

## If you are thinking of voting Conservative in the 2015 UK general election

then please, I beg you, find out more about what the Conservative-led government has been doing for five years, and reconsider. Below are some facts and opinions. Facts mainly.

The Conservative-led government has made (legal) **tax avoidance** and (illegal) **tax evasion** easier for companies and wealthy individuals (and even encouraged it), and made money laundering in the UK easy for criminals of other countries (for instance by easing the rules for LLPs). Notable tax avoiders have been much schmoozed with entertainment at Downing Street, and some have been appointed as government advisers. Meanwhile political rhetoric was telling a different story.

They have done wide and deep harm by introducing the **private provision of services** for ideological reasons. Such provision has been more expensive, has often been in terms of badly framed contracts, has worked less well, and has resulted in the loss of skilled experienced staff from the sectors affected (making it hard to turn the clock back). The performance of the private providers of services has generally been poor, with even defrauding of the public purse not disqualifying a company from future contracts. Companies that have incurred huge fines in the USA for the inadequacy (or worse) of their service provision are welcomed by a UK government desperate to agree contracts. A government minister even contacted one of the poorly performing service providers to say that he needed some good news, thus highlighting a conflict of interest: playing politics versus looking after the national good. The companies that have provided most "services" are Atos, Capita, G4S and Serco. All of these companies have had famous failures.

**Atos** had a contract to assess the fitness for work of benefit claimants (WCA = Work Capacity Assessment). Their service was grotesquely poor in a number of ways, ruining the lives of many of those sick and disabled being assessed. About two in five assessments were overturned on appeal. The true proportion of errors in positive assessments that a person is fit to work is likely to be *over* 40%. A government study in 2012 showed that half of those assessed as fit for work remained unemployed *and without income*. That contrasted with situation of Atos itself, receiving a handsome income whatever its fitness to do the work.

In June 2012, the annual British Medical Association (BMA) representative meeting voted that the WCA should be ended 'with immediate effect and be replaced with a rigorous and safe system that does not cause unavoidable harm to some of the weakest and vulnerable in society'. By the way, the BMA website says 'unavoidable harm' and maybe they mean 'avoidable harm', but either way the BMA wanted a system that does not cause harm.

By 2013, Government statistics showed that, of those found to be fit for work and passed to the preparation-for-work stage, 1300 died within six weeks; 1300 is likely to be an underestimate; some of the deaths were suicides.

Scandals included assessing as fit for work patients with brain damage, terminal cancer, severe multiple sclerosis or Parkinson's Disease, as well as a man in a coma and a woman who had twice had a heart-and-lung transplant, who had kidney failure and regular blackouts, who was on ten prescription drugs, and who died in her hospital bed nine days after being told that her allowance was being stopped as she was fit for work.

Atos and the WCA were so bad that they and their staff suffered a continual torrent of abuse online and elsewhere, and their poor reputation severely impaired their ability to recruit good staff (a problem also for other firms with government contracts). Despite all that, the government soldiered on for *years* with Atos, but in the end Atos themselves conceded defeat and bought themselves out of the contract.

Good news.

The bad news is that from March 2015, the contract is with **Maximus**, a huge company with a record of fraud and incompetence in the USA. As usual, the government seems to care nothing about the company's record. In press reports about the contract being taken over by Maximus, I have found nothing to say that the contract itself or the procedures are different. So it is even possible that

outcomes under Maximus will be worse than under Atos, especially at first.

Even when a WCA appeal succeeds, the length of time that an appeal can take may cause severe problems to a sick or disabled person due to loss of income during that time. One woman whose medical assessment scored zero (i.e. no medical problem at all) appealed, was re-assessed to score 15 (i.e. medical problems severe enough to preclude work), had her benefit reinstated, but so much time had passed that she had to be assessed again, was found fit to work, and had to appeal again. Many claimants are on their second or third appeal. The surge of extra work for Citizen's Advice Bureaus has been unprecedented.

**Capita**, working for the UK Border Agency, sent letters to people entitled to stay in the UK telling them that they had to leave. In another contract, they failed to deal with a backlog of medical assessments for payments to sick and disabled people – to the extent that civil servants had to be brought in. Bad performance in one contract did not stop the government making Capita a “preferred bidder” for another.

**G4S** famously failed to provide enough security for the 2012 Olympics, and the police and army had to be brought in. More worrying is the list of longer-term contracts that G4S has. For instance, there have been continual problems at G4S-run prisons, while, ironically, they themselves were investigated by the Serious Fraud Office (SFO) for defrauding the taxpayer.

**Serco**, another company attracting the interest of the sloth-like SFO, defrauded the taxpayer by claiming for the tagging of criminals who were either dead or abroad.

Several companies, including **A4e**, contributed to the Work Programme (“**Welfare-to-Work**”), to which over a million people were subjected with the object of helping them find sustainable work. Companies receive significant money just as attachment fees. Figures leaked to Channel Four suggest that the performance of A4e may have been literally worse than useless, in that fewer found work through A4e than would have found work anyway. That suggestion will be no surprise to many people who have experienced such programmes. As well as attachment fees, A4e could earn payment by results. In theory, that is very appropriate. In practice, it is an incentive to concentrate on those for whom it is easiest to find work. This points to a difficulty in framing outsourcing contracts, and the same applies in many situations to the setting of targets.

Even relatively small-scale, relatively simple outsourcing can go badly wrong, as when the government privatised the provision of interpreters/**translators** to court hearings, which the government went ahead with in the teeth of warnings that the plan would fail. Before the contract went live, Capita bought the company (**ALS**) that had the contract. Most translators were no longer interested at the rates being offered; most have been lost to the service. When no translator (or an inappropriate/inadequate one) was supplied, all kinds of legal proceedings (even simple things like sentencing hearings for people who had pleaded guilty) were delayed, sometimes retrials were needed, there was extra cost to the public purse, and prisoners were held on remand for longer periods. Capita have continually been in breach of contract, and were eventually fined a token amount by the Ministry of Justice. In exasperation, some judges disregarded the new rules and reverted to using old lists of translators.

The questions to be asked about a private provision of services may include:

1. Is it appropriate in general (e.g. for prisons, probation services, MoD procurement, border control)?
2. Is it effective?
3. Is it value for money?
4. Does the provider bear a fair share of any risk?
5. Does it allow for change in the light of experience or to meet a new situation?

6. When the provider goes bust or pulls out or fails to fulfil its contract, is there adequate contingency?
7. Are the long-term implications acceptable?

If every answer is *yes*, then go for it. In practice, these questions are fudged or brushed aside. In practice, the answer to questions 2 & 3 tends to be *no*, because the public body providing the service has been doing so for some time, has everything already in place, including skilled and experienced staff, and does not need to produce a profit for shareholders, and deals tend to be such that the private provider is confident of making a profit, and because the contract agreed with a private provider may be badly drafted (Atos met some criticisms by saying that they were doing just as the government required) and badly fulfilled.

Under Labour, there were some instances of private provision of services that had strikingly poor outcomes. In some cases, the Conservative versions are actually less bad. Overall, though, the Conservatives' ideologically entrenched championing of the private provision of services is the greater threat to the UK. Conservative politicians seem to think that inventiveness in finding something else to privatise helps their careers in the party.

By the way, it was the Conservatives who introduced the ludicrous franchise system when they privatised the **railways**, and they are yet to apologise. As well as lacking merit as a way to run railways, it ensured grievous harm to UK rolling-stock manufacturing. Click [here](#) for more about railways.

The court translators fiasco mentioned above was far from the only mischief of the **Ministry of Justice**. A privatisation of **probation** services for low- and medium-risk offenders was announced in 2014, and justified by misuse of statistics. Twenty-one contracts have gone to eight "Community Rehabilitation Companies" who are to supervise about 200000 offenders (of whom some 40000 will be low-sentence offenders who would have had no probation monitoring before). As things have been, about 120000 of these would be expected to re-offend within a year. That shows not only the scope for improvement but also the risk to the public. The experiment will pay the companies toward half a billion pounds a year for seven years.

Just before parliament stopped for the 2015 general election, **court charges** for criminals were sneakily introduced without any debate or consultation. Judges and magistrates will have no discretion. There is a scale of charges from £150 to £1200. The charge is in addition to any fines, or compensation orders or legal costs. In a trivial case ending in, say, a token fine, the magistrate will have no option – the £150 charge will apply. The charge depends not on the criminal's ability to pay but on two things only: the type of case, and the criminal's plea (guilty or not guilty). Naturally this has caused outrage in legal circles. Since the charge is much lower for those who *plead* guilty than for those who are *found* guilty, the balance is slightly altered in our adversarial trial system, something that should not have occurred without debate or consultation. Could it cause an innocent person to plead guilty? I don't know. In practice, many charges will not be paid, and to put these defaulters into prison would be costly and increase overcrowding. The charges system is to be reviewed in three years, but the Magistrates' Association want it to be reviewed after six months.

Regarding the **economy**, we cannot really tell for sure the degree to which any recovery is due to government action or despite it. But maybe the Conservative-led government is due some credit here, though it does look like what got the recovery going was billions of pounds coming into people's hands as compensation for insurance mis-selling, and not anything that the government did. Also there are economists who say that the government wasted two years before tackling the deficit. I believe the economists. Not that the government was idle in those two years ...

A little aside. The George W Bush regime came to power wanting to invade Iraq. They cynically used the Twin Towers outrage as a pretext for that invasion, trying to give the impression that invading Iraq was part of their "war on terror", while just the opposite was true – the invasion has made winning their

“war on terror” much harder. [“Islamic State” have recently taken over the city of Quaraqosh in Iraq, and hundreds of Christian men, women and children are being beheaded.]

Now, could it be, as some have suggested, that the Conservatives used the UK's financial difficulties as a pretext to push through changes that they were wanting to make, irrespective of whether those changes helped to reduce the deficit? Just asking. *Cuts* and *savings* are not the same thing. The UK national debt continued to rise year on year throughout 2010-2014 as it had before.

In 2012, a document that analysed **the effect of government cuts on charities** and that had been circulated among government ministers was leaked. Reports said that the cuts (passed on by councils and other public sector bodies) were hitting deprived areas hardest, with the most deprived 25% of the country bearing over two-thirds of the cuts.

Many, many charities are in financial dire straits, continuing to shed staff and struggling to operate.

**Foodbanks** have found that demand has increased enormously in the last few years. A conservative estimate would be an increase greater than *tenfold* over the period 2010-14. Some Tory politicians have said that the increase in the use of foodbanks was *caused by* the increase in supply of this free food. Some of them said so in beautifully constructed sentences and with perfect diction.

The Trussell Trust has hundreds of foodbanks. They must ask people what their primary reason is for needing the food, because the trust website has statistics on this. For 2013-14, the top reasons given were benefit delays (31%), low income (20%) and benefit changes (17%). Food for thought.

David Cameron made a pledge to create a country where everyone who works hard can be a **home-owner**. Under the Conservative-led government, the number of families able to buy with a mortgage has *fallen* by about three-quarters of a million. George Osborne tells us that the economy is recovering thanks to his plan. Clearly those would-be home owners have not been working hard.

There has been a help-to-buy scheme for first-time house buyers. Has George Osborne forgotten that Margaret Thatcher said, “You can't buck the market”? Looks like the help-to-buy scheme has largely been a way to spend a few billion pounds of tax income to increase house prices and make existing home-owning voters feel better – or was it just incompetence?

**Jobs.** I am less sure of my ground here.

“We have more people in work in our country than at any time in our history,” says David Cameron. I have not managed to check this claim or find out exactly what it means. I am guessing that the number of people in work is not in terms of full-time-equivalents. Other figures suggest that the average quality of the new jobs is low. The self-employed, however, account for a notable part of the rise in the jobs total, and that could bring significant benefits eventually from the expansion of such businesses. Let us hope so.

The real value of earnings has been falling over the course of the parliament, but has just started to rise again, the key factor being zero inflation due largely to low global oil prices.

David Cameron has claimed that the Conservatives would *create* two million jobs over the next five years. If the government is going to create them, then they sound like public sector jobs, but I rather think he means jobs created by businesses. Well, the Office for Budget Responsibility (OBR) has consistently over-estimated in their forecasts of business investment. If the job-creation claim is based on extrapolation, there is no reason to believe it – quite the opposite, since the more jobs there are, the harder they are to fill.

What if we did have two million more jobs over the next parliament? Who will fill them? This is a point that shows that running the country is not so easy, because of the way that issues interrelate. Figures show a strong pattern that for every two new jobs, there is one immigrant to the UK. Now of course the figures do not prove cause-and-effect, but it is not unreasonable to expect that with the two million new jobs could come very approximately a million immigrants from the EU:

**Immigration.** A tricky topic. Most politicians are scared to discuss this fully and honestly, which is understandable when so many newspapers are more interested in involving their readers emotionally than in real news and real issues, and have been giving nothing but a biased viewpoint for decades. On the one hand, we can all see **problems** with ongoing large-scale immigration. On the other hand, currently immigration is a **financial benefit** to the UK (despite stories about immigrants receiving benefits and NHS treatment, so-called health tourism and the like), while usefully supplementing the workforce and usefully changing the age-profile of the population. So, tricky indeed.

The setting of targets for net immigration can be counter-productive, because the immigrants that are easiest to find and deport are often the very ones whose staying would benefit the country. It is easier to find and deport an A-level student than a criminal gangmaster.

The UK's treatment of asylum seekers has been inhumane (and not helped by the private provision of services) under recent governments. The decisions about individual asylum seekers have often been poor, sometimes with tragic results. Even under Labour, the list of countries that were assumed to be all right to send asylum seekers back to was ridiculously long.

We are not entitled to prevent workers coming to the UK from the EU:

**Europe.** Sigh. So much tiresome justifying of opinions. There is good and bad.

The good includes free access to the EU market and to jobs therein. Sometimes Europe has compelled a UK government to do something that it should have been doing but was not going to do.

The bad includes not being democratic enough, and being too wide and too deep in what it controls or wants to control. Also we have sometimes suffered because UK governments have enacted European requirements in not the best way – and sometimes missed out on EU funding because of that. I also have serious misgivings about the European Arrest Warrant (EAW).

The Conservatives, seemingly for short-term political reasons, have promised/threatened an in/out referendum on Europe. If this happens, let us hope that it has the effect of improving the quality of the debate and of the press coverage. Exactly what would happen, I wonder, after an *out* vote? There is little point, though, in offering the options *in* and *out* if what we need is *shake it all about*. [I claim no originality for this hokey-cokey reference.]

By the way, one good thing that the EU did relates to the government's plan to buy nuclear-generated **electricity** from the French company EDF (majority owner, the French government) in a 35-year contract at *double* the going rate and that would have EDF building four nuclear power plants in the UK. The new plants would use a dubious choice of technology (EPR). Now the contract was so generous to EDF that the EU decided that it amounted to a state subsidy – against the EU rules! Thank you, EU. The UK government then schmoozed the EU people, and their decision changed. The delay, however, did mean that the government was not keen to rush the completion of the deal just as an election campaign was starting. We do need to watch what happens after the election. EDF will be looking for another contract, as without the £300 billion income from those EPR generators (not all profit of course), its finances are in a perilous state because of its existing liabilities relating to maintenance and decommissioning.

The Conservative-led coalition has introduced changes to the **NHS** without the support of pilot schemes or research, against the bulk of professional advice, and without knowing how the changes were going to work out. To be charitable, this was crazy and irresponsible. They called it “exciting”. Worse than that, the changes were costly, and based on an ideology (“choice”, “market” etc) that is unlikely to be helpful in the healthcare sector.

In the USA, healthcare is based more on “choice” and “market” than in the UK. US healthcare costs about twice as much per person, and outcomes are worse in that life expectancy is lower in the USA than in the UK.

For some comments on the creation of artificial markets in general, and also in relation to the NHS, click [here](#).

More than once in 2013, David Cameron claimed in parliament that “The Government have put an extra £12.7 billion into our NHS”. The UK Statistics Authority points out that this figure seems to rely on taking 2010/2011 as base year (when spending had already been cut from Labour-government levels) and using not current spending but planned future spending. Would you call his claim fraudulent? Funding the NHS is going to be a major problem for all governments for the foreseeable future, with demand on it rising (more old people; more obese people; more diabetics). It would help for politicians to acknowledge this, and try harder to tackle the rise in obesity (and hence the associated rise in diabetes).

For some years, a major problem in the NHS has been the outrageous treatment of **whistleblowers**. A doctor or nurse who sees an ongoing problem with clinical care and fails to raise the issue would be in breach of their code of conduct, and in theory could be struck off, but if they do raise the issue, then what so very often happens is that the whistleblower is bullied by management, possibly ostracised by colleagues, defamed, victimised, and dismissed on trumped-up charges, all at great cost to their careers and often their health too. If the whistleblower was paid off, it was usually on condition that the whistleblower keeps silent. So the NHS trust management would have misused a great deal of time and a six-figure sum of public money (on legal fees and paying off the whistleblower), all to cover their own backsides, while the clinical issue continues unacknowledged, despicable management practice is allowed to succeed, the NHS loses a person of the very sort that it most needs, potential whistleblowers are deterred, and staff morale is depressed, in all likelihood balefully affecting the quality of their work. It's a lose-lose-lose-lose-lose-lose-lose-lose situation.

Even the likes of Great Ormond Street Hospital has disgraced itself.

Could the NHS trust-based structure (introduced by the Conservatives and that brought in many managers from outside the healthcare sector) be especially fertile ground for the victimisation of whistleblowers? I don't know – just asking.

Politician after politician has tried to appear on top of the problem, without ever managing to be so.

That the problem persists is acknowledged by the acceptance by the government of the Francis Report (February 2015). How well it will work to have a “whistleblower guardian” for each and every NHS trust remains to be seen. The devil may be in the detail.

Hinchingbrooke is a small general hospital in Cambridgeshire. It had severe financial problems, because of which (?) the running of the hospital was offered for tender. So Circle Holdings, a company with healthcare experience, took over the running of the hospital in February 2012 with a 10-year contract, famously becoming the first private company to run an NHS hospital. In February 2014, Circle claimed to “have transformed services at Hinchingbrooke” and that “the hospital is now secure for the future”. To judge by reports, including that of the CQC, Circle did not make a success of running the hospital, and in 2015 Circle announced that they were pulling out for financial reasons. Which leaves a mess. Circle's losses were limited to £5million per annum by the terms of the contract, the rest of the deficit being met from the public purse.

Secret negotiations are taking place between the EU and the USA about a Transatlantic Trade and Investment Partnership (**TTIP**). David Cameron has been enthusiastic about TTIP, and has been trying to reassure us about it. We should not have to rely on his word.

A TTIP agreement is likely to mean that if any provision of service that a UK government has privatised is later taken back into public hands, then the UK government could be sued by US investors for huge amounts (loss of future profits) under the Investor-State Dispute Settlement (**ISDS**). Now ISDS itself is not new (Germany is being sued over phasing out nuclear power; Australia is being sued over plain packaging for cigarettes; the little state of Vermont has been picked on by corporate bullies and is being sued over the labeling of genetically modified foods). What is worse, ISDS hearings are decided purely on free-trade principles, taking no account of the wider concerns and responsibilities that any

government will have (such as public health or the well-being of agriculture and the land). A draft of the EU position on TTIP has been leaked to the BBC. At a first reading, what it says about health services would appear to imply the exclusion of the NHS from TTIP measures. That would be good, though not enough. Expert legal advice, however, has stated that the NHS would fall within the scope of TTIP. Whatever government we may have, the TTIP issue needs to be watched carefully. There seems to be a danger that signing a TTIP agreement would involve a *de facto* (if not *de jure*) loss of UK sovereignty. Has UKIP noticed?

**Education.** Sigh. I know, let's invent a new kind of school. And another. Let's not worry too much about who will have control or what their input might be or how things might develop in the longer term for the individual school or for the pattern of education provision. Or why certain requirements are good for some schools to have and good for other schools *not* to have.

Presumably the Conservatives are motivated by not liking any public provision of services.

Meanwhile the number of unqualified teachers in England is rising. Why are there any?

And nearly 40% of newly qualified teachers quit within a year of qualifying, a figure that has roughly trebled in six years.

And about one in twelve full-time teachers quit teaching in 2014, according to Department for Education statistics.

Private finance initiative (**PFI**) agreements (e.g. to finance the building of hospitals) were introduced by the Conservatives in 1992, and since then the wretched things have been proliferated by all UK governments (including Labour). In each case the value for money is assessed against an unrealistic set of criteria, including an assumption about the amount of UK tax that the company will pay (ha, ha). The assessors know what answer is expected, and the assessments are fiddled. The assessments are a fig-leaf. The advantage for a government is an accounting one – the debt is off the balance sheet. The disadvantage for all of us is initially a financial one, since a government is able to borrow more cheaply than occurs with PFI. Some of the financial problems in the NHS are due to trusts being saddled with huge annual payments under PFI deals. Conservative and Labour politicians have been known to claim that their PFI deals are good but the other party's are bad. This is just not true. The differences are tiny. And the disadvantages are not just financial. In the services affected, future management, from small local issues (like the need for another doorway for a room) to national strategy, is generally made more difficult, as well as more expensive. (If you live in a rented house, then you are less free to do things with the house; and if you were tied to an expensive lease for decades ...)

The **MPs' expenses scandal** was not greatly shocking really. We have all known for a long time that a new MP being shown the ropes was given the wink that the expenses system was there to be exploited, and after all, some had taken a pay cut by becoming an MP. Our form of democracy needs political parties with members that publicly support their policies, which support may require a little moral flexibility. So we need our morally flexible MPs. When the Labour Party had its Clause Four about public ownership, few party members actually supported the what the clause said. Imagine if all Conservative MPs privately supported the party policies and ideology 100%. Shudder.

Your reaction to the **defence cuts** may depend on what you think about the UK's role in the world, about what dangers may lie ahead and about the UK's "independent" nuclear deterrent (Trident). The UK's defence spending will, I think, be lower than required by the terms of NATO membership (as for most countries in NATO), and our US ally is upset. Since meaningful cuts in the Trident programme are necessarily drastic (i.e. reducing the number of submarines from four or scrapping the programme), the cuts have mostly affected conventional forces, with an increased reliance on reservists. Clearly the UK's military capability is being reduced, but the UK's defence budget will still be the fifth largest in the world (for a country).

Companies that helped the government fix the price per share for the **Post Office** sell-off then profited by buying shares. The public purse could have had £1billion+ more. A government spokesman said (in effect) that it was better to sell cheaply than to risk not selling. Really?

There is a somewhat **corrupt relationship** between government, the civil service and agencies like the IRS on one hand and big business on the other. No major party seems keen to address this. To do so would risk losing donations for the party and future lucrative posts for the individual. Some aspects of this are as follows.

- A high-ranking official responsible for framing something (like an outsourcing contract, or an IRS sweetheart deal letting a big company off most of the tax it owes, or a procurement contract) that is to the huge financial advantage of a company, and generally therefore to the disadvantage of the public purse, often soon moves to a lucrative post with that company. Much the same often happens when an MP with departmental responsibility retires from politics.
- A government may put the wishes of big companies before the national interest or the wishes of the electorate. In particular, when a government is seeking to introduce the private provision of some service, say, the government often brings in as advisers the very companies that later profit from the contracts.
- Another problem with advisers is that leading government and opposition politicians commonly accept “free” staff from large accounting/consultancy firms to help them with technical minutiae, and these advisers remember who is paying them.
- Big business continually lobbies governments to change laws. Often a government is keener to keep sweet with big business than to examine the consequences of the laws they enact. Bad outcomes include new ways to avoid paying tax. This happens not just under the Conservatives; for instance it was Labour who introduced LLPs (since made worse by George Osborne).
- It can happen that a politician holding office in the treasury has (or a close relative has) a large interest in a company that benefits from tax loopholes that the treasury might be expected to close.
- Hundreds of MPs & peers have financial interests in companies that benefit from the private provision of services in the NHS or to government departments. There was little sign of these people declaring an interest and abstaining from relevant voting.

Please do not vote for the party that spits in the faces of the sick and the disabled.

*John MacNeill (who has voted for perhaps six different parties over the years and has never been a supporter of any of them)*

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