



Commission on Public Service Governance and Delivery WTUC Evidence – July 2013

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Introduction

1. The Wales TUC welcomes the opportunity to respond to the Commission on Public Service Governance and Delivery.
2. The Wales TUC is a constituent part of the British Trades Union Congress. The Wales TUC has devolved responsibility for matters specific to Wales.
3. The Wales TUC represents over 420,000 workers across Wales through our affiliated trade unions. These workers come from both the private and the public sectors. A full list of our affiliated trade unions can be seen at www.tuc.org.uk.
4. The General Council of the Wales TUC has drawn up this response to ensure that the views and experiences of working people across Wales are taken into account when considering the governance and performance of devolved public services in Wales.
5. We have an unambiguous aim for public services in Wales: to keep them in the hands of the public. The members of our affiliated unions work tirelessly to deliver world-class public services for the people of Wales and it is only by ensuring the workforce are properly protected and engaged that those services will adapt fully to any recommendations that arise from your Commission.
6. The First Minister gave a firm commitment to the WTUC Special Conference in November 2010 that:

“I want to see best practice being shared and delivered across Welsh public services and that includes best practice in employee relations. Engagement, negotiation and agreement – not diktat.

“I want the Welsh way of Government – employers and unions working together to seek solutions – to be the only way in Welsh public services.

“And this means sticking to our principles – no two tier workforce, no knee jerk outsourcing, commitments to fair terms if transfers take place, and a continued adherence to our workforce code of practice from all sides...”
7. These commitments were reiterated in the Welsh Government publication ‘Working Together for Wales: A Strategic Framework for the Public Service Workforce in Wales’ published in 2012. We welcomed these commitments at the time and we continue to support the Welsh Government in its social partnership model.
8. The 2012 Welsh Government Consultation on Working Together for Wales: The Public Service Workforce Green Paper outlined “the need for cultural and structural change in management, engagement and support in order to move from traditional employee relations towards an approach based on partnership, mutual respect and trust” (paragraph 4).

9. We acknowledge your Service Provider Consultation and have, where relevant, framed our response around some of the six key inter-related areas of focus you identify in it. However, as we are not a service provider, we have not attempted to answer the specific questions that you pose. You state that the questionnaire is to seek the opinion, experience and knowledge of service deliverers – we offer the opinions, experience and knowledge of the majority of the workforce providing those services.
10. We are due to supplement our written evidence with a session of oral evidence on Friday 23 August 2013.

Aims of the Commission

11. The publically stated aims of the Commission are to:
 - a. provide an assessment of the extent to which our current arrangements meet the needs of today and provide a sustainable basis for the future;
 - b. propose a model for the future to support efficient, effective and accessible public services which are provided and improved against the background of the financial and demand pressures; and
 - c. engage with those who use, provide and are politically accountable for public services.
12. These are set within the current Welsh policy context where the Welsh Government are not expecting LHB configuration to require consideration by the Commission, where the action for collaboration in local government is required to be recognised, where the recommendations of the Hill Review and the views the Welsh Government put to the Silk Commission are to be taken into account.

Wales TUC policy

13. The Wales TUC Special Conference in November 2010 resolved to support the potential in Wales for a different approach to delivering public services and mitigating the impact of spending cuts imposed by the UK Government. It further resolved that the Wales TUC should work in partnership with the Welsh Government and public sector employers to identify ways of managing with a decreased budget while protecting jobs and services.
14. There has been some progress towards our aims and the widespread immediate public service job cuts that have been seen in England have so far been largely avoided in the devolved public services in Wales.
15. There are 332,000 people employed in the public sector in Wales and we are fighting hard to keep it that way. However, we recognise that this fight takes place under severe budgetary pressure. In addition to the cuts imposed by the UK Con-Dem coalition since taking office in 2010, the UK Government has announced it plans further cuts in current expenditure between 2015 and 2017. If the Welsh Government sees its budget change

in line with public service spending as a whole then the pressures could push our services to breaking point.

16. The capacity of the Welsh Government to protect jobs and services in Wales is made more difficult not only by budget cuts imposed by Westminster since 2010 but also by the inadequacies of the block grant as a result of the Barnett Formula and by the lack of borrowing powers and tax-raising powers available to them. The Wales TUC supports the replacement of Barnett with a formula that reflects the needs of the Welsh people and the devolution of borrowing and tax-raising powers to the Welsh Government.
17. The Wales TUC welcomes the First Minister's continued opposition to 'knee-jerk outsourcing' and he has recently stated that "Public services must remain public. Their value lies in their universal availability... We cannot leave that to the market. If we turned public services into commodities, provided them competitively and allocated them according to the ability to pay, we would destroy what we have sought to preserve. That is not my agenda."
18. We are committed to engaging with the Commission on Public Service Governance and Delivery to address some of our concerns about the disjointed approach to service reorganisation and collaboration.
19. The recognition by the Welsh Government that the public sector workforce is one of Wales' greatest assets is admirable but has to be backed by action, demonstrated by a commitment to put partnership working with the recognised trade unions at the heart of all and any proposed alterations. The Wales TUC remains firmly opposed to all public service changes that are driven purely by budget cuts. We understand that there will need to be reform to provide services fit for the twenty first century and our affiliates are ready to help deliver these where it is clear that changes are necessary and not just being made in a response to financial difficulties, rather than service need.
20. The Wales TUC resolved, at its conference in May 2013, to make a formal response to the Hill Review on Future Delivery of Education Services in Wales in consultation with the appropriate affiliated unions. This will be available to the Commission in September.

Commission's six inter-related dimensions:

Performance

21. The Wales TUC would like to see performance managed and accounted for more consistently in partnership with the workforce. Too often, the workforce is seen as an afterthought.
22. We know from experience that the health service is the only area of the devolved public services that consistently produces service-wide strategic workforce planning. We explore this further below in the section on Governance, Delivery and Scrutiny.

23. Leadership that is supportive of its workforce and develops change in partnership will deliver far greater results, far quicker, than where change is imposed.

Scale and Capability

24. The Wales TUC consistently quotes the Welsh Government's aim for a one-Wales public service as a welcome one. In a country the size of Wales, with the dedicated public sector workforce that we have, we have a real opportunity to deliver world-class public services.
25. The priority for the Wales TUC is one of balancing local democratic control and economies of scale. We remain concerned, for example, that the moves towards education consortia during the past 12 months have removed democratic accountability and undermined the workforce within them. However, there was no early engagement with trade unions on this collaboration agenda and this disables the principles of mutual trust that the Welsh Government have enshrined in their Strategy Framework for the Public Service Workforce in Wales.
26. The Wales TUC are clear that any moves towards larger organisational arrangements to deliver public services must retain democratic accountability and avoid redundancies. Larger organisations could offer greater career development and long-term stability at a time of severe financial pressure from the UK Government but this is only acceptable as a principle if strategic workforce planning across the public sectors has been rigorously undertaken.
27. It is financial considerations driving change that have the potential to cause harm, rather than those driven to provide better services for those people who use them. It is austerity that is currently driving more local authorities in Wales to cooperate in order to share the administration and provision of services and thereby reduce costs. Sharing has an impact upon the quality of those services themselves and upon those who provide and receive them. This makes it essential that the process is carefully managed.

Complexity

28. The Wales TUC believes that many of the current partnership working arrangements have created confusion and added to the complexity for the workforce, the management and the user. The Welsh Government appears to have done everything it can to introduce 'streamlined' collaborative approaches in each of the public services – separately!
29. We have long argued that there is no sense in having 7 local health boards, 4 education consortia, 6 regional collaborative footprint areas in local government underpinned by 22 local authorities. This doesn't take into account the arrangements in other areas including social services or transport.
30. We believe that any attempts to streamline current arrangements must be done with the full involvement of the trade unions. Those schemes that proceed with the

constructive engagement of staff have often proved to be innovative, effective and efficient. Those without that engagement tend to penalise workers and become poorer and unsustainable.

Governance, Delivery and Scrutiny

31. The key structure for the Wales TUC engagement with the Welsh Government on public services is the Workforce Partnership Council (WPC). The functions of this body are recorded as being:

The Council will provide an interface for Trade Unions, Public Service employers and the Welsh Government. This develops the original Workforce Forum function as a body in which changes to Welsh public services and their impact on the workforce can be shared and discussed.

The Council is central to government and positioned for action based outcomes.

It will:

- *Support and take forward a workforce strategy that helps deliver the Government's programme of work.*
- *Identify partnership projects and recommend them to Ministers, public service organisations and social partners.*
- *Seek to facilitate solutions between devolved organisations and their Trade Unions if this is agreed on a prior basis by all the relevant parties.*
- *Bring together existing good practice in partnership working and develop it as an all Wales approach.*
- *Commission and evaluate a regular programme of shared learning focussing on partnership, communications and engagement linked to other statutory and non statutory partnership arrangements.*
- *Offer members for joint projects.*
- *Work closely with and across Welsh government directorates particularly using extant partnership arrangements (which comprise the HR profession, Workforce officials and the trade union community) to manage projects and Task & Finish Groups.*

The Council will not be able to negotiate or engage in collective bargaining – unless agreed by formal, approved consent of all parties involved.

32. Our priority in this forum is for strategic workforce planning to be taken seriously by the public sector employers to enable some of the impacts of cuts being imposed by the UK Government to be mitigated across the workforce in Wales.

33. The WPC has established a sub-group to look at the issues of undertaking strategic workforce planning across the public sector in Wales on which the Wales TUC is represented. The work of this sub-group has continued albeit unnecessarily slowly. While some positive examples exist the Wales TUC continues to push for an all-Wales approach. More urgency and focus is required in the work to cost a unitary workforce planning mechanism for the public sector.

34. One final area of governance that the Wales TUC would like the Commission to support further exploration of is the possible merger of the 8 Local Government Pension Schemes to enable the generation of between £60 - £120 million per year in savings. This could be new money to be invested in the Welsh economy rather than recirculated in the City of London.

Culture and Leadership

35. In services where effective workforce engagement is undertaken at all levels, such as the health service, there are many examples where change has been supported and innovation is stimulated.

36. Counter to this, there are more examples where no workforce engagement has been undertaken, service changes are imposed rather than negotiated and in these cases innovation is stifled.

37. Work has been undertaken through the Workforce Partnership Council to undertake Partnership Training across the public sector. This has only been piloted in a few areas at the current time but the Wales TUC supports the role out across Wales.

Welsh Government and National Assembly for Wales

38. The Wales TUC made a submission to the Silk Commission in relation to Part II of its deliberations. We fully support the Welsh Government's view that a reserved powers model would provide clarity for the people who live and work in Wales.

39. The Workforce Partnership Council, explained in paragraphs 29-31 above provides the key mechanism for the engagement of the trade union movement with the Welsh Government at an all-Wales level.

40. There are 4 sector sub-groups of the WPC covering local government, education, health and the devolved civil service (and sponsored bodies). A number of agreements have been reached in these sub-groups and in some cases, such as the Partnership and Managing Change agreement reached in 2012, they have been expanded to cover all public services in Wales.

41. We welcome the Welsh Government's commitment to legislate to provide statutory underpinning to the agreements reached in the Workforce Partnership Council as outlined in their Green Paper consultation of May 2012 – Working Together for Wales: the Public Service Workforce.

42. The Wales TUC is pleased that the Welsh Government has confirmed the statutory underpinning to the Two-Tier Workforce Code to protect all workers in the public services in Wales. However we continue to stress our clear opposition to outsourcing of any kind, reiterating our unambiguous aim for public services in Wales: to keep them in the hands of the public.

43. Some of our greatest frustrations lie with the inflexibility of senior civil service management to take forward proposals and agreements reached in other areas of the Welsh public service. This is true in relation to strategic workforce planning where the devolved civil service is not able to participate while current structures prevail.
44. The Wales TUC would like to see moves towards a common procurement policy across the Wales Public Sector which includes 'social clauses' such as the living wage, pension provision and trade union recognition.
45. While we welcome the commitment that attacks on workers terms and conditions and on union facility time seen in the non devolved civil service are not the approach for the devolved civil service, changes proposed to the structure of the Welsh government civil service will involve moving staff and resources from central services to 'front line' ministerial priorities. The Wales TUC and our affiliated unions will seek to ensure changes are fully negotiated and agreed in partnership, do not involve redundancies and transfers are managed through support and training for individuals.

Conclusions

46. The Service Provider Consultation document poses 3 final questions:
 - What are the greatest challenges that you see in delivering public services in the future?
 - How would you like to see public services delivered in the future?
 - Are there any other areas of focus that the Commissions should be looking at as part of their evidence gathering?
47. The Wales TUC is happy to explore answers to these questions during our oral evidence, however our principles remain in favour of a one-Wales approach to public services that enable strategic workforce planning across Wales, unravel a large part of the current complexity of the system while providing security and long-term stability for those dedicated people who deliver these vital services on a day-to-day basis. We oppose all redundancies and will work tirelessly to deliver a partnership approach to any service changes assuming early engagement with the registered trade unions.
48. Finally, the implementation of the Living Wage across the public sector would help raise the living standards of the low paid towards a fairer and more just level. This should be immediately possible in areas that are directly responsible to the Welsh Government such as the devolved civil service and the NHS. In other areas of the Welsh Public Sector (such as HE, FE and Local Government), the Welsh Government could drive forward the implementation of the Living Wage by exerting a greater influence over staff matters through linking elements of central funding to the introduction of the Living Wage.