

AN INVITATION TO PUBLIC SECTOR WORKERS



THE CONSERVATIVE PUBLIC SECTOR MANIFESTO 2010

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This election is all about the big choices we face as a country. We need change in our economy to bring down the debt, change in our society to encourage more responsibility and we need political reform to make the system more transparent and accountable.

We are setting out a bold new vision to achieve this change: an invitation to join the government of Britain. Everyone is invited to pull together with a new sense of national purpose; a recognition that however great the problems our country faces, we are all in this together – not relying on big government for the change we need, but creating the ‘big society’ to bring it about.

Public sector professionals are absolutely central in all of this. We want to invite them to help us tackle our public deficit and bring about the social changes people want to see – teachers, social workers, police and all public sector staff, working to make communities stronger.

But right now, there are millions of public sector staff who feel demoralised, disrespected and unrecognised. They are fed up with all the targets and being under the thumb of big government. They want the freedom to innovate, the chance to have their talents recognised.

So, in a shift of power as radical as the right to buy your council house in the 1980s, we are inviting public sector staff directly to take control and transform our public services.

We will give them much more power to exercise their own judgement and at last be properly recognised and rewarded for hard work and innovation. We will massively scale back all the targets and bureaucracy that drives them mad. And we will give them the right to set up employee co-operatives, bid to take over services and be their own boss.

Just think what this all means. Teachers who secure better results will be better rewarded. Doctors and nurses will be able to focus on patients’ needs, not bureaucratic checklists. Staff in Jobcentre Plus will have real incentives to improve its performance. Our vision for the big society will give everyone a stake in cutting our fiscal deficit and delivering better services.

These are big changes, and they are another sign of the big choice at this election: five more years of bureaucratic, stifling top-down control under Labour. Or change, with a real transfer of power, control and responsibility from the Conservatives.





**BYE BYE
BUREAUCRACY**

Executive summary

In this public sector manifesto, we are inviting public professionals to help bring forward the most positive and radical changes to the public sector in its history, transforming the professional lives of public sector workers at all levels, and greatly improving services for people.

Our aim is to give direct power and control to staff, and replace bureaucracy with a culture that embraces professionals' own judgement, enterprise and ideas. It is a plan for change that will bring huge improvements and more value for the money we put into public services.

We want to give front-line staff real power to change and improve the services they deliver, and to ensure their hard work and enterprise are at last recognised and rewarded. We want financial incentives to work with, not against, the passion and service ethos that attracts people to work in the public sector in the first place. And the government bureaucracy that plagues public sector workers must be cut back, ending the micromanagement that stifles innovation and saps morale.

The public sector must also be fairer and more meritocratic. We want to ensure greater recognition of personal achievement, more flexible working and more equal pay.

So we are making this invitation, from a Conservative Party committed to progressive reform, to all our public professionals today: join our mission to strengthen society and deliver greater value from government for people, and in return, we will:

1. Trust in your professionalism: we will cut back on all the government checks, targets, inspections and procedural reporting that consumes so much of your time. You will instead be accountable for the outcomes you deliver, not the processes you follow, giving you much more freedom at the front line. The bureaucracy involved in centrally monitoring targets can be done away with because we will simply ask public services to publish data on the results they achieve, in an open and standardised format, making them directly accountable to the people they serve.

2. Deliver fairer pay: Labour plans to introduce a rise in National Insurance from next April – a tax on working people that will cost the public sector £690 million a year, threatening thousands of jobs. We will stop this tax rise, meaning everybody in the public sector will be better off than under Labour's plans. Workers in the NHS, teaching, police and all other services would save up to £150 a year. And so that the public sector takes the lead on promoting greater pay equality, we are looking at introducing a system where no top executive in the public sector can earn more than 20 times the salary of the lowest-paid worker in their organisation.
3. Give you the chance to take over the services you deliver: for those staff who want far more independence to innovate, we will give you a new power to form a co-operative enterprise with colleagues and bid to take over the services you deliver. Public sector co-ops will be paid through either outcomes-based contracts or according to their ability to attract users, like parents and patients. Benefits will include greater freedom to innovate and the chance to share in any financial surpluses created as a result of making improvements and efficiencies.
4. Reward hard work and excellent service: we will create a new professional culture throughout public service, where you will at last be rewarded for innovation and going that extra mile. It means, for example, freeing schools to pay teachers more for high achievement, and more payment according to outcomes in hospitals and Sure Start centres, and a more professional civil service. If staff get really good outcomes for the people they serve, we believe they should benefit too.
5. Provide a more flexible working life: we want government to be a leader on flexible working, which is proven to help boost productivity and raise morale. So we will phase in the right to request flexible working for everyone across the public sector, starting with the posts in central government.
6. Back you against unfounded action and bureaucratic rules: our reforms will put unprecedented trust in your professional discretion, but we know that fear of unfounded legal actions and perverse health and safety restrictions are already preventing too many staff from exercising their initiative. So we will back you with real protection against unfounded action and bureaucratic rules that just get in the way.

7. Ask you to help us build the Big Society. The reforms we are offering public sector workers today are our invitation to them to join in our vision to build the Big Society: more empowered public professionals, working to build a stronger society and economy, alongside with an army of civic servants and volunteers in every community and neighbourhood. And we want to bring many more charities, social enterprise and active citizens into delivering public sector services, diversifying and improving the public sector for all.

The invitation we are making to public sector professionals today is just part of our vision for building the Big Society: a stronger, more open and enterprising Britain, where social responsibility and civic pride brings the social change we need, not big government. It is why we are also inviting charities and community groups to get involved in running local services, and inviting local people to have a bigger say in how their neighbourhoods are run –even bidding to take over council services and saving local pubs and post offices from closure. It is an invitation to parents to get a good new school set up in their community, and for people to get involved in helping the police bring down crime in their areas.

This is why we believe the choice for people at this election has never been clearer. It is between the Conservatives' vision for empowering people and professionals to come together in the Big Society to bring the progressive change Britain needs, or five more years of bureaucratic, failing government control under Labour.

Our invitation to public sector staff

The millions of public sector staff who deliver the services we all rely on do a fantastic job. But there is a big problem that is not only holding back progress on improving public services, it is casting a shadow over the working lives of staff too: centralised bureaucracy and the top-down, 'Whitehall knows best' management it entails.

The more government has come to direct and control the work of public sector professionals – all the targets, inspections, audits and reporting – the more disempowered and demoralised key staff like doctors, nurses, teachers, social workers and police have become.

A top-down, centralising approach to management is the foremost reason that public sector productivity has not risen under Labour, but instead has actually declined, despite all the increased spending. It is also the reason morale is now so low and absence so high compared to workers in the private and voluntary sectors.

We recognise that the real way to improve public services for people is not to bring in more targets and managerial oversight, it is getting all this off professionals' backs. It is giving them real power to take control: more freedom, more discretion, more space for new ideas – but also to be rewarded for that hard work and innovation.

So the invitation we want to make to public workers today is to join our mission to make

Britain the most family-friendly country in Europe, to build a world-class NHS, to raise standards in schools, to fight back against crime – to do all the things we have pledged to make our society stronger and deliver the change people want. These will not be realised without the dedicated work of public sector staff, so we say to them: we value you, and we need you.

We want this manifesto to show public professionals how our reforms will mean better public services because the doctors, teachers, dentists, GPs, and all the other staff in public service will be more valued, empowered, recognised and rewarded.

Along with our plans to empower people and voluntary groups to get involved in improving neighbourhoods, and to bring about a more devolved, accountable and representative politics, a newly empowered body of public sector staff will help us build the Big Society and deliver the real, progressive change our country needs.

1. Trusting your professionalism

We will cut back on all the government checks, targets, inspections and procedural reporting that consumes so much of your time. You will instead be accountable for the outcomes you deliver, not the processes you follow, giving you much more freedom at the front line. The bureaucracy involved in centrally monitoring targets can be done away with because we will simply ask public services to publish data on the results they achieve, in an open and standardised format, making them directly accountable to the people they serve.

The more our public services have been directed by government, the less effective we have become as a society at tackling the complex social problems which put pressure on them in the first place. Issues like family breakdown or prisoner rehabilitation need flexibility, initiative, and compassion to solve. Government rules and targets get in the way of this, meaning less effective outcomes – and Labour’s response has been to simply expand their control even more, with yet more targets and schemes to follow: it is just a huge cycle of failure.

Because of top-down targets in the NHS, for example, the Government’s own health watchdog says that 43% of staff do not think the care of patients is their employer’s top priority. Police officers now spend a fifth of their time filling in forms – more than they spend on the beat. And teachers get almost 4,000 pages of guidance every year from government.

This is why we are pledging to restore trust in your professionalism by cutting back on all this bureaucracy. We want to replace government targets by allowing the service you work in to set its own agreements with the people it serves, and accountability will be to people actually using the services you provide, not to central government bureaucrats.

Here is what it means in practice for some typical public sector workers:

- We will reduce the amount of paperwork and Whitehall diktat that the police have to deal with, starting by scrapping the stop form, simplifying stop and search procedures and restoring their charging discretion for minor offences. In place of top-down diktat, we’ll give more accountability to people: they will be able to directly elect police commissioners, and have regular neighbourhood beat meetings to hold local police to account on the results they achieve. The need for procedural control from above falls away when what matters is the results you demonstrate to local communities;

- We will cut out the politically-motivated process targets that stop NHS staff focussing on improving people's health. In place of this, we will pay hospitals and other care providers according to the outcomes they achieve for patients. And because patients will have better information about these results, and more choice over where to go for treatment, there will at last be incentives for staff to deliver better performance. The public will be the experts on judging performance; the need for all the centralised targets will end;
- Every school, including primary schools, will have the chance to free themselves from central and local government control by becoming an Academy, giving staff the vital flexibility to set better standards and restore order and discipline in the classroom; and,
- We will publish outcomes data to make sure services are accountable. Instead of being micro-managed on the process they should follow, we will instead oblige all public services to publish, online and in an open and standardised format, outcomes data so that citizens can hold them to account.

2. Deliver fairer pay

Labour plans to introduce a rise in National Insurance from next April – a tax on working people that will cost the public sector £690 million a year, threatening thousands of jobs. We will stop this tax rise, meaning everybody in the public sector will be better off than under Labour's plans. Workers in the NHS, teaching, police and all other services would save up to £150 a year. And so that the public sector takes the lead on promoting greater pay equality, we are looking at introducing a system where no top executive in the public sector can earn more than 20 times the salary of the lowest-paid worker in their organisation.

Stopping Labour's tax rise on your pay

Labour's plan for National Insurance rises from April 2011 will raise Employees National Insurance Contributions (NICs) for everyone earning over £20,000. This will introduce a damaging tax on people and jobs that could kill the economic recovery Britain desperately needs. It will cost the public sector £690 million a year, threatening thousands of jobs.

- We will stop this increase altogether for everyone earning under £35,000 by raising the primary threshold at which people start paying NICs by £24 a week, and raising the Upper Earnings Limit by £29 a week.

What this means is that, relative to Labour's plans, everyone liable for Employees' NICs earning between £7,100 and £45,400 – the vast majority of public sector staff – will be better off.

For example, a nurse (top Band 5), earning £27,534, will be £150 better off; a Police Sergeant earning £39,036 will be £150 better off with the Conservatives.

Lower earners will get the greatest benefit as a percentage of their earnings and nobody will be worse off. We will fund this action by cutting government waste in order to spend £6 billion less in 2010-11 than Labour have planned. So our plans are responsible and affordable.

Promoting greater pay equality

We want to promote greater pay equality to tackle the very high and often arbitrary gulfs between the highest and lowest workers in public sector organisations. For example, while the top earner in the police, according to publicly available information, earns around 11 times more than the lowest paid police professional, in organisations such as the Qualifications and Curriculum Authority,

the Crown Estate and the British Waterways Board, the highest earner takes in over 25 times more than the lowest paid member of staff.

Our public sector fair pay review will investigate how to introduce a public sector ‘pay multiple’ that would mean that no public sector worker can earn over 20 times more than the lowest paid person in their organisation. This is not only the right thing to do in the public sector, it sends out a message of leadership on pay policy to other organisations too.

Public sector pay freeze

We have said we need to freeze public sector pay (as Labour have said also) to help reduce the huge budget deficit that is threatening our recovery. We also need to cap public sector pensions at £50,000 a year. We all have to pull together to bring the deficit down.

But we have also been clear that the pay freeze will not apply to lower earners: we will not freeze the salaries of the million public sector workers earning less than £18,000. The pay freeze for higher grades will produce savings equivalent to the cost of 100,000 jobs.

3. Giving you the chance to take over the services you deliver

For those staff who want far more independence to innovate, we will give you a new power to form a co-operative enterprise with colleagues and bid to take over the services you deliver. Public sector co-ops will be paid through either outcomes-based contracts or according to their ability to attract users, like parents and patients. Benefits will include greater freedom to innovate and the chance to share in any financial surpluses created as a result of making improvements and efficiencies.

All the targets, meddling and managerial oversight from government has not only made productivity drop, it has pushed the morale of public sector staff to drastically low levels. Independent research shows 40 per cent of staff in the public sector say morale is low in their organisation, compared to only 16 per cent in the private sector and just 6 per cent in the not-for-profit sector. Staff absence is now over 50 per cent higher than in the private sector.

The contrast with the increasing number of organisations that are co-owned by employees, thereby giving them a direct stake in their success, could not be starker. Studies show that, compared to other organisations, employee-owned ones like co-ops and mutuals enjoy higher productivity and profit, and have lower staff absence and turnover, because both business and employee interests are closely aligned.

Form a co-op and bid to take over the service you run

We are pledging to give public sector workers a powerful new right to bid to form co-operatives and take over the running of the services they deliver:

- We will give public sector workers the power to come together with their colleagues to form co-operative enterprises and bid to run services. These will be organisations that operate on a not-for-profit basis and are fully owned by all staff. We will work with key organisations in the sector to establish, within government, a Public Sector Co-ops Service to advise and support groups of public sector staff who want to set up co-ops. We will invite bodies like Co-operatives UK and the Social Enterprise Coalition to help – they have huge experience and already help social enterprises start up and grow;

- Co-operatives will be contracted by government to deliver services, and as long as they meet agreed national standards, they will be completely free from government control. They can decide on management structures, service delivery, and can reinvest any financial surpluses they make as a result of making improvements and efficiencies into the service or share them with staff; and,
- Almost all public sector staff could participate and form co-operatives – from teachers to health service workers, to any team delivering a function that can be paid according to a simple results-based contract with central government or its agencies.

This innovative policy will empower public sector workers with the freedom to vastly improve public services. And crucially, it will give them a tangible stake in doing so – real ownership of, rather than just a job in, the services they deliver.

4. Rewarding hard work and excellent service

We will create a new professional culture throughout public service, where you will at last be rewarded for innovation and going that extra mile. It means, for example, freeing schools to pay teachers more for high achievement, and more payment according to outcomes in hospitals and Sure Start centres, and a more professional civil service. If staff get really good outcomes for the people they serve, we believe they should benefit too.

A major problem for staff in the public sector is that their hard work, initiative and new ideas too often go unrecognised and unrewarded. The reason is Labour's top-down, Whitehall-knows-best form of management, which allows too little space for the initiative of workers. In the NHS, for example, there have been nine government-led reorganisations in as many years, and huge numbers of managers is needed to oversee these changes: their numbers are increasing more than five times as fast as the number of nurses. The Civil Service is being let down too: its advice ignored, its impartiality disrespected and civil servants jobs made harder by central bureaucracy.

We need a totally new approach to improving public service. Innovation does not come by top-down design, but by breaking down barriers between the public sector and its clients. We have already said we will enable users of public services, small firms and entrepreneurs, to contribute new ideas to

government by opening up procurement and allowing open use of public data so citizens can feed in great ideas for public workers to make improvements to services.

We will make sure hard work and innovation are rewarded

We know the whole system has to change to free staff to bring in new ideas and fully use their talents. This is why we pledge to allow success, hard work, innovation and talent to be far better recognised. For example, we will:

- Give better rewards for success: There will be greater freedom over payments so that great results can be rewarded. For example, schools will be able to pay teachers more for good performance and GPs' pay will be better linked to the quality of the care they deliver for patients. And NHS care providers will be paid according to the outcomes they deliver, as would staff-run co-ops;

- Allow services that tackle difficult social problems to share in the success they make in reducing public costs: Sure Start, for example, will be paid in part by the results achieved, especially for intervention with the neediest families; and organisations working for government programmes to help people off welfare and into work, or to get prisoners off drugs, for example, will also be rewarded according to what they achieve, making it easier for them to reward high achievement from staff; and,
- Create a stronger Civil Service. We will overturn poor performance management practices – a key driver of low morale – and have proper appraisals that allow fast

promotion for those who excel. We will also support managers who take action against those who do poorly, with the poorest performers given the chance to improve with focused support in a probationary period. And we will give civil servants a ‘civic service’ role by making regular community service a key element in staff appraisals. This will help bring down bureaucratic divides between them and the issues people face.

These reforms will mean a huge boost for dedicated and talented staff, creating a culture where innovation and achievement is not only desired, but positively recognised and rewarded.

5. A more family-friendly workplace

We want government to be a leader on flexible working, which is proven to help boost productivity and raise morale. So we will phase in the right to request flexible working for everyone across the public sector, starting with the posts in central government.

A common thread running through this manifesto for change is respect for public servants. Conservatives believe that the more power and freedom we give to professionals, the more responsibly and innovatively they will work, and the better our public services will be as a result.

This freedom and control must also extend to more autonomy over working practices and hours, and we want public sector workers to have new rights over flexible working. Giving people the chance to work more flexibly is not just good for employees – it is proven to be good for the employer too. Flexible working can increase productivity by as much as 20 per cent.

Many private sector employers have found that by allowing workers to work more flexibly they can not only boost morale, but boost business. It is time the public sector caught up: we want public sector workers to come in to work charged with a sense of mission – not dragged down by routine.

But this is about much more than productivity. Flexible working can also have huge benefits for our society. Britain has an established long-hours culture and we also have one of the highest rates of family breakdown in Europe. Making Britain more family-friendly means helping families spend more time together – and promoting change through a new approach to flexible working in the public sector will mean government setting a good example to everyone.

We will create a more flexible public sector workforce, improving quality of life and quality of service

More freedom over the hours our public sector professionals work will be good for morale, good for productivity and good for society. So we will:

- phase in the right to request flexible working for all workers in the public sector, starting with posts in central government and the civil service; and in addition; and,

- JobCentre Plus offices will be obliged to ask employers if their vacancies could be offered on a part time or flexible basis and to advertise them as such.

In the longer term, our intention is to extend the right to request flexible working to everybody, but we would do this in the light of experience and only after full consultation with business on how to do it in a way which is administratively simple and without burdening them with extra cost. As part of the consultation, we will give particular consideration to the impact on small business.

6. Back you against unfounded litigation and bureaucratic rules

Our reforms will put unprecedented trust in your professional discretion, but we know that fear of unfounded legal actions and perverse health and safety restrictions are already preventing too many staff from exercising their initiative. So we will back you with real protection against unfounded action and bureaucratic rules that just get in the way.

Research by the London School of Economics shows how staff that are given more power and control over their work gain far greater well-being, pride and commitment in their work, and are even more likely to address poor practice by others. So we know that the new empowerment, control and freedom we want to give public professionals will not only improve public services, it will improve working life hugely for staff too.

But we also understand that, despite being given new powers, public sector staff could still be held back by the old culture of fear of litigation and negative action that affects so many public professionals who are just trying to do the right thing.

Teaching is plagued by this. Fear of litigation has helped drive false allegations and assaults to record levels: 59 per cent of schools say false allegations have been made against staff within the last three years; a third of teachers have been physically attacked and nearly one in five threatened with a weapon. But their capacity to deal with this is crushed

by excessive caution. A study by Manchester University found over half of schools now have either an explicit or implicit ‘no touch’ policy – this just undermines teachers’ authority.

Excessive interpretations of health and safety law are also preventing the police from doing their jobs. Perhaps the saddest case was the death, in May 2007, of a ten-year-old boy who drowned in a pond in Wigan, while uniformed officers nearby were instructed not to intervene on health and safety grounds.

We will back public sector staff against the rules and threats that stop you delivering a great service

We want to bring in real change to reverse this dangerous trend. We pledge to back you up against all the unfounded and vexatious nonsense that harasses too many decent hard-working public professionals today. For example, we will:

- Change the law so police officers are not prevented by the Health and Safety at Work

Act from discharging their duty to protect the public. Likewise, we will protect other public servants from its excessive interpretation, such as people taking youngsters on adventure trips;

- Make it easier for teachers to use reasonable force to deal with violent incidents, remove disruptive pupils, and physically restrain disruptive children without fear of legal action. We will restore powers to search pupils and confiscate items head teachers think may cause violence or disruption. And we will give teachers the strongest possible protection from false accusations, including anonymity until guilt is proven; and,
- Give staff in the NHS the right to report any bad practice they see without fear of reprisal from their employers.

7. Ask you to help us build the Big Society

The reforms we are offering public sector workers today are our invitation to them to join in our vision to build the Big Society: more empowered public professionals, working to build a stronger society and economy, alongside with an army of civic servants and volunteers in every community and neighbourhood. And we want to bring many more charities, social enterprises and active citizens into delivering public sector services, diversifying and improving the public sector for all.

We are inviting public sector workers to join us to help build the Big Society

Our invitation to public workers – to take more power and control to improve people’s services, to work more flexibly and innovatively, for staff to set up their own employee co-operatives – is all part of our vision to involve them centrally in our vision for creating the Big Society.

This is a new mission to improve our country, not through government control, but by giving everyone a genuine stake in our economic and social renewal – whether that means nurses being better rewarded for going the extra mile for patients, or residents living in a safer neighbourhood because they took up the challenge of organising locally to help the police fight crime.

Labour caricature this vision as a means of cutting back on the support the state has traditionally given people. But it is the exact

opposite – it is using the state to rebuild society, so the work government does is even more effective, and reduces the costs of social breakdown and community decline. It is why we have announced new plans, such as:

- civil servants doing ‘civic service’ as part of their jobs – getting out from behind the desk and getting involved in community service to bring down bureaucratic divides between them and the issues people face;
- an independent ‘Big Society Bank’, funded from unclaimed bank assets, which will leverage private sector investment to provide hundreds of millions of pounds of new finance for neighbourhood groups, charities and social enterprises; and,
- training 5,000 independent Community Organisers over the next Parliament, who will establish and operate neighbourhood groups, and help people improve their neighbourhoods and tackle local social challenges.

And these measures will complement new rights and powers for people and community groups to get involved in running local services, for parents and community groups to set up new schools with state funding, for local people to have a bigger say in how their neighbourhoods are run and where council money is spent – and much more.

The Big Society is the antidote to the rising cost and failing bureaucracy of big government, and it is the only way we can bring about the real, progressive change our country needs.

This is why we are inviting public workers today to join this mission: help us make Britain the most family-friendly country in Europe, build a world-class NHS, raise standards in schools, help people fight back against crime – because we are all in this together.



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