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DIRECTION FOR
THE DEMOCRATIC LEFT

Voices for Real Reform

*A public service discussion paper
based on a joint Compass and
UNISON Summit January 2007*



UNISON

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A public service discussion paper based on a joint Compass and UNISON Summit that took place in January 2007

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1. Introduction

The need for modern public services that can respond to changing social and economic needs, and make the best possible use of public resources, is something we can all agree on. The government is developing a compelling case for the role of the state and collective provision in advancing social justice and equipping individuals and communities to meet the challenges of the twenty-first century. The current Comprehensive Spending Review and associated policy reviews are raising long-term challenges such as rising aspirations, technological advances, demographic change, and global competition, at the same time as looking for ways to improve efficiency and value-for-money in a context of tightening public finances. At such a time we need to think imaginatively and boldly about how to reshape public services so as best to reach our common goals.

Unfortunately in recent years the discussion around public service reform has been distorted by a distracting emphasis upon market mechanisms and private sector involvement. In theory, such reforms have been thought to offer a route to consumer choice, competitive discipline, and managerial innovation. Instead, they have foundered on the fact that such solutions are not readily applicable to the practical realities of public services, which entail complex roles and relationships within and across services and with service users and wider communities.

As the summaries in this discussion document set out, this same model has been applied to sector after sector, with similar concerns raised in every case:

- fragmentation of integrated delivery systems
- disruption of collaborative relationships
- deterioration of working conditions
- escalation of transaction costs and monopoly profits
- short-term cost-cutting and distortion of priorities

and compromises to the principles of social equity and public accountability that should underpin all public service provision.

These problems have in turn discouraged and alienated the professionals and front-line staff who deliver public services, and polarised the public debate around a simplistic and narrow conception of 'reform'. The mixed messages and continual instability have created an unhelpful atmosphere of crisis and conflict that are corroding public trust in the claims made by politicians about the real benefits of increased investment in public services. As all are now beginning to recognise, the resulting negative mood could politically endanger the very project of rebuilding and renewing our public services over the coming years.

This summit has been conceived in the hope that a new way forward for public services can be found on the basis of a shared commitment to real public service improvement that reinvents and mobilises a modern public service ethos uniting users, staff and communities as empowered 'co-producers'.

Users of public services rightly want services that treat them with respect, respond to their needs, and make effective use of public resources. But they understand the difference between public services and the private provision of consumer goods and have different expectations of each. A recent survey by UNISON showed that public service users value access and reliability over choice of provider, and expect those delivering services to be working cooperatively rather than competing against one another. The National Consumer Council reports that when asked what marks out the best public services, users speak of "empathy, warmth, the human touch, respect and focusing help on people who need it most", and concludes that "people don't want to throw away what public services can offer". Increasingly it is understood that real "public value" is created through dialogues and interactions between users and providers that are not easily captured, and that are all-too-easily damaged, by crude targets and competitive imperatives.

Those who work in public services know that public services have to change and develop if they are to meet the needs of a changing society in a global economy. They also know that flexible, innovative, learning

organisations are most likely to flourish on the basis of real investment in and engagement with the workforce against a background of meaningful consultation and job security. And it should be a matter of good management, as well as of basic fairness, that public services should offer their employees good reasons to commit to the continuous improvement of that service as well as real security and opportunity through any process of change. Where this has been the reality employees and their representatives have played a supportive and creative role in facilitating important reforms around workforce remodelling, rethinking organisational boundaries, and taking advantages of new technologies in areas such as medicine or IT.

The truth is that markets will at best only ever be marginal, and at worst could be a serious obstruction, to the real challenges of public service improvement – challenges of public involvement, workforce development, organisational performance, partnership working, and strategic capacity building. We need to move the discussion on from an infatuation with idealised market models and focus on the ways in which real people work together to produce public goods. Some of the shared principles which might frame a more constructive debate – which are sketched here only as a starting point for discussion – might include:

- equal access to users on the basis of need, levelling up standards by spreading best practice and improving utilisation by vulnerable and excluded groups
- efficiency that accounts for human wellbeing and social benefits as well as financial goals, through effective mechanisms for transparency, cost-control, and a genuinely open review of evidence and consideration of alternatives
- a culture of continual improvement, and real flexibility and innovation, ensuring services expand and develop in response to new individual and social needs
- empowering users – both individuals and communities – as co-producers and stakeholders whose aspirations must be the driving force in reshaping public services, and to whom services must be democratically accountable
- real partnership with the workforce based upon active involvement, a renewed professionalism, and a clear understanding that efficiency and improvement cannot come at the expense of dedicated public servants
- maintaining a long-term strategic focus that values necessary investment in physical, social and human capital over the false economies of short-term cost-cutting and perverse incentives

- a non-ideological approach to providers that recognises and learns from the qualities and strengths of different sectors but does not sacrifice equity and efficiency for the artificial 'diversity' of an engineered market that is skewed against the public sector
- a holistic or 'systems' approach to reform that supports collaboration and integration and appreciates the complex interdependence of service providers, public institutions and cross-cutting social and economic goals

It is one thing to formulate broad aspirations and general principles, and quite another to come up with concrete solutions in specific service areas. This will mean confronting difficult issues and, on occasion, some hard negotiation. But, if conducted in the right spirit and ensuring all voices are heard, such a discussion could also produce some exciting new ideas and possibilities which have not so far found expression. That is something we hope that today's interactive seminars will be able to make a start on.

The remainder of this document provides an initial overview of the issues in key service areas. These are not the only services of concern but represent a range of services that are currently being reformed, often using surprisingly similar, market mechanisms.

We hope that the conversations initiated here will continue in the months ahead, and begin to reveal a new agenda for public service reform beyond the false solutions that have dominated the policy agenda for far too long.

2. Children's and Young People's Services – a fresh start

Direction of travel

The Government is driving through radical reforms of children's services in England, whilst changes in the other UK countries follow a similar, but less radical theme. In England under the broad banner of 'Every Child Matters', legislation such as the Children's Act 2004, the Childcare Act 2006 and the Education & Inspections Act 2006 has been supported with a series of white and green papers including a childcare strategy, a Children's Workforce Strategy, 'Care Matters' and 'Youth Matters'. The Scottish Executive has produced a consultation document on the early years and childcare workforce and recently a draft Children's Services (Scotland) Bill consultation.

In England the focus is on improving access to childcare for all working parents expanding children's centres and extended schools, improving outcomes for looked after children and stopping further failures in preventing child abuse. The government plans to re-shape universal services for young people with targeted support for those with additional needs based on the premise of "somewhere to go, something to do and someone to talk to".

A host of policies and supporting papers is aimed at closer working, integration of services and safeguarding children. The government takes a narrow view of who it engages with as stakeholders on a policy by policy basis – eg it limits involvement of trade unions to areas it considers relate to 'workforce issues'. It does not appear to want to create a broad 'social partnership' model (as it does in other areas) which is necessary if we are to deliver sustainable change, especially around workforce reform.

Where this will take us

Local authorities (LAs) have the strategic role in delivering new arrangements via children's trust structures that will act as the vehicle for commissioning services. There is a requirement to have a lead officer and lead councillor for children's services and nearly all LAs have merged their education and children's social services structures under a Director of Children's Services and Education.

Further integration of service delivery is inevitable and is supported by policies on introducing a lead professional role, common assessment framework, information sharing index, an integrated qualifications framework and degree led early years professional and multi agency working.

The Childcare Act provides for significant expansion of childcare. It proposes that all new children's services, including children's centres (based on Sure Start) be provided by the private and voluntary sector. LAs would only be allowed to deliver new services as a last resort. This is significant as, whilst most childcare is already provided by the private sector, new services could include areas previously delivered by LAs and could include core joint integrated work involving health and social care. As the 'The Effective Provision of Pre-School Education' (EPPE)) study has shown, the public sector has already set benchmarks in early years in relation to quality outcomes for disadvantaged children (although there are gaps for those most in need), levels of qualified staff and pay and conditions. That future funding of these services is being increased but spread thinner and the obligations on LAs to commission based on sufficiency rather than quality begins to ring alarm bells.

In children's social care the government Green paper 'Care Matters' proposes some useful ways forward, however proposals to set up 'social care practices' is an unnecessary diversion. There are concerns in the turnover of staff particularly in residential care staff and amongst children's social workers. The latter have also questioned the splitting of adult and children's services and the potential knock on effects on career pathways and recruitment and retentions.

The Government are proposing the creation of Integrated Youth Services with a view to moving from intervention to prevention focussed services - though how these are structured appears to be left to LAs, who are expected to deliver this agenda. In doing so LAs will be required to identify and take into account young people's views, publicise positive activities and consider alternative providers. There is limited additional funding available for improved facilities and additional targeted support to particular groups, such as those at risk of social exclusion and community crime. With LAs also picking up the commissioning role for Connexions services (that provide information and advice for 13-19 year olds) there is considerable uncertainty about future provision.

Local authorities are also required to co-ordinate out of school care via extended schools. Again, the private and voluntary sectors are being encouraged to take on more provision. However, under the government's policy of giving schools enhanced independence, schools' relationship to Every Child Matters is translucent and gives them the opportunity to opt out of delivering extended schools, putting the onus back on LAs. Trade unions view extended schools as a double edged sword since they may offer additional employment opportunities for some staff but also have potential to extend working hours for others and be detrimental to pay and conditions as a result of increased private and voluntary sector involvement.

The future – discussion points

- We welcome increased childcare, the expansion of children’s centres and the need to improve the vital role of services for young people. Investing in this area has a massive potential to improve outcomes and decrease poverty.
- Unlike other major government led re-structuring (NHS, Schools) there is comparatively little additional funding and a lack of a body to oversee the workforce reforms proposed. The Children's Workforce Development Council (CWDC), which covers most but not all of the sector in England, appears to be seen by the Government as a delivery agency in addition to its sector skills council role. Is there a need to set up a national social partnership vehicle to pull the sector together and address a number of the new policies and strategies and how they impact on quality and staff?
- Is commissioning using sufficiency as the main basis a recipe for a drop in quality? Do we need to develop national minimum standards?
- How can we assure that new providers have the ability and capacity to provide the wide ranging and sustainable levels of quality necessary to deliver across government departments/agencies that the new structures proposed? Note that there is already evidence of withdrawal of NHS funding/services to joint children’s services due to funding issues.
- Will the emphasis on ‘efficiency’ have an adverse effect on the commissioning process with cost seen as the only driver by local authorities?
- The Integrated Qualifications Framework offers opportunities for early years workers to build career pathways in the sector. Similarly the Early Years Professional offers enhanced opportunities although if this is to succeed there needs to be urgent attention to the building of routes from level three to allow knowledgeable, skilled and experienced workers to stay in the sector.
- There is a feeling that young people’s services have had neither the attention nor the funding that other parts of the sector have had recently. Will the government build up young people’s services without switching funding and damaging the good work already being done in early years?
- Across the UK the themes of reform are the same but the details and delivery mechanisms are diverging. Can we or indeed do we wish to ensure consistency across the four UK countries?

Seminar Report

Government Policy

There has been a recognition in government that the provision of quality children's and young people's services can be a key factor in improving educational outcomes, addressing inequality and improving the lives of young people. However there still are issues about implementing this strategy within the mixed economy of childcare provision. There is still confusion about the role of children's trusts and their roles as both commissioners and providers. The government's policy of considering council run services as the provider of last resort is a real concern.

Recent government legislation dropped original phrasing that referred to 'suitability' when commissioning children's services; this means that cost is being seen as the key driving factor in the commissioning of services. This creates a key problem for the sector in ensuring that quality is maintained.

Where this will take us

Concerns were raised that existing government policy has so far focussed primarily on very young children and that there is a danger that other services to young people have not been promoted as well. There is also a perception that the fragmentation of services means that there is a lack of co-ordination with the schools sector in the delivery of services.

The short-termism in the funding system also has created problems that along with targets based on outputs, rather than outcomes have meant that the long term benefits of quality services are not rewarded.

Concerns were also raised about whether universal services were reaching those most in need. Difficulties were reported by small organisations about being successful in the bidding process. This leaves the market skewed in favour of the larger private sector providers and stifles the ability of the voluntary sector to compete for services as the government wishes.

The failure to develop a reward strategy for the sector means that there are still issues around low pay and the quality of staff being attracted to the sector.

What would we like to see/ 5 priorities for the year?

1. A commitment to the continuation of services across the age range and a review of the implementation of integration.
2. Long term commitment to flexible investment in children's and young people's services

3. If there is a commissioning model, then it must be based on quality, impact and it must reach outcomes that involve all sectors.
4. Recognition that there are issues around pay and status and the need to implement CWDC report on recruitment rewards and retention.
5. Review of delivery models with focus on building a collaborative approach with frontline workers, children, parents and the local community.

3. Education – can competition improve schools?

English Primary and Secondary Education

Direction of travel

A key driver of education policy is the theme of Every Child Matters, which aims to ensure that children are safe, healthy and are offered additional opportunities to develop. This includes the concept of extended schools, with all schools in England expected to provide services from 8am to 6pm by 2010. Extended services can include childcare, adult learning, parenting support programmes, community-based health and social care services. This requires schools to work together with other agencies, including childcare providers, play and youth workers and social services.

Workforce reform has also been a key component of recent education reform policy, underpinned by the National Agreement of School Remodelling signed in 2003. This includes the transfer of a range of administrative tasks to support staff and the development of new roles in and outside the classroom. The agreement introduces the concept of the school team as part of culture change within schools.

The other main push in education policies has been the creation of more self-governing schools with influence from the private and voluntary sector. This is clearly seen in the Education and Inspection Bill, which will open the way to the creation of Trust Schools. These are self-governing schools with sponsors from the private and voluntary sector. This increased emphasis on the independence of schools will take them further away from democratic oversight and local authority co-ordination.

Private sector involvement has also been encouraged through the creation of Academy schools and the Building Schools for the Future (BSF) programme. Academy schools are publicly funded, independent schools with financial sponsors and subject specialisms. They are responsible for staff appointments, staff terms and conditions, pupil admissions, curriculum and governance.

BSF brings together significant investment in secondary school buildings and Information Technology with significant educational reform. BSF is worth £2.2 billion of investment in its first year (2005/6) and is estimated to take 10-15 years to complete. Much of this programme will be delivered through the Private Finance Initiative.

Where this will take us

Schools will be increasingly encouraged to break away from the local authority family. There already exists a fast track route for community schools to become foundation schools, where the school becomes the employer. This can be done by a simple majority vote of governors. We will see the emergence of more foundation schools which do not need to apply local authority pay and conditions and greater influence of the private and voluntary sector in schools with the formation of Trusts.

While local authorities have for many years engaged and commissioned services from a range of providers, particularly for specialist provision, the involvement of the private sector is going far beyond this into the employment of staff, management of services and ownership of previously public assets. UNISON is concerned about this increasing, particularly where this involves private companies assuming employer status in state-funded provision. In addition, since many of the extended services in schools will be provided by the private and voluntary sector, we are concerned about the danger of a two-tier workforce, with staff on different pay, pensions and conditions doing exactly the same job.

The independence of schools from local authorities will also mean that the interface between schools and other public services, such as youth services, special needs support, social services and children's services, will be lost. At a time when the government's agenda demands the coordinating role of local authorities in the protection and safeguarding of children, the independence of schools will make the delivery of extended services for all children more difficult. And since schools will have the power to charge for extended services there is a danger that these will only be available for the better-off.

In general, there is no convincing evidence in state education that private providers have provided better value than those from the public sector. At best, where private providers replace local authority financed and managed provision, they deliver comparable services but which are more expensive. This applies to PFI, private sponsorship and local authority outsourcing. In many cases services are worse largely because private providers are unwilling to deviate from their original contracts.

While we welcome the massive building programme in secondary schools we are opposed to the involvement of the private sector in education. PFI has not proven to be an efficient use of public money and the involvement of private sponsors has added little value to the education sector.

It is troubling that while the number of Academies is relatively small (400 planned out of 24,000 schools) the public investment (£5 billion) is both huge and disproportionate. In addition private sponsors, who were supposed to provide £2 million per academy often pay much less while retaining total control over assets, staff, admissions and governance.

There are wider concerns about the level of spending devoted to state education. The Institute for Fiscal Studies estimates that there is a real terms gap of £2,400 between the amount spent on a pupil in the state sector compared with the amount spent on an average pupil in the private sector. The Government has committed to remove that gap, but the Institute estimates that an extra £17 billion in real terms would be needed to do so. It would take until 2014 with an increase each year of 5.3% to that date to remove that gap.

Future education policy will also see the continuation of workforce reform with support staff taking on more responsibilities, with profound implications for training and reward. The Training and Development Agency for Schools has been set up to take on a strategic role regarding training of support staff. Its work involves the establishment of standards and work with local authorities to co-ordinate training programmes. There are serious concerns, however, about the inadequate level of funding to support the training. And there is a danger that support staff will be forced to take on more responsibilities without the necessary training or reward.

An alternative vision might include

The provision of state education is critical to the public service ethos and the creation of a democratic, just and inclusive society. It follows that the provision of state education must ensure democratic accountability and value for money and raise standards of education. UNISON believes that local authorities have a pivotal role in strategic delivery and provision of services. Community schools are accountable to parents and the community and should have a strategic role in the provision of extended services.

UNISON is concerned about the creation of a two-tier workforce in providing extended services in schools and support joint working with Local Government Employers to provide training to authorities and schools.

Trade unions support any workforce reform which gives support staff far greater opportunities to develop their skills and be part of a team that delivers education. However, we are concerned about the number of

staff with no access to higher levels of pay which reflect increased responsibilities and skills. Only 20% of local authorities have negotiated career structures for support staff. Because of the increase of schools functioning as employers, trade unions are seeking a national framework of pay with statutory underpinning. This is particularly urgent given the low capacity of HR functions in schools and we urge that progress is made on this development.

Seminar Report

Opening remarks - Christina McAnea - UNISON, National Secretary for Education Services

Four key issues:

1. There was no independent evidence base for the Academy programme in England. Why couldn't similar sums be invested in community schools in disadvantaged areas for comparison?
2. Structural changes to schools won't assist in personalising learning to target groups of pupils.
3. The extended schools initiative was not being built on the high quality standards set by the public sector.
4. Whilst the desire to target resources at the disadvantaged was laudable the approach of promoting individual school autonomy and competition between schools was wrong.

Discussion

Members of the workshop raised many points, including:

1. the widespread experience of Academies being foisted on unwilling LEAs, unwilling governing bodies and unwilling parents;
2. that competition was not compatible with equality and a good local school for all and indeed with the Every Child Matters agenda;
3. the need to campaign for LEAs to have new Community schools;
4. the current lack of local democracy and the need for ballots at every stage of local educational re-organisations;
5. the financial inducement from Building Schools for the Future (BSF) and ICT developments will bring some of the largest multi-national companies into schools;
6. a disproportionate amount of time is spent targeting the grade C boundary pupils;
7. the benefits of adjusting league tables away from A-C pass rates to floor targets that would mean schools would get credit for improving all pupils;
8. the Tomlinson Report was a missed opportunity;

9. schools are part of a family of childrens services, a fact often not being appreciated by OFSTED and also under threat from marketisation after Childcare Act.

Five key issues

Five key issues emerged from discussions with consensus;

1. Marketisation would not raise standards;
2. Democracy & accountability needed to be an essential part of school system;
3. Parents would appreciate, and find more useful, broader profiles of schools than just their league table results;
4. A desire to end selection;
5. The Tomlinson Report on qualifications and curriculum needed revisiting.

4. Health – fit for the 21st century

Direction of travel

The current direction of travel of the Government's reform agenda is laying the foundations for the complete transformation of healthcare delivery, with a major shift away from an integrated system where the NHS provides virtually all of the care to a mixed system in which the private sector plays an increasingly major part. The reform agenda is justified as an attempt to tackle head-on the challenges of demographic change and the increasing expectations of the public.

More than 85% of the NHS budget has now been devolved to Primary Care Trusts to commission or buy-in care. Foundation hospital trusts have been established with new powers and freedoms to behave like commercial companies. The private sector has been encouraged to become a long-term provider, to increase diversity and contestability. Patient choice has been introduced that allows patients to choose their provider at the point of referral. This is all underpinned by the new Payment by Results system, in which money follows the patient.

Independent Sector Treatment Centres have been established to carry out many routine procedures, but this has been at higher costs than in the NHS and has involved the transfer of significant numbers of operations and staff from NHS hospitals. The Government now plans to transfer community health services in primary care to external providers, and has begun the process of inviting companies to prepare for Primary Care Trust services being put out to tender. Effectively, in both primary and secondary care, a competitive market is being established.

These changes are set against a backdrop of existing (and extended) Private Finance Initiative and Local Improvement Finance Trust (LIFT) projects and the increasing threat of outsourcing, driven in part by Government efficiency targets and the Arms Length Body Review.

Some parts of the NHS are already facing financial problems as a result of these changes, despite the large overall increase in investment, with service cuts, ward closures and redundancies taking place in many areas. This is in the context of preparations for a slow-down in NHS funding from 2008.

Under proposals set out in documents such as the White Paper 'Our Health, Our Care, Our Say' there is a clear strategic shift of health services from secondary to primary care, with more resources devoted to prevention and public health, increased emphasis on joined up health and social care provided in the community and greater patient choice.

In terms of the structures and organisations, the direction of travel is towards a commissioning model, with the Department of Health indicating its intention that PCTs and GP practices should commission services from a diverse range of providers on behalf of the communities they serve, including an expanded NHS Foundation Trust sector, private sector providers, third sector organisations and PCT direct provision. The DH Commissioning Framework identifies competition between providers as a central driver of service improvements.

One of the most remarkable aspects of the whole reform agenda is the pace at which change is being carried out, with a number of new initiatives appearing one after the other with very little breathing space for NHS organisations and staff to take stock and adapt to new systems of working. This has been compounded by the fact that up until now there has been inadequate consultation with staff, unions and the public on major issues of contention. Real modernisation needs to recognise the contribution of staff by investing properly in retaining their services and developing training.

Where this will take us

a) More competition

We are now seeing private sector providers starting to take over the running of NHS hospitals, such as Lymington Hospital in the New Forest. The government is intent on developing an NHS where a range of private and voluntary sector organisations compete to provide services currently offered directly by NHS staff and organisations.

There are some services that PCTs will continue to be able to provide directly. However, it is not yet clear how this will work in a competitive setting in which PCTs will, according to the White Paper, have to put in place “clear governance procedures which ensure that there is no undue influence of the provider side on commissioning decisions.”

b) Divestment of services / outsourcing

As with recent reforms in local government, the purchaser-provider split (coupled with efficiency initiatives) is likely to lead to an increased trend towards divestment of services and outsourcing. This trend can already be seen at NHS Logistics, which has outsourced staff and services to DHL/Novation, and at East Elmbridge PCT, where staff are to be transferred to a newly created social enterprise.

As a result of the intended outsourcing of clinical services to social enterprises, the private sector and the independent and voluntary sector alongside the roll out of Foundation Trusts, there is a serious threat to workforce planning and development. This puts in doubt the NHS’s ability to ensure appropriate staff and skill levels for the future.

c) A slimmed down hospital service

The twin pressures of marketisation (with its preference for larger units of supply) and the shift towards greater emphasis on prevention and community care will likely produce a slimmed down hospital service as a means of cutting down costs. NHS trusts are being encouraged to reconfigure services at a local level. This is partly to address the deficits across the health service, but also reflects new policy priorities and will most likely lead to facilities being closed or scaled back. This will seriously compromise the quality of healthcare.

d) Choice

Supporting the principle of funding following user choice, the Payment by Results (PbR) system introduced in the NHS pays health service providers per user or procedure. Experience so far with PbR has revealed significant problems, and forced changes to be made to tariffs in order to deal with problems in the original plans which have caused chaos for NHS trusts. There have also been problems highlighted by certain NHS organisations which provide specialist children's services exposing the inadequacies of PbR for the provision of highly specialised and expensive services. The likely impact of the PbR system will be further instability in finances and structures.

Possible alternatives for consideration

- Re-emphasising a focus on prevention and public health, as detailed in the White Paper.
- Systems of collaboration and cooperation, possibly looking to good practice examples from the devolved countries.
- Ensuring that reforms are pilot-tested first and rooted firmly in an evidence-based approach.
- Looking at ways in which efficiencies can be gained without laying off staff or closing services, for example through better use of technology or innovative ways of working.
- Strengthening public accountability and achieving genuine patient empowerment.

Seminar report

Karen Jennings, UNISON Head of Health, presentation

Karen reminded the group of the positives within the NHS Plan (2000) and restated that maintenance of the status quo could never be an option for the NHS. The NHS has been embracing change and staff delivering on targets. Everything was going well up to 2005 with a new dynamism and feelgood factor developing.

But now, with the rise of private sector alternatives, management consultancy costs, and plans for outsourcing commissioning functions of

PCTs (amongst others), things have taken a significant turn for the worse. There has always been a mixed economy within the NHS but the question is about the extent of private/independent sector involvement.

There are increasing tensions between business interests and the public interest, as demonstrated by the increasing use of commercial confidentiality clauses and a lack of cooperation. Recent examples include revelations that ISTCs are refusing to share information in the way they should.

Discussion

Questions were raised about a need for a better focus on mental health, and ways of handling the shift from secondary care to a greater emphasis on primary care.

The resource accounting and budgeting system that effectively penalises overspending trusts twice was brought up as something the Government needed to address urgently.

There were also points made about the GP contract and the drain on resources this had made.

Efficiency was an important area of the discussion. The market does not deliver efficiency: in the US 30% of the healthcare budget goes on transaction costs.

The NHS needs to face up to and acknowledge the issue of rationing: the NHS cannot do everything it might want to. Expectations are increasing all the time but they need to be managed more effectively.

Should patients be treated as consumers or as citizens? The NHS needs to build on "co-production" models and build up the concept of the "expert patient" – a citizen sufficiently imbued with knowledge of the health system to be able to help shape it to their needs.

The NHS needs to be at the forefront of a renaissance in public health and preventive care. As part of this there is a potential synergy between green issues (pollution etc) and public health which could be pursued.

Evidence-based debate is needed on the extent of commercialisation in the NHS. At the very least some sort of slow-down is needed, as the pace of change has become ridiculous. Does the NHS need an independent commission that would take ministers out of busy-bodying in the health service? Or alternatively does the NHS actually need more political control? Scotland has direct elections to health boards – is this something we could learn from? The debate about control extended to the suggestion that the power of the Treasury needed to be checked.

More pilot schemes are needed to test new initiatives, and these should include doctors, nurses and other health professionals in designing the pilots. This is one way of avoiding the waste of money on initiatives like the NHS IT programme.

There is a need to spread good practice better round the NHS. Too often where something worthwhile is taking place no one else gets to hear about it.

At the moment the setting of the Payment by Results tariff is politically controlled. If tariffs remain then this is a better option than outsourcing of tariff-setting, which should be resisted.

Five priorities for the coming year

1. More and better information about best practice is needed (both from other countries and from within the UK).
2. There needs to be a mature evaluation of the role of the private sector in the health service.
3. There is a need for more staff consultation and engagement with the decision-making process.
4. A fresh look needs to be taken at how patients and the public should be involved in shaping their healthcare.
5. A greater priority needs to be given to mental health.

5. Home care – does the market really care?

Direction of travel

In its White Paper on health and social care and the Government lays out a set of aspirations for social care services which:

- Create more choice and control for service users
- Enable independence and well-being
- Preserve and promote dignity

These aspirations ought to place home care services centre-stage in social care policy, yet homecare continues to attract less public attention than residential care.

Home care services are the key to enabling people to remain in their own homes for longer, and to supporting people to return home after periods of acute care. However in reality funding pressures mean that home care services are becoming ever more tightly rationed and there has been a relentless focus on delivering more ‘units’ of homecare for lower cost. Historic underfunding of social care means that authorities struggle year on year to meet demand. And demand is rising rapidly as a result of demographic trends, increasing complexity of need and medical advances. Together these trends present a bleak outlook.

LGA research shows that 68% of councils already have to restrict services to people whose needs are assessed as critical or substantial and the LGA forecasts that this trend is set to continue. This means that people with low and moderate needs will no longer be able to receive home care services which could prevent them accelerating into higher levels of need.

The funding context has driven decisions by local authorities about provision of home care to focus on cost considerations, leading to escalating privatisation, at the expense of service quality. The recent report by the Commission for Social Care Inspection (CSCI) ‘Time to Care’ painted an alarming picture of the quality of home care service older people increasingly face. “People experience services as too rushed, with too little time allowed. The ‘15 minute slot’ model of service inhibits proper relationships forming between care workers and the people they care for; at worst it results in services that do not respect people’s rights and dignity.” The report also notes that the home care sector is in a prolonged state of flux, still reliant on small private providers and struggling to compete for low-paid workers with the retail and catering industries, with staff turnover estimated at up to 36%, seriously damaging continuity of care.

Residual in-house home-care services increasingly specialise in more complex and intensive provision, while a 'cottage industry' of private providers provide the bulk of home care with competition based on squeezing contact time and not paying staff for travelling time. This means that cost comparisons between in-house services and the private sector are skewed, yet such comparisons continue to be used to justify further outsourcing.

Where this will take us

Consumerism

In seeking to improve quality of service the Government's focus has so far not been on increasing resources for social care but on increasing 'choice and control' over how services are delivered. This is evident in the renewed drive to expand Direct Payments particularly among older people and other groups where take-up has been traditionally low, and to pilot the concept of Individual Budgets.

This leads further down the road of a consumerist model of provision whereby many more older people are offered the chance to become employers of their own staff as a solution to the dissatisfaction they experience with high staff turnover and rushed slots as part of their current service provision. However there are major resource implications to be considered – if Direct Payments do not allow service users to pay higher wages and provide better conditions then the underlying problems will not be resolved, and individual service users will simply join small private providers in struggling to recruit and retain staff on low pay and poor prospects for accessing any training and development.

Furthermore Direct Payments and individual budgets require substantial additional resources if they are to work effectively. These include the resources for a support infrastructure which enables recipients to use them effectively. The Audit Commission study 'Choosing Well' confirmed that unless Councils offer a significantly lower price for Direct Payments than they do for mainstream provision: "Direct payments will always add to the costs of providing social care." These additional costs could place a further squeeze on funding available for homecare services for those who cannot or do not wish to take up Direct Payments or an Individual Budget.

Fragmentation and instability

The cost-driven operation of the current homecare market is delivering instability and a downward pressure on service quality. The CSCI report Time to Care describes the home care market as a cottage industry which despite some suggestions of consolidation is dominated by small

providers, many of whom are inexperienced at running their own businesses and with a large number of entries and exits each year. When private providers walk away from contracts or refuse to take on difficult cases local authorities must step into the breach.

Amid this instability local authorities will still be expected to take a strategic approach to planning services although a major push on Direct Payments and the roll-out of Individual Budgets will make this even harder because of uncertainty about levels of demand for directly provided or commissioned services.

And if Direct Payments do expand, there is the real prospect of a two-tier workforce with the regulated home care workforce sitting alongside an unregulated 'personal assistant' sector prone to migrate into the informal economy.

An alternative vision might include:

- Home care at the centre of an investment package for social care in the forthcoming Comprehensive Spending Review
- Well-funded in-house provision of home care by local authorities to meet the challenge of providing person-centred, responsive and democratically accountable services, and to respond positively to the drive for multi-agency integration
- Home care services as the eyes and ears of social services, with staff enabled to spend adequate time with service users, spot problems early and mobilise other agencies as required
- Promotion of good practice models of personalised care packages developed by local authority services in partnership with service users as an alternative to Direct Payments
- A workforce strategy for home care staff which ensures that all staff have access to tailored and accredited training and development opportunities building on the NVQ 2 standard, and which raises the status and recognition afforded to homecare staff
- A social partnership approach to involving home care staff in developing new roles and relationships in health and social services partnerships

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The Group discussed the Research which shows that the need for home care will have doubled by 2030 and the consensus was that the only way to cope with this is to have democratically accountable, in-house services. Other points made were:

- Using multiple providers doesn't actually meet the government aims.

- The service needs to replace the structures it lost when it became fragmented.
- The market model can never allow for continuity of care.
- The answers on how to improve the service are clear, but the way is blocked by political imperative.
- When councils outsource they abdicate responsibility for standards, and agency carers have no trail of accountability. Hopefully home carers will be compelled to register with GSCC which will provide much better accountability.
- Home Care in the private sector is still a cottage based industry.
- The Scottish Executive have pushed free care for all, so we should watch what has happened there and how they cope with the pressures we also face.
- One very worrying trend is that children, sometimes as young as 5 are carrying out care tasks for parents, which would previously have been done by a home carer. The Disability Rights Commission are campaigning for a “national minimum entitlement” for social care for all people. These could then be used to dictate the level of funding.
- There are equal pay implications to the low pay given to home carers because male craft workers can be used as a comparator and they earn more than carers, who are usually women.
- Using the capacity of the voluntary and community sector is a preferable alternative to a private contractor because their aim is social capital.
- Fragmentation of the service means more confusion and short term arrangements so users are left less empowered than when they built a relationship with a regular council worker.

Some solutions suggested were:

- More sheltered housing with on-site carers
- Unionising the workforce in the private companies
- Putting political pressure on the government to assess the efficacy of their policy of marketisation of the service.
- Better regulation of services and the workforce
- Professionalisation of the workforce through training and registration
- Lobby for adequate funding

The levers for change could be:

- CSCI’s regulation of the service

- GSCC's regulation of the workforce regulation.

6. Housing – what is the public service obligation?

Where we are now

A snapshot of the current housing landscape paints a bleak picture:

- In 2005 the number of homeless households living in temporary accommodation in England topped 100,000, with over one million children living in overcrowded, unfit or temporary accommodation
- There are 1.63 million households recorded as on the waiting list for social housing
- Households are now paying the highest proportion of their incomes towards housing costs for generations.
- 65 per cent of towns in the UK have become unaffordable for many public sector workers. In the South East and Greater London the figure rises to 95 per cent, in the South West the figure is 100 per cent.
- The number of houses built in the UK has fallen from 42,700 per year in 1994-95 to 21,000 in 2002-03
- Shelter estimates that 48,000 new social rented homes are required each year to meet newly arising need

It is clear that the government are developing measures to address the housing shortage and its impact on affordability. In their response to the Barker review on social housing, the government promised, “ambitious plans for increasing social housing supply, with new investment alongside further efficiencies and innovation in provision, as part of 2007 Comprehensive Spending Review (CSR)”. And to such ends a number of reviews and enquiries have been established to look into issues around planning, infrastructure and shared equity. Most recently the Department for Communities and Local Government has established an enquiry into the future role of social housing (the Hills enquiry) and a review of the regulation of social housing (the Cave review).

Meanwhile, a range of options for increasing supply of new social housing are being explored. This includes allowing local authorities with ALMOs the flexibility to use their own resources to build and own homes; exploring ways in which local authorities can build new homes for rent; developing new PFI partnership programmes to build new homes, including shared ownership schemes; and looking at ways of providing settled homes in properties that would otherwise be provided as temporary accommodation.

In general, there is an increasing trend towards more private sector involvement in new social housing build and greater involvement in the development of housing for sale on the open market by registered social landlords. The Treasury has indicated that it is looking to attract more private sector money to further develop affordable housing and early

reports of the work of the Cave Review, suggest that one of its desired outcomes is a regulatory framework in which housing associations can float on the stock market. One large housing association has opened negotiations with the Housing Corporation about making progress towards an initial share offering.

Recent government announcements in relation to housing (Decent Homes: Sustainable Communities) have little to say about local authorities being directly involved in new build. Instead the Minister for Local Government has indicated the intention that local authorities should take an increasingly important strategic role on housing as leaders of their local areas, using planning powers as well as housing policies, to create mixed communities, particularly in areas of concentrated disadvantage.

In many respects the direction of policy development has echoes within the Labour Party. Successive Labour Party Conferences have voted in favour of a level playing field for local authorities wishing to pursue direct investment as a route to ensuring their housing stock meets the decent homes standard. However, despite this clear policy steer to the Party leadership, the last bidding round for ALMOs and stock transfer saw a continuation of pressure on authorities to pursue stock transfer. Despite the pressure, over 100 authorities have decided to retain their stock.

Where this will take us

- Increasing private sector involvement in building and managing new social housing
- expansion and privatisation of Housing Associations, further mergers in housing associations, with diminishing geographical consistency with local authority boundaries
- Increased number of shared ownership and ultimately right to buy type models, thereby releasing to the market either existing social housing or new social housing from councils and housing associations
- greater fragmentation of the social housing sector
- Increased focus of integrated care and use of social housing models for care of vulnerable people such as the Supporting People initiative.

Alternatives: moving towards a new public service obligation

For all the criticisms levelled at the classic post war model of public service obligation for social housing, it did enable local authorities to play a significant role in providing decent affordable accommodation to those on low incomes. As Shelter's response to the DCLG Select committee enquiry into the supply of rented housing points out, although much derided, the 'monolithic tenure council housing estates' did provide a

generation with better homes than their parents enjoyed and offered a springboard into employment and home ownership.

Although few would argue that the £8bn for housing announced by the chancellor in the pre-budget report does not represent a welcome commitment on the part of the government, we should ask ourselves whether the direction that the ever greater emphasis on the private sector and shared ownership takes us in puts at risk the public service commitment for social housing. Surely, it could be argued, fragmented models of delivery and greater reliance on private capital place tackling the housing shortage and the achievement of mixed and sustainable communities further out of reach than ever. And there are alternatives that should be considered:

Direct investment and the level playing field is a credible alternative to the government's approach to housing in terms of cost to the public sector of transferring stock, the retention of social housing in the public sector and enhanced tenancy security. Councils, with government support, must be free to build and renovate housing with a level playing field between the different options for tenants and local authorities.

Direct investment is the simplest, quickest and most cost effective means of achieving the decent homes standard while stock transfer produces significant additional public expenditure costs, increases social exclusion. It can also destabilise local communities and reduce democratic accountability.

Shared equity and key worker schemes do present part of the answer and are appealing to some. But, in many cases ownership, even through this route, is still unaffordable. There are of course issues around how you define key workers. Many in the public sector workers are not currently covered, many of them in local government.

Other key questions include, how do you strike a balance between new build for shared ownership and new build for social rent in the context of the 1.63 million currently on waiting lists for social rented homes, and how you ensure that income from shared ownership schemes is recycled in such a way as to continually increase the stock of supported housing necessary to address the housing shortage.

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- If social housing is aimed at those who can't afford a market rate it will be residual – undermining mixed and sustainable communities.
- Language is important. We should distinguish between social housing and 'public sector' housing.

- We also need to add a 'secure' homes standard to the 'decent' homes standard.
- If 71 % are home owners we need to think about meeting their needs too, in terms of regulating services and repairs etc., looking after elderly owners and addressing poor practices in respect of new home standards and speculative practices.
- We should think about new routes to affordability models - where ownership takes place within a framework of mutuality. If government can't get this right it will undermine targets for health, education, child poverty and the environment.
- Government can subsidise both social rent and affordable home ownership schemes.
- We need to rethink home ownership. Look at the French model. We also need to address the impact of second homes on supply and affordability in areas such as the South West where key workers are completely priced out of the market.
- Although 71 % is the average for home ownership for the UK, we do have to look at the wide regional variations.
- We must not forget the significant obligation that the government should have to regulate the private sector. Many people are living in poverty in private rented accommodation. We should also look carefully at, what is in many cases, the failure of mixed developments. When private landlords rent a high proportion of accommodation on short leases this can disrupt stable and mixed communities.
- The government must tackle the speculators.
- When we talk about affordability we need to think about wider social costs of living, such as fuel, heating, lighting and transport, as well as environmental costs.
- The government can't achieve its wider social policy aims without an additional 100,000 social rented homes per annum. A range of measures should be introduced to reach this target, including local authorities using prudential borrowing rights.
- We have to think about who the provider of units will be. Only approximately 100 local authorities still have stock against which they can borrow. Land value is the key.

- We need to think about the public services as a planner and an owner of land assets. Local authorities should be more directional when it comes to planning.
- At the current time government and local authorities are under an obligation to get the maximum possible price from land sales, which can mitigate against its utilisation for social housing.
- Community housing and land assets should be locked in and supported through the tax framework.
- Measures to deal with the affordability issue don't work in the South East / London
- On the question of who social housing should be for, and how long people should be in it, we need to develop a model that facilitates a move between tenures, reflecting different needs at different points in peoples lives, and which recognises the need to maintain community assets for the communities they serve.
- Those currently trapped in temporary accommodation or on waiting lists should get priority when it comes to allocating new social housing.
- Local authorities are well placed to provide a framework for social housing as a co-produced public service.
- Council housing has delivered a high quality, non-means tested public service. This is what we need to provide today, if we are to successfully address the housing crisis and end the stigma of council housing.
- We need to think through questions of access and entitlement. These are the issues that gave rise to the huge political issues in areas such as Barking.

Conclusions

The public service obligation to housing should include the development of policy which aims to achieve a stable housing market, balance between tenures, secure and sustainable communities, a sense of accountability and democracy and which recognises regional variations in housing issues.

Policy to achieve these aims should include:

1. A significant increase in the supply of social housing, with local authorities as a major provider

2. Equality of standards across all providers and all tenures. This should be a new higher standard – beyond Decent Homes – applicable to existing as well as new homes
3. Using housing benefit to lever up standards in the private rented sector
4. Government and local authorities enabled to capture land value for the purposes of funding an expansion of social housing
5. A beefed up planning process that maximises gain from public assets
6. Addressing the impact of insecure tenancies on sustainable communities.

7. The Library Service – raising the alarm on the challenges

Where we are now

UNISON has always recognised that publicly funded libraries make an essential contribution to the social, educational, cultural and economic well-being of local communities throughout the UK and wishes to see this reflected in the planning and financial policies and practices adopted by local and central government.

National Library standards are produced by the Department for Culture, Media and Sport. However, there is currently a review of library standards underway, of which much of the work is being done by the Museums, Libraries and Archives Council (MLA). The review is intended to make the standards more complementary to the ethos of the Local Government White Paper.

The provision of a public library service has been under threat for a number of years. Various organisations including the Audit Commission have pointed out that tighter resourcing for the whole of local government places particular pressure on libraries which are seen as a “minor activity” for local authorities, which spends only 1% of their budget on libraries.

Where this will take us

The key issues facing the library service across the UK are:

- **Library Closures** – A total of 107 libraries across Britain were threatened with closure in June 2006, according to culture minister, David Lammy, who wrote to councils in January to urge them to keep libraries open. When local authorities close libraries it means that residents and in particular the most vulnerable, the elderly, those with disabilities, children and their carers are deprived of a vital local service.
- **Fewer Branch Opening Hours** – Across the UK, opening hours for local authority libraries have been reduced.
- **Cuts in Book Stocks**– Huge cuts have been made in the book fund, which seems to have been diverted to information and communications technology. Although the internet can replace some hard copy resources there appears to be a temptation to see it as an alternative to traditional resources rather than an enhancement. Despite the vast information contained on the internet, access to it is limited by availability of personal computers, which never equal the number of books. The stock

procurement project is one of the 'Framework for the Future' programmes to improve public library services in England. The Museums, Libraries and Archives Council (MLA) unveiled a plan to save up to £20 million a year, creating major opportunities for significant investment in improving library services to customers. 'Better Stock, Better Libraries' outlines a national library purchasing model. The new procurement arrangements, which would maintain local accountability for stock selection, would mean that the MLA would be accountable for better availability and more efficient management of stock, more flexibility to meet local needs and reduced costs.

- **Staffing** – the service is seeing continuous cuts in staffing and as a result libraries are being closed because there are not enough staff to operate them. The majority of library workers are on very poor pay, which has led in some areas to a problem with recruitment.
- **A Growing Trend in Use of Volunteers** – There is growing concern about permanent staff being replaced by volunteers.
- **Library Buildings** – Although the lottery fund of £80 million will pay for buildings to be adapted for new services, there is still a lack of funds for existing buildings that require maintenance and improvement.
- **Workforce Development** – One of the many ongoing problems within the library service has been the difficulties experienced by local authorities in recruiting staff due to low pay and often little or no career development structures/paths for library staff, particularly library assistants. Staff budgets have been reduced with library staffs not being adequately trained to perform all the tasks demanded of them. In July 2006, the institute of Library and Information Professionals (CILIP) and Lifelong Learning UK (LLUK) signed a strategic partnership agreement on workforce development, which sets out a partnership approach to continuing the development of library and information workers and a highly skilled workforce. The work being carried out between CILIP, MLA and LLUK represents a major step forward in equipping the library and information workforce to meet the needs of the modern society.

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The seminar examined challenges facing the library service which has been under threat for a number of years. It also looked at the strengths

of library service provision. Particular mention was made of the good reputation of the library service, library professionals and staff who are dedicated to providing accessible and quality library services to local communities. Mention was also made of positive initiatives such as 'Framework for the Future' programmes – for example, the People's Network initiative - aimed at improving public library services in England.

There were concerns about the issues facing library service provision which include:

- Lack of adequate funding for the library service
- Increasing use of 'untrained' volunteers instead of qualified library staff
- The devaluing and loss of professional skills
- The lack of clear career structures for library staff
- Issues surrounding single status agreements, library closures, reduced services and staff, and the lack of adequate resources to maintain and improve existing library premises.

Libraries are seen as public places where people can go to find information and access it in whatever way it is provided, guided by experienced and trained professionals. Library services touch on every aspect of local authority services, yet it is the least funded. Library professionals are to be valued as they make 'a difference.' Yet, the increasing use of volunteers poses significant threats to the role of librarians, many of whom feel undervalued, as their jobs become diminished. Librarians and library staff provide a much needed role for the public and as such their role needs to be recognised, valued and protected.

Policy changes, which seem to encourage library services to provide enhanced services such as internet cafes and the provision of other IT resources, now threaten traditional library services. But lack of adequate funding has put pressures on many libraries which have had to close, reduce services or cut staff. One of the threats to traditional library services, is the way in which books are procured and the type of materials procured, due to rapid technological advancement. Library managers face many pressures in generating adequate income to improve, diversify and sustain library services – the funding issue is having a direct impact on budgets, book stock, staffing and single status agreements. However, despite the many challenges libraries face, there is widespread public support for services to keep running. It would seem that like post offices, libraries may become commercialised entities, in their bid to become financially viable. In Somerset there is a bid to provide cash machines to generate income. And across England,

particularly the North East, there are innovative examples of collaborative working to keep services running.

While not all the policy changes in library service provision can be embraced, it was noted that change had brought about the empowerment of local communities in partnership with volunteers and library professionals to shape and develop innovative services, alongside traditional and enhanced library services. However, the diversification of library services should not threaten the provision of traditional library services which are valued by the general public. Diversification of library services calls for a workforce that is fully trained and developed to provide accessible and valuable services to meet the growing expectation and demand of users in the face of rapid policy and technological changes. Staff and library professionals therefore need access to clear career structures to cope with the changes that are taking place. It was noted that the Local Government White paper presented many opportunities to meet the challenges facing libraries.

The seminar agreed on the following proposals:

1. Recognition and professionalism of staff; training and development
2. Empowerment of staff and communities to shape services
3. Adequate resources and funding for library services and staff and premises
4. Collaborative/partnership working between library providers to share information and good practice
5. Responsiveness to the users – 'libraries aspire to become a local hub of information and resources for local communities'.

8. Probation Service – can competition reduce re-offending?

UNISON and the other trade unions are committed to the most efficient and effective delivery of services to reduce re-offending and to best protect the public. We are not opposed to change or reform and support the government's targets to reduce re-offending, but fail to see how the proposed National Offender Management Service (NOMS) structures will deliver these aims. No proper business case has ever been published in support of these radical restructuring proposals.

Direction of Travel

In the consultation paper 'Restructuring Probation to Reduce Re-offending' the government proposes to:

- Remove the statutory duty to provide probation services from the 42 Probation Boards to reserve this function centrally to the Home Secretary.
- Replace the existing 42 Boards with provider-only trusts
- Empower Regional Offender Managers to commission probation services from the new trusts, the voluntary sector and private sector.
- Market test and privatise probation services.

Where it will take us

The government's proposals will lead to:

- The effective destruction of the public Probation Service
- The replacement of local Probation Boards with a less accountable, business-dominated model
- Reliance on a dogmatic and unproven belief in the ability of markets to deliver complex probation services
- A model of provision based on competition and adversarial bidder relations
- The devaluation of the skills, commitment and public sector ethos on which the Probation Service currently relies to deliver a service that consistently hits government targets.

The government provides no evidence or business case for dismantling the current Board structure. Indeed, the sole reason given is that it would enable the Home Secretary to reserve the statutory duty to provide probation services centrally, rather than locally. This unashamedly centrist agenda flies in the face of the government's stated commitment to localism in the governance and delivery of public services.

There is widespread criticism of the current proposals. A consultation exercise on NOMS conducted in autumn 2005 elicited 748 responses, with only 10 responses supportive of the proposals.

Our alternative vision

The positive goals set out in the consultation document can be delivered without the expensive risks from dismantling the whole service. There is wide support for:

- The government's targets to reduce re-offending.
- The concept of 'end to end' offender management
- Joint working with the voluntary sector to reduce re-offending and tailored packages to fit individual needs
- Strong local accountability of Probation Services to the communities they serve.
- A directly employed, highly skilled and well-managed workforce, working to a clear value base including the promotion of diversity.
- The involvement and confidence of members of the local community and sentencers, in the work of the Service.
- A commissioning approach that manages offender needs and supervision across custody and community. This model can be best delivered in the community by Probation Boards retaining their current statutory powers.

There is widespread opposition to the NOMS contestability model. There is no convincing evidence that the private sector can deliver probation services more effectively or cheaper than the public sector. The government's references to private sector prisons as a justification for their involvement in the probation service is dubious and ill-founded. There is no evidence that private prisons are more effective than the public sector in reducing reoffending.

The National Audit Office has raised concerns about staff turnover and the lack of experienced staff in private prisons as well as the consequential problems this causes for ensuring a safe environment. Other evidence from Florida, comparing private and public youth offender prisons found that while some private prisons had lower costs than public counterparts, recidivism rates were higher and short-term savings were reversed in the long-term.

Joint Modernisation Proposals

In 2005 the Home Secretary invited the probation unions to develop proposals for a modernisation package for the Probation Service. Sent to the Home Secretary in July 2005, the proposals were aimed at delivering a workforce able to provide the necessary flexibility and efficiency to meet the current and future demand for effective community supervision of offenders. Proposals, developed by UNISON and Napo support the case that co-operation and partnership offer a more effective basis for delivering high quality probation services than contestability and competition. The proposals covered:

- Workforce flexibility and clarification of role boundaries
- Development of new training, skills and a qualification framework and a new system for staff development and performance review
- Improved workplace health and reduced sickness absence
- Genuine partnership working between unions and employers
- Action plans for a multi-agency strategy to reduce re-offending.
- Minimum share of Probation Board budgets to be spent on partnership projects.
- There has been no response to these proposals and unions are greatly disappointed that this partnership initiative between unions and government appears to have foundered on the dogmatic and inflexible proposals for NOMS.

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Key Points Made By Seminar Participants

1. Public-Public Partnerships

- Public sector partnerships (Public-Public Partnerships) are key to reducing re-offending rather than public-private partnerships
- Local Area Agreements and the Local Authority agenda on neighbourhood renewal should be the focus of partnership between Probation Service, Local authorities and the Community and Voluntary Sector
- Suggest work with LGA on public-public partnerships/crime and disorder reduction partnerships

- Best Value principles are not being used to underpin NOMS contestability

2. Local/Not Regional

- Probation Boards should retain responsibility for commissioning at the local level, rather than move to regional commissioning
- Regional commissioning will squeeze out small local Community and Voluntary Sector providers in favour of large, 'private-sector style' voluntary organisations
- Howard League does not want to lose link between Boards and Local Sentencers

3. Accountability

- The Offender Management Bill is running in an entirely opposite direction to the rest of Government policy on localism
- There is no reference in the Bill to the link between probation and the local Community, nor how the Service will stay accountable to the local community
- Regional Offender Managers are not accountable to the communities they service in any way

4. Joint Improvement Agenda

- The Government rejected attempts by unions to develop a joint improvement agenda for Probation in 2005
- No NOMS agenda on social responsibility issues under contestability
- No published NOMS procurement values
- Looks like a dive to the bottom on terms and conditions and standards

5. Training and Development

- Need for a properly funded training and development agenda for Probation

5 Key Objectives

1. Collaboration and Partnership not competition
2. Enhanced local accountability
3. Local, not regional, commissioning
4. Joint Improvement Agenda between employers and unions
5. Fully funded training and development package

9. Conclusion by Sue Goss, Director of Public Services Development, Office for Public Management

The debate about public services has taken an encouraging turn – all parties agree that there is such a thing as society – and that public services play an important part in maintaining the connections between citizens and communities. It is possible again to make the links between energised, inspired and properly paid staff – and effective, creative and empowering services. It is almost common sense that the private sector is not always better than the public sector – and that with a level playing field public sector organisations can out-perform private ones. And most of us have seen that simplistic national targets have unforeseen consequences, so that services work best when they are planned and organised close to delivery. Whatever else New Labour has done, it has restored public acceptance that public services need to be properly funded – but has done so just as the New Labour years of investment are drawing to a close. But government has failed to listen to the experience of public service users and workers – some aspects of the ‘reform’ agenda have left services less able to respond to public expectations and needs – concentrating national funding on initiatives such as academy schools and grandiose computer schemes, rather than supporting innovation at local level.

Ministers have good ideas about engaging users, co-production and integrated local service systems. Sadly, we learnt at the conference about several examples of best practice – multi-disciplinary teams, for example, and user centred social care – that are now being cut because of funding problems. Sustained innovation would require a different approach from the centre – one that recognises that ministers and civil servants are not ‘outside the system’ but are responsible for the way the system works – over-intervention and micro-management can prevent the very local initiatives they want to see. If scarce resources are to stretch further – we have to rely on the resourcefulness and commitment of public service managers and staff – not on an all-powerful delivery machine driven from Whitehall.

The rich conversation begun at the conference needs to continue – between public service unions, academics, politicians, commentators, service users, professionals and the public. Simplistic slogans have no place – Very real tensions and dilemmas were raised during the workshop sessions. In times of spin and media over-simplification, we need clear thinking and accurate analysis.

We heard many examples of ways in which the government has underestimated the perils of private sector delivery and the increasing use of markets – dangers of monopoly providers, large-scale projects where costs run out of control, the absence of democratic accountability, profits

taking precedence over reinvestment, the transfer of risks and costs to the public purse, fragmentation and short-term thinking.

But we also know the problems with old-fashioned public sector delivery, and the experience by the end of the 1970's of top down and unaccountable provision where users had little voice, and services were often unresponsive, slow to innovate and hard to access.

Without challenge, any delivery system can decay. But challenge can take many forms like the Best Value and Comprehensive Performance Assessment regimes in local government that have helped to raise standards. In some areas of public provision, there can be a vibrant plurality of provision, offering comparisons and challenge. In other areas users and staff can offer challenge and help to redesign services. Social enterprises may make a valuable contribution to service innovation. Private sector competition is not the only – or the best- way to ensure services constantly improve. Even in areas where a mix of public and private provision has existed for years, such as leisure, transport, waste etc, it is important that markets are 'managed' creatively, and regulated democratically in the public interest. Voluntary and community organisations should not be reduced to the role of 'cheap providers' with no recognition of their own expertise and understanding of local needs. Where public money is used and public needs are met – all organisations should accept regulation, transparency and accountability and expect to offer strong partnership working, a commitment to empower service users, proper pay, conditions, training and support for staff, and equal opportunities.

While there is a strong consensus now about the need for greater devolution to local level, we need a debate about the implications. Greater devolution to local authorities, for example, will mean that different political administrations will follow very different priorities, local discretion and choice means less uniformity, and less standardisation. Solutions may need to be local. We need to decide democratically, about what services we expect to be delivered to national standards, and where we would welcome local choice and difference.

So how do we take this debate forward? In the first place, we need to show the capacity of the public service organisations to innovate and to constantly improve. – identifying ways to sustain choice and creativity in public services. People in public services need to see themselves as innovators – “explorers after public value” in Mark Moore’s memorable phrase.

Second, we need to take seriously the implications of adopting co-production – recognising that social outcomes are always achieved by some shared endeavour between citizens and service providers. That means public service managers and staff valuing the work and effort of service users – designing services to maximise the effectiveness of

people's own effort – supporting and encouraging carers, parents, volunteers and family – working with, not against, the lifestyle needs of co-producing citizens. It would mean thinking of services as wrapped around the work that individuals, and communities do for themselves. Users and public sector staff are on the same side – but it will take dialogue, kept promises and reciprocal action to make that a reality. Public service unions should seek the potential of co-production to leverage training, support and recognition for their members – since to empower service users, staff need themselves to be empowered – balance competing priorities and able to make difficult judgements. No-one who is just following orders – or working to a pre-determined script – can co-produce. Co-production could form the basis of a revolution in public services – one that it would be hard for the private sector to follow.

Third, we need to change the terms of the debate about choice. Research shows that, as individuals, we don't really want choice – we want what we want. The private sector is brilliant at offering empty choice – thousands of items on the supermarket shelves – but no way of avoiding processed food – or scores of railway providers but no way to reach our destination on time! The public sector, because it is committed to social outcomes, can lead the way in tailoring services to individual needs. The private sector is beginning to think about this at the luxury end of the market – individual tailored holidays for example – but we have the capability to deliver it to the poorest customers. The skills of social workers, probation officers, homecare workers, teachers – all create a personal relationship between each individual service user – relationships that are often damaged by high volume commercial contracts and cost-cutting – temporary and agency staff and cuts in contact time with users. Only by strengthening and deepening those relationships, do we create integrated networks of support services that really work.

Funding for public services is limited – and in the Chancellor's forward projections it is planned to decline. This year, up and down the country, local authorities and health authorities are cutting services. Social care has been cut back until it barely exists for most people who need it - a whole plank of the welfare state is being ripped up. So we need a debate about what we are advocating for the future – and if we believe that higher taxes will be needed we will have to find a way to win support for that. Perhaps a campaign for properly funded social care is the starting point - since for many middle class and working families it is the care of older relatives, or of disabled children, that causes the greatest anxiety.

Public funding will need to stretch further – more radical thinking is needed about how to get 'more for less'. That might mean allowing localities to innovate far more in redesigning services – moving towards

local, flexible solutions rather than national mega projects such as the NHS national data base, or identity cards. By moving decision making to localities and using the expertise of universities and practitioners – we could start to radically reduce the size of the central bureaucracy – and transfer both resources and personnel to where services are delivered.

The next few months creates a space to think again, to learn from emerging practice here and in Europe, but crucially to learn from the experience of public workers and the people who use public services. The debate about the future of public services isn't simply the terrain of politicians – while we need to engage MPs and Ministers in learning from mistakes and challenging assumptions, we need also to engage with trade unions, universities, public managers and staff, the voluntary and community sector, social enterprise, parish councils, school governors, young people, service users - learning about what's happening on the ground and 'co-producing' ideas about real reform.