has pushed radical change, with a rapid expansion of academies that are undermining the role of local authorities.

Building on the previous government's academy programme the coalition encouraged 'outstanding' schools to convert to academy status. The government is now forcing those schools judged to be 'inadequate' or 'requiring improvement' into academy status. By June 2014, there were already 4,000 academy schools in England. In 2011 the coalition government introduced the 'free' school, new schools supposedly aimed at giving greater choice for parents, teachers and local communities. In reality few free schools have been set up by parents, many have cost a disproportionate amount to set up (£45 million is being spent on a free school in Westminster) and far too many have been set up in areas where there is no shortage of places.

In Northern Ireland UNISON has challenged vested interests that have sought to allow schools to become separate employers and the formation of a single education authority. The drive towards academies and free schools in England; depicted as increasing school autonomy, has led to a fragmented and incoherent education system. Paradoxically academisation has gone hand in hand with greater centralisation, as the Department for Education directly funds and controls them.

Schools which convert to academies can opt out of the national curriculum, retain the funding 'top slice' which previously went to the local authority and move away from national pay and conditions for staff. At a time of unprecedented pressure on finances many schools opted to become academies on the promise of significant subsidies rather than the desire for greater 'freedoms'. The government originally encouraged forced academies to join large chains, however the rapid growth of some was at the expense of improvement and many of the larger sponsors are now restricted from expanding. The government is now encouraging the setting up of local multi-academy trusts to provide support and try to achieve some economies of scale. As more schools become academies many local authorities face severely reduced budgets which have a knock on effect on the level and quality of services they are able to provide to maintained schools.

While UNISON does not wish to stifle innovation there are worrying implications if academies actively begin to deploy their freedoms without due regard to the well being of school staff, neighbouring schools and local

communities. In an increasingly market-driven school system, some academies are using their employment freedoms to re-structure staffing, which means cuts in jobs and downgrading of posts. The huge differences in pay and conditions for staff doing the same work in different schools, which was going to be addressed by the School Support Staff Negotiating Body, has been worsened by this fragmentation. This is exacerbated by outsourcing and privatisations within schools.

The fragmentation means that UNISON's work is critical, particularly the challenge of organising and representing members in stand-alone and small multi academy trusts. The union has pursued successful Living Wage campaign in schools, producing joint guidance with the Catholic Education Service, the Schools Co-operative Society, some academy chains as well as agreements across the UK with local authorities, including every LA in Scotland. UNISON also made a strong response to rightwing think tanks who attacked the role of teaching assistants. A high profile campaign by the union led to a more positive approach from the Department for Education in England. UNISON Wales has also been advocating on behalf of school support staff members to ensure the Wales government's registration scheme works for support staff.

Further education

Every year colleges educate over three million people. In 2013-2014 more than 840,000 16 to 18 year olds were at college, compared to just over 440,000 in school and academy sixth forms. There were also 72,000 of this age group undertaking apprenticeships through their local college and 51,000 14 to 15 year olds in full-time (2,000) and part-time study (49,000) at college. There were also over two million adults in further education (FE), either gaining skills for the first time or engaged in professional development. Teaching everything from entry level to postgraduate courses to all-age students, FE has a central role in education and the economy. Savage funding cuts across the UK have caused major problems in further education (FE), particularly for adult services in England and Wales. In Scotland colleges have been merged into regional centres with a cut in students and courses, but have also seen proposals to introduce national bargaining. In Northern Ireland an independent review of industrial relations in FE has been published and is now being consulted upon.

Education has gained prominence on the policy agenda in Wales amid reports and concern over standards. The assembly has introduced registration for some school support staff which could have a positive impact on training and CPD, although vigilance is necessary to monitor any negative effects associated with compulsion.

In Scotland the introduction of the Children and Young People Bill by the Scottish Parliament will see an increase in free childcare for three, four and vulnerable two-year-olds, from 475 to 600 hours from August 2014. Although UNISON welcomes the

commitment, the additional hours have not been fully funded. This could have a significant and negative impact on members' contracts of employment..

Adult education has sustained further attacks with local authorities, a major provider, suffering significant budget cuts. These have also led to reduced youth services, which with the abolition of the EMA and the demise of the careers and connexions service, impact on the most vulnerable young people in society.

UNISON policy proposals

The growth of sponsored academy chains has raised critical questions regarding school accountability, particularly around how academy chains will be monitored. Some local authorities have tried to raise concerns on performance with academies in their area, but were rebuffed as the councils had no powers to intervene.

Recent problems in the governance and financial management in some free schools were predictable, given the lack of oversight and accountability in these schools. Even those not experiencing such problems risk adding greater complexity and potential extra costs to the school system, especially if they set up in areas where they produce additional and unnecessary places. As Ofsted begins to inspect free schools, a significant number are being failed or being graded 'requires improvement'. Consequently UNISON believes the free schools programme should be ended.

Appropriate pay, training and professional development of school support staff is critical for school improvement and should be at the heart of a more collaborative approach. Cuts to training budgets have disproportionately affected school support staff. Pay for support staff is low and too often schools do not recognise the level of professional commitment and dedication to their pupils that is expected of them in practice. The difference in pay levels is exacerbated by the norm of term-time only pay and the proliferation of casualisation.

Moreover, there is a growing risk that if academies do not maintain pay structures which recognise the skills and responsibilities of support staff, it will increase the discrimination and low pay they experience. UNISON believes that the abolishing of the School Staff Negotiating Body (set up by the last Labour government to develop a much needed consistency in pay, conditions and job roles for school support staff) by the coalition government was a significant error.

While Labour cites 'real local accountability' as crucial, it has not spelled out how this would work in practice. Until a better model is proposed UNISON believes that local authorities would be the best organisations to hold academies to account, working with Ofsted as external inspector. In addition to this, Local Authorities have a key role in providing the 'middle tier' and in helping co-ordinate and support school improvement. Local authorities can also offer valuable

experience, specialisms and economies of scale, as well as democratic accountability. The success of the London Challenge shows that local external challenge can work.

The provision of a high quality comprehensive state education which enriches the whole community lies at the heart of UNISON's vision of a democratic, just and inclusive society. The delivery of such an education must necessarily ensure democratic accountability, value for money and high standards for the benefit of all. This is no less relevant to all members of the school and college workforce, who should receive appropriate pay, development and training.

The cuts to college budgets should be reinstated

The closure of Connexions and the transfer of careers services to schools has been mishandled and a review of careers services is urgently needed.

Ofsted needs to be depoliticised and returned to its original role.

There is an urgent need for a career structure for early years workers and a commitment to a fully qualified (level 3) workforce by 2020.

Appropriate pay, training and professional development of school support staff is critical for school improvement and should be at the heart of a more collaborative approach. Cuts to training budgets have disproportionately affected school support staff

Higher education

Challenges

The UK higher education (HE) sector is recognised across the globe as world class. It plays a vital role in our economy, bringing in 2.8% of UK's GDP in 2011. This has informed government policies towards university funding and expansion, with the key goal for HE policy in the UK being to encourage increased participation with an express aim of creating a more educated workforce. This was coupled with the introduction of tuition fees, with the expectation that increased income would support the growth of higher education.

Under a different economic climate, with rising unemployment for young people and a coalition government which has raised tuition fees in England and which has placed an emphasis on market forces and privatisation within the sector, this ideal has started to fray, not least for students and for staff. This presents a practical challenge for how higher education institutions invest their resources and plan for a sustainable future as well as a political challenge regarding the role that higher education plays in our society.

Devolution has seen distinctive approaches taken in England, Scotland, Wales and Northern Ireland. The Welsh government subsidises fees for its students studying anywhere in the UK, paying for fees above £3,575. This has raised questions around the cost and investment implications for Welsh universities and public funding, with a cross party review of funding currently ongoing. Scottish students studying in their home nation pay no fees and students from Northern Ireland who do the same pay lower fees of £3,575. Higher education institutions in Scotland, Northern Ireland and Wales receive a significant share of their funding from the government, rather than from loans and fees. However, the numerical dominance of the universities in England and the competition for students that this poses means that universities in the devolved nations will continue to face pressure from trends in England.

With the introduction of £9,000 variable fees, public funding for universities and colleges has been cut by more than £800m as part of the 'transition' to the new funding system in England. The Higher Education Funding Council for England (HEFCE) allocated £4.47bn for the 2013/14 academic year to 129 universities and higher education colleges and 203 FE colleges. The settlement, down from £5.3bn, includes increases in some areas and cuts in others. The £2.3bn teaching grant has borne the biggest reduction, a £900m cut from this year. Comparing like with like there has actually been a small increase of around 1% in funding for existing students and 2013/14 entrants. Teaching grants are increasingly focused on meeting costs incurred by universities that cannot be funded by tuition fees alone. This includes support for some high cost subjects

or those seemed strategically important or vulnerable.

Increased student numbers and higher fees means that universities are sitting on surpluses and rising income. However, workers in higher education are not being fairly rewarded for their hard work, with low paid members bearing the brunt of cuts, low pay, redundancies and increased use of zero hours contracts. Research in 2013 by Universities UK showed that money is being invested into improving estates facilities and efficiency initiatives at the expense of investment in staff.

The coalition government's initial decision to allow open and unlimited competition for AAB students and for the complete removal of the cap in 2016 has been promoted as an exercise in improving student choice. But in reality it has exacerbated existing social and financial divisions, with a growing two-tier sector, with students attending elite universities overwhelmingly characterised by backgrounds of social and economic privilege. Rather than being a vehicle for social mobility, higher education reinforces existing social divides. While this is not a new problem, the raising of tuition fees to £9,000 has worsened the situation. One worrying trend has been a marked drop in applications for mature students. While public debate around higher education overwhelmingly focuses on young people, the importance of life-long learning and opportunities for mature students should not be an afterthought. If higher education is to live up to the social and economic aspirations placed upon it, opportunities for mature and non-traditional students should be increasing, not decreasing.

At the same time, the raising of tuition fees and the resultant debts incurred as a result of attending university is shaping the choices and the expectations of young people as well. The shift of the burden of payment for HE, from the public purse to individual students is going to mean that HEIs will be expected to provide a very different 'customer experience' and the role of support workers will be even more important than before.

Employers often don't realise how important support staff are until they are not there. Cleaning staff are often the first point of contact for live-in students who are having difficulties and need someone to talk to. Library staff will be more vital than ever as students demand longer opening hours and more access to information.

Many higher education institutions are already using the cuts in the teaching grant and the uncertainty caused by the increase in fees to justify reducing support staff numbers, lowered pay and conditions of service. In institutions where support services have been privatised or outsourced, basic employment conditions have been eroded, with lower pay and inferior terms and conditions. This is not only a short sighted approach, it also sits uneasily with UNISON FOI research that found that some of the universities paying the highest wages to vice chancellors had the largest number of low paid or casualised staff. Many institutions pay senior staff huge salaries while there are thousands of low

paid service workers on the same campuses, in the same offices, experiencing poverty despite being in work.

UNISON policy proposals

UNISON remains committed to a free education system funded by general taxation, but welcomes any examination of fairer ways of resourcing higher education.

The challenges facing higher education demand a systematic approach to student access, funding and tackling inequalities within the whole higher education workforce. The fact that while greater numbers of students are now going to university, the proportion of working class people accessing higher education remains stubbornly low, points to serious problems within the whole system. UNISON believes that a thorough review that involves key stakeholders is necessary. This includes meaningful contributions from students and from the whole workforce, including support staff. This review should explore the creation of better links between schools, FE colleges and universities in order to promote better access regardless of background and economic privilege, sustainable funding for the sector and appropriate recognition of the role played by all staff.

Energy

Challenges

The main challenges are to ensure that the energy market achieves the three main objectives:

- Affordable energy for households and business.
- Low/zero carbon energy, so that the environmental chaos of climate change can be avoided.
- Security of supply.

Affordable energy

Above-inflation increases in energy bills are exacerbating the squeeze on household incomes. Energy prices have risen by four times the rate of inflation over the past 10 years. Energy costs rose by 152% from September 2003 to September 2013, the RPI by 38%. A period during which, for much of the time, wages for many have been below the rate of inflation.

Domestic and industrial consumers face escalating bills, and action is needed to ensure that energy prices are both fair and affordable. But cheaper energy is not incompatible with addressing climate change, and there is far more that could be done to improve the operation of the UK's energy market while ensuring that green investment is protected.

In response to recent energy bill increases Ed Miliband said in his speech to Labour Party conference that a future Labour government would freeze energy prices for two years, during which time a package of reforms to the sector would be developed and put in place to "reset the broken energy market".

The energy secretary subsequently announced¹ new measures to help customers switch suppliers, and that Ofgem will carry out a "market assessment every year, working with the Office of Fair Trading and the new Competition and Market Authority to monitor the behaviour of market participants and ensure the market is working fairly." Ofgem will also assess energy suppliers' financial reporting practices.

The prime minister also announced a review of "green energy taxes" which he believes have helped push up household bills to "unacceptable" levels. Many disagree that the government's responses are either adequate or appropriate. There is clearly a need for far more transparency around the operating practices of the largest energy companies. Ongoing gaps between wholesale and retail prices remain unexplained, prices among different companies appear to increase simultaneously and profit margins surpass those of many other large businesses.

The case for reformed green taxation

While the case for market reform is compelling, the prime minister's 'green tax' review is not.

The average household dual fuel bill is £1,267

(£691 for gas and £576 for electricity). Pensioner households entitled to the £135 Warm Home Discount have lower costs, as do households who are entitled to Cold Weather Payments and/or Winter Fuel Payments. The main contribution to the consumer energy costs is not environmental charges, which only comprise around 9% of the average household fuel energy bill.

Green levies all have important roles to play in supporting the UK's transition to a lower carbon energy market, and in some cases also aim to offer specific support to less well off consumers.

Investing in low carbon energy

Through a series of energy market reforms the government's Energy Bill is tasked with delivering the framework for £110bn of secure, low carbon and affordable energy investment by 2020, by which point a fifth of our older power plants will have faced closure and neglected infrastructure will need to have been upgraded. By 2030, more than double that level of investment will be required to secure the UK's energy supply and enable our shift to lower carbon energy production.

There is now a strong body of opinion that the government should include in its Energy Bill a specific target to largely decarbonise our electricity supply by 2030. Advice from its independent advisors the Committee on Climate Change has consistently recommended inclusion of such a target as part of its statutory duty to identify the lowest cost route towards meeting our carbon reduction targets.

The Energy Bill also sets out that low carbon investments in new nuclear, renewables and carbon capture and storage for coal and gas power stations are to be funded by consumers through the Levy Control Framework. The LCF sets a limit on the value of payments that can be made through increases to consumer energy bills to pay for low carbon energy sources. The LCF is currently £2.35bn, rising to £3.56bn by 2014/15 and to £7.6bn by 2020.

Funding the low carbon transition

There is a strong case for a stronger link between revenues raised via environmental levies and reinvestment in low carbon initiatives. Current forecasts show that Treasury seeks to gain substantial benefits from these measures over the years ahead.

Carbon taxes currently raise about £3.5bn a year, rising to £6.6bn in 2015-2016. With such substantial revenues being raised from environmental taxes, there is scope for a more explicit strategy of reinvestment of these revenues in the low carbon transition.

This shift should include more ambitious policies to improve workplace and household energy efficiency. Alongside support for the lowest income households via Energy Companies Obligation the government's main vehicle for supporting households is the privately

financed Green Deal, launched in January 2013. But the programme is falling well short of its targets. The latest data (September 2013), showed only 384 people had signed up to the Green Deal, making it unlikely the target of 10,000 by year-end would be met. In contrast in Germany, home energy efficiency investments are supported by the KfW state investment bank, which lends to consumers at very low interest rates of 1%-2%.

Security of energy supply

Energy security has always been high on the political agenda, but its importance has risen as the UK has become increasingly dependent on imported energy, experiencing high and volatile oil and gas prices along with the challenge of reducing our carbon dioxide emissions. The Energy & Climate Change Committee inquiry into energy security (2012) concluded that the government's electricity market reforms did not strike the right balance between various forms of energy. The Committee highlighted that a hectic "dash-for-gas" would risk locking the UK into a high-carbon electricity system posing a severe threat to the achievement of our long-term climate change goals.

UNISON policy proposals

We need a national programme of domestic energy efficiency measures to ensure every property in the UK meets an Energy Performance Certificate (EPC) rating of band C. Such a programme would recognise that the UK has one of the poorest housing stocks in Europe requiring twice as much energy to be consumed to stay warm as other similar developed nations.

Such a programme must be universal and funded so it can be delivered house by house, street by street. We recognise this may take a number of years (we believe it could be achieved within 15 years) to fully accomplish.

Following a universal assessment programme; we would propose that remedial works are provided free to low income householders while those on middle to higher incomes would be able to access interest free loans.

We believe such a programme is the most effective way to address multiple energy concerns and would in itself; virtually eradicate fuel poverty, create in excess of 129,000 jobs, boost the nations GDP, reduce the demand for imported gas by 19% by 2027, reduce carbon emissions and provide a viable alternative to large scale fracking.

The cost for such a programme can be found from finance already identified such as ECO and Green Deal alongside the use of carbon tax receipts and the increases in national revenues arising from higher employment and increased economic growth.

Plans to remove or reduce environmental taxes should be opposed. Cutting green policies will hit investment in green jobs and skills in key sectors such as home insulation and the nascent wind industry, as well as compromising the UK's climate change objectives. However,

we should also recognise that applying these charges via fuel bills is regressive – consumers pay according to their energy use rather than their income. We therefore believe that funding these measures through general taxation would be a more progressive and equitable approach.

A root and branch review/deep audit of the energy sector could be a vital step in addressing the dysfunctionality of the current energy market and as such UNISON backs the TUC’s call for a “deep audit”. A price freeze should be in place while the deep audit takes place. We also believe that we should be open minded about direct state investment in the market place to secure the outcomes required. We remain supportive of this approach.

A target to decarbonise electricity supply by 2030 is urgently needed to provide longer term clarity and attract investment in low carbon technologies.

Cutting green policies will hit investment in green jobs and skills in key sectors such as home insulation and the nascent wind industry, as well as compromising the UK’s climate change objectives

Water

Challenges

There are significant problems with the water industry in England. The situation across the rest of the UK is more mixed. Water remains publicly owned in Scotland although there is growing privatisation through PPP and the extensive use of contractors.

We are now down to only four UK stock exchange listed companies, with most of the rest in the hands of private equity consortia, often foreign owned. More than £100 a year – 30% – of an average household bill goes on profit, compared with 9% in the energy sector.

In the last 10 years water bills have risen by a massive 64% compared with a 28% increase in average earnings.

There is no competition in the water industry, if prices change it’s on the say so of the industry regulator.

Despite high profit margins and rising prices one company, Thames Water, has turned to the government for taxpayers’ money to finance new investment.

At a time when many families are struggling to keep their heads above water it cannot be right that the water industry is enjoying high profit margins and dividends to shareholders, while consumers are hit with ever rising bills.

This hasn’t happened as a result of the recession. Over the last 10 years water charges have been increasing faster than both earnings and inflation, while many workers have been struggling to make ends meet as their pay is frozen and their costs go up.

Last year alone, National Debtline took a record number of calls for help with water debts and these water-bill related calls were higher in volume than calls relating to rent or mortgage difficulties. Despite this, the water industry has been allowed to carry on regardless, increasing bills and making even more profit.

How things might change after 2015

David Cameron has promised reform, but no substantive policies have been brought forward. Labour say they will require water companies to publish annual information, including corporate structure and levels of investment, taxation and dividends paid to shareholders to enable Ofwat to use this information to evaluate whether to require companies to cut bills. They also say they will require all water companies to support an affordability scheme, strengthen Ofwat’s power to cut bills and tackle the failure of water companies to pursue non-payers, whose actions are estimated to put an average £15 on the annual bill for every customer.

UNISON policy proposals

UNISON is calling for an independent public enquiry into the state of the water industry in England to ask if the current model really is the best way to serve

the consumer. UNISON does not believe the current model is working and believes it is hard to justify the high levels of profits and returns to shareholders that has led to industry falling into the hands of private equity and foreign ownership. Immediate action should take the form of a requirement of all water companies to be subject to a probity test to ensure they are transparent about taxation and behave ethically towards all consumers.

Environment Agency

Challenges

Population will continue to grow, placing a greater strain on environmental resources and infrastructure. There could be more extremes in the weather with a changing climate, creating demands in responding to more frequent and more intense flooding and droughts.

Low rainfall levels over many months meant that the first five months of 2012 were in drought. This was then followed by record rainfall and consequent repeated flooding in 2012, a North Sea tidal surge that flooded coastal areas in 2013 and sustained record levels of rainfall resulting in the wettest winter on record. 7,000 properties flooded between December 2013 and February 2014 while 1.4 million properties were protected. Sea levels will continue to rise placing more pressure on coastal habitats and communities, and flood and coastal erosion risk management structures.

The combination of a growing population, a changing climate and ageing assets will increase stresses on infrastructure including sewerage and water distribution systems and flood and coastal risk management structures.

Funding is a huge challenge. With government providing 68% of funding, the deficit reduction plan has had an inevitable impact on the agency.

The cuts being imposed by the coalition government originally amounted to around 1,700 posts. They were first announced in October 2013 and since that point both management and trade unions have been working together to minimise the threat of compulsory redundancies. However, extra funding announced by the government after the severe coastal and inland flooding over the winter has meant that this figure has been reduced by around 1,250.

How things might change after 2015

The Committee on Climate Change is predicting an increased risk of flooding. The party's are saying they will prioritise flood protection. All are hampered by their commitments on deficit reduction.

UNISON policy proposals

Sustainable and predictable funding that meets the needs of environmental protection is essential. The cost of environmental damage whether it is flooding or waste/pollution is much higher than providing the right level of adequate environmental protection. The present cuts are a false economy.



Transport

Challenges – bus services

Buses are the most frequently used form of public transport. Day in and day out they link thousands of people up and down the country to jobs, schools and shops. However, government spending cuts are having a devastating effect on our vital bus services. Across the country socially necessary buses are being axed by local authorities.

In some parts of the country, cuts to bus services are now reaching critical levels. New research from the Campaign for Better Transport shows how entire networks of bus services are at risk of collapse. Buses in crisis reveals 46% of local authorities reducing their support for buses in 2013 with a number threatening to remove all support in the next financial year. If government doesn't take action to help support buses whole networks could disappear.

How things might change after 2015

The Conservatives and Liberal Democrats are yet to publish their plans for bus services after 2015 should they win the election.

Labour say that they will support local authorities to plan bus services better, through the use of quality contracts. These would enable local authorities to regulate fares and improve services so that they better meet the needs of communities. They also say the current system of funding is too fragmented and that they will explore how more decisions on how bus funding is spent can be brought closer to communities.

UNISON policy proposals

UNISON believes that the massive cuts to bus services must be abated and reversed if we are to retain a viable public transport network. Reduced bus services hit women and vulnerable groups hardest and this should be recognised. We are asking for a moratorium on any further cuts and a public duty to be considered to ensure access for all communities remains. We also support the greater use of quality contracts.



a million
voices
for
change

Further information

To find out more about the evidence and examples mentioned in this publication, please contact policy@unison.co.uk or call 020 2121 5529