

# REFORM SCOTLAND

## 2011 SCOTTISH ELECTION MANIFESTO CRITIQUE

On 18<sup>th</sup> March Reform Scotland published its collection of policy ideas designed to create a better environment for long-term economic growth and effective public services in Scotland. The booklet summarised research and recommendations made in its 17 reports published over the past three years. The central theme running through all our policy initiatives was of devolving responsibility. Not just through increased financial powers to both the Scottish Parliament and local authorities, but to individuals and communities. Based on this work, Reform Scotland has graded the main parties' manifesto commitments ahead of the Scottish elections on May 5<sup>th</sup> and devised the following report card. This is not an assessment of all the policies of the main political parties, rather a reflection on how the parties match up to Reform Scotland's prescriptions to improve the long term prospects of Scotland.

In many ways this has been a long and disappointing campaign. At a time when everyone is supposed to be tightening their belts, the Scottish election campaign has descended into who can promise and spend the most, without offering any overarching long term solutions either to the economic situation or the challenges facing Scotland's public services. As the President of Cosla, Pat Watters, said, the offering is "*little more than political junk food*".

The current fiscal structure of the Scottish Parliament is partly to blame for this irresponsibility. Holyrood's almost total reliance on the block grant limits its accountability and provides little incentive for politicians in Scotland to come up with innovative ideas to boost economic growth or improve public services. That is because however poorly the economy performs, the money still rolls in via the block grant. If the economy did grow faster the benefits would accrue to the Chancellor at Westminster and not the Scottish Government.

Against this backdrop, it is hardly surprising that we have been offered short term manifestos with no coherent message or strategy and often contradictory policies. An example of this is the promise to give headteachers more freedom, but then stipulating how they must address discipline. The Liberal Democrats deserve credit for at least identifying in their introduction that centralised control is the root problem, in particular stating "*many politicians believe that the best decisions made about public services are those made from behind the ministerial desk. They are wrong. Public services are at their most efficient and effective when they are run locally, by local people, to meet local needs.*" However many of their policies fail to live up to this ambitious start.

This aside, there are reasons to be optimistic with a number of policies, from all parties, taking steps in the right direction and echoing recommendations made by Reform Scotland: Labour's expansion of vocational education; Conservative policies for free schools and tuition fees; the Lib Dem and Green position on localism and the SNP's call to strengthen the Scotland Bill. In addition, all parties make encouraging and similar pledges on transport, digital infrastructure and expansion of the third sector.

However, one of the biggest areas of disappointment is local government, where four of the five parties are effectively calling for further centralisation of what little fiscal responsibility our councils have left. Most Scottish politicians would object if Westminster started dictating how

Holyrood used the powers it has; if for example, David Cameron called for a cap on the Scottish business rates level, or said that there should be a referendum if the Scottish Parliament proposed an above inflation increase in the income tax powers it will receive as a result of the Scotland Bill. But this is exactly what Scottish politicians are proposing for local government. Back in the eighties, Labour, in particular, campaigned against centrally imposed rate caps, yet effectively with the council tax freeze and other pledges that is exactly what the main parties are calling for in 2011. The percentage of tax revenue raised locally in Scotland is already amongst the lowest in Europe and effectively removing local authorities' control over council tax will make a bad situation even worse. Council tax freezes may be popular, but council tax levels have to be a matter for councillors not MSPs, otherwise why bother having local taxes at all. If councillors choose to put up the tax to meet spending commitments local voters will be able to vote them out of office if they don't approve. Equally, if councillors manage to keep bills low, that should be to their credit. Blurring these lines of responsibility blurs accountability. In contrast, Reform Scotland has argued that local authorities should, over time, raise at least half of their own revenue, enhancing their autonomy and accountability which would also help councils become more responsive to the local communities they serve. Giving councils full responsibility for council tax and business rates would be a good first step.

These are not new arguments, rather they are the same ones made by Labour, the Liberal Democrats, the Conservatives and the SNP in their calls for more fiscal powers for the Scottish Parliament. If it is right for the Scottish Parliament, then surely it is right for local government. In this regard, credit must be given to the Scottish Greens for arguing that *“local community empowerment is an agenda Holyrood must embrace instead of seeing it as a threat”*.

In contrast to the manifestos put forward by the main Scottish political parties, Reform Scotland believes that we need to find new ways to provide our public services and to allow people choice so that they can decide how they want the service delivered. We believe we need to shrink the public sector's proportion of the economy. Government needs to facilitate the infrastructure which will help build a strong economy, it needs to protect its citizens and ensure proper competition. It does not, however, need to run all the services it currently provides and in many cases provides inefficiently.

The current financial and public sector crisis is not a short term problem and will not be solved by tinkering around the edges. It has highlighted that there are some real, long-term structural problems within our society that need to be addressed if we are to have a healthy economy with good public services. We need to have a plan for Scotland for the next twenty years that enables the next generation to compete without the benefits of our oil resources which will diminish over time. Reform Scotland hopes that whichever party(ies) form the next Scottish Government they take heed of our long-term vision for Scotland that seeks real structural reform across all areas of the public sector and that they will be willing to be a lot bolder and more farsighted today to create a stronger Scotland for tomorrow.

	SNP	Scottish Labour	Scottish Conservatives	Scottish Liberal Democrats	Scottish Greens
Fiscal framework	Wants Corporation Tax, Excise Duty and more borrowing powers to be added to the Scotland Bill;	Supports Scotland Bill and believes it is right that the Scottish Parliament “shoulders greater	Supports Scotland Bill but will not use existing or new tax varying powers; Does not call for	Commitment to Federalism; Publish green paper on how new powers on Stamp Duty could help the housing	Raise the Scottish variable rate of income tax by 0.5p from 2013; supports multi-

	<p>Independence referendum.</p> <p><i>A: Additional fiscal powers are greatly needed.</i></p>	<p>accountability for its spending priorities”.</p> <p><i>C: Credit for recognising the Scottish Parliament needs to take greater responsibility for its spending, however, no detail of how the new powers should be used is provided, other than not increasing the income tax rate above that of the rest of the UK.</i></p>	<p>additional powers.</p> <p><i>C: If the Scottish Government was responsible for raising the money it spent, there would be a much greater incentive to improve the efficiency of public services since any savings could be passed on to Scottish taxpayers, creating the conditions for higher growth.</i></p>	<p>market.</p> <p><i>B: Federalism would give the Scottish Parliament additional financial powers which are greatly needed. Marked down for not specifying which powers should be passed to Holyrood.</i></p>	<p>optioned referendum.</p> <p><i>C: While calling for greater powers for the parliament is to welcomed, raising income tax would be damaging.</i></p>
<b>Business tax</b>	<p>Maintain UBR and existing business rate schemes:</p> <p><i>C: Business rates are a local tax and as such should be returned to local authority control</i></p>	<p>Maintain UBR; to incentivise councils give them a share of business rate growth.</p> <p><i>C: Credit for recognising that councils should have a greater stake in growing prosperity, however, the more effective way to achieve this would be to pass control of business rates back to councils, which in turn would help create more competitive and relevant tax policies for each area.</i></p>	<p>Maintain UBR and existing business rate schemes; Capping business rates through legislation to ensure they don't go above the English level.</p> <p><i>C: Wrong direction. Business rates are a local tax and, as such, should be returned to local authority control</i></p>	<p>To incentivise councils give them a share of business rate growth.</p> <p><i>C: Credit for recognising that councils should have a greater stake in growing prosperity, however, the more effective way to achieve this would be to pass control of business rates back to councils, which in turn would help create more competitive and relevant tax policies for each area.</i></p>	<p>Replacing business rates with 8p in the £; as an interim measure bring disused and untaxed business property into the scope of business rates and raise the large business rate supplement from 0.7p to 2p.</p> <p><i>D: Ideally councils should have a range of taxes; replacing one type of tax with another is not the answer. Increasing business rates at the moment could damage economic recovery.</i></p>
<b>Digital</b>	<p>Introducing the Next Generation Digital Fund, a £50million digital connectivity initiative.</p> <p><i>A: To be welcomed</i></p>	<p>Appoint a Digital Champion; bring forward digital strategy; put pressure on UK Government to roll out broadband access to all homes by 2015.</p> <p><i>A: To be welcomed</i></p>	<p>Will accelerate the introduction of superfast broadband.</p> <p><i>A: To be welcomed</i></p>	<p>Make Scotland most digitally connected region in Europe; create Digital Economy Task Force.</p> <p><i>A: To be welcomed</i></p>	<p>Aiming for comprehensive access to broadband.</p> <p><i>B: To be welcomed but lacking in detail</i></p>
<b>Transport</b>	<p>Many road and rail improvements including many existing commitments as well as including electrification of much of central Scotland's rail network and dualling the A9.</p> <p><i>B :The transport projects are to be welcomed</i></p>	<p>Many road and rail improvements, including many existing commitments as well as advocating high speed rail link; taking forward Edinburgh/ Glasgow Rail Improvement Project; re-instating Glasgow Airport Rail Link.</p> <p><i>B :The transport projects are to be welcomed</i></p>	<p>Updated Strategic Transport Projects Review; continue Edinburgh-Glasgow Rail Improvement Programme; Implementation group to liaise with UK government over high speed rail.</p> <p><i>B :The transport projects are to be welcomed</i></p>	<p>Many road and rail improvements, including many existing commitments as well as including dualling A9 and developing detailed proposals for high speed rail link to Scotland.</p> <p><i>B :The transport projects are to be welcomed</i></p>	<p>Shift away from investment in building extra capacity in the trunk road network; consider road pricing for the future; £650m over the next parliament for public transport infrastructure; support high speed rail link with Scotland; oppose new Forth crossing and halt Aberdeen Western</p>

					Peripheral Route. <i>C: Credit for proposals for public transport, but roads network and Forth crossing projects are needed.</i>
<b>Policing</b>	Will reduce the number of police forces. <i>D: Does not say how many police forces they would have. However, any move to reduce the number of police forces is wrong.</i>	Merge Scotland's eight police forces into one with delegated local authority mechanisms; publish regular detailed local crime statistics <i>D: While credit can be given for trying to assign some better link between local authorities and the police as well as calling for local crime statistics, merging the police forces is moving in the wrong direction.</i>	Merge Scotland's eight police forces into one; publish regular detailed local crime statistics; Replace Police Boards with elected Police Commissioners. <i>D: Credit for addressing accountability gap in policing and for calling for local crime statistics, however, merging the police forces is moving in the wrong direction. Manifesto is unclear how elected police commissioners would fit into new structure and what 'local' area they would represent.</i>	Against single national police force; strengthen local police authorities; publish regular detailed local crime statistics. <i>B: Publishing regular local crime statistics and arguing against a single force are to be welcomed. However, there is not enough detail as to how they would strengthen police boards and whether this would, therefore, address the lack of accountability within the current set up</i>	Against single national police force. <i>B: This is to be welcomed. However, there are no details as to how they would strengthen police boards to address the lack of accountability within the current set up</i>
<b>Sentencing/ prisons</b>	Establish the Sentencing Council already legislated for and use it to address unconditional early automatic release; continued expansion of community sentences. <i>C: It is the role of the judge to weigh up the facts of the case and pass the most appropriate sentence and it should be government's role to enforce that sentence rather than interfere with the sentence unless it appeals through the courts. The Sentencing Council is therefore misguided. Work on community sentences is to be welcomed.</i>	Mandatory jail sentence for anyone caught carrying a knife; introduce alcohol treatment and testing orders; Re-introduce sentences of less than 3 months;: <i>D: Mandatory jail sentences remove judges' ability to take all circumstances into account. Not having mandatory sentences does not mean that dangerous offenders are not sent to jail – the policy suggests a lack of trust in the judiciary. While proposals for alcohol treatment and testing orders are welcome, sentences of less than 3 months are too short for any meaningful rehabilitation</i>	Re-introduce prison sentences of less than 3 months; End automatic early release; "revolutionise" rehabilitation culture. <i>C: Credit for wanting to end automatic release, tougher community sentences and for not including any mandatory minimum sentences – judges should be free to pass sentences taking all circumstances into account. However, sentences of less than 3 months are too short for any meaningful rehabilitation.</i>	End automatic early release; increase structured education and paid work in prisons; allow voluntary sector to fund programmes with offenders starting inside prison. <i>B: Policies on automatic early release and rehabilitation are to be welcomed.</i>	Respect the independence of the judiciary; support presumption against very short sentences. <i>A: Policies are to be welcomed</i>
<b>NHS</b>	Protect spending; new detect cancer early initiative; single integrated system of health and social care; committed to a publicly funded and publicly delivered NHS.	Protect spending; introduce National Care Service, new cancer waiting times targets; cutting the number of special health boards; eliminate superbugs. <i>D: Central control through</i>	Protect spending; introduce cancer drugs fund; ensure NHS boards have the freedom to commission voluntary and private sector care; remove ban on entities other than GP partnerships providing care.	Better health action plan with a number of specific targets including cancer; allow communities to design the health services that best meet their local needs. <i>C: The latter point is to be</i>	Committed to keeping the NHS in public hands; place an emphasis on care provided as locally as possible based on smaller services and hospitals.

	<p><b>D:</b> Fundamental reform is needed. Monopoly healthcare providers such as the NHS are poor at introducing new technologies which helps explain our poor performance in cancer care compared to other countries.</p>	<p>targets has limits. If waiting time targets are met within existing budgets, there is no pressure to increase productivity or to improve the service for patients. Crucially, monopoly healthcare providers such as the NHS are also poor at introducing new technologies which helps explain our poor performance in cancer care compared to other countries.</p>	<p><b>B:</b> Fundamental reform of the health service is needed, however, these are, small, steps in the right direction</p>	<p>welcomed, though none of the specific policy recommendations appear to set out how this would be delivered. Unfortunately, introducing more centrally driven targets is simply managerial tinkering.</p>	<p><b>D:</b> Fundamental reform is needed.</p>
Schools	<p>£50m early years sure start fund; national parenting strategy; devolve further funding streams; over two parliaments create conditions for every child to learn two languages; develop Scottish studies strand for primary and secondary schools.</p> <p><b>D:</b> Interesting ideas however these are the sorts of things that should be developed by the schools themselves. The overall strategy seems to be centralising.</p>	<p>Offer specialised literacy and numeracy training to 1,000 newly qualified teachers struggling to find work; give headteachers more responsibility and flexibility on the curriculum and deployment of resources; require discipline code to be developed in every school; prioritise the direction of education resources towards schools in the most disadvantaged areas.</p> <p><b>D:</b> While greater responsibilities for headteachers are to be welcomed, the overall strategy seems to be centralising.</p>	<p>3<sup>rd</sup> parties to set up not-for-profit independent schools; reform 3Rs testing; more power for headteachers of council schools; pilot second chance centres.</p> <p><b>B:</b> Allowing new schools free from council control to be set up is to be welcomed, as are proposals to give existing heads more power. But it is inconsistent to be prescriptive about teaching methods and discipline as it is choice and diversity which drives up standards.</p>	<p>Early Intervention Revolution; pupil premium for looked after children; more power for headteachers, including over staffing.</p> <p><b>C:</b> Small steps in the right direction, particularly giving headteachers more power over staffing along with reviewing McCrone; giving greater control over school development plans and pupil premium.</p>	<p>Provide resources to councils so schools can stay open and keep class sizes down; councils to be asked to produce comprehensive school estate improvement programme.</p> <p><b>D:</b> Disappointing that although the party supports localism there were no proposals to give communities or headteachers greater say in the running of schools.</p>
HE/ FE	<p>Will produce Green Paper on colleges; continue to encourage articulation between college and university and expand school-college partnerships.</p> <p><b>B:</b> Expansion is to be welcomed. Making it easier to go from HNCs or HNDs to later years of degree study is also a good policy..</p>	<p>Closer co-operation between schools/ colleges and employers in providing vocational education; invest in on-site provision of vocational education in some schools alongside a First Class Fund to the implement the changes and help schools develop innovative provision of vocational education.</p> <p><b>B:</b> Expansion of vocational education opportunities is to be welcomed</p>	<p>Allow pupils to leave school at 14 to do apprenticeship; greater collaboration between schools/ colleges and universities to improve ease of continuation of study/ fast track for students</p> <p><b>C:</b> While there should be greater flexibility to allow 14 year olds to engage in vocational work, this should be done through day release from schools. It is vital that even disengaged youngsters leave school with qualifications in basic maths and English. Making it easier to go from HNCs or HNDs to later years of degree study is to be welcomed.</p>	<p>Expansion of 14 year olds attending college courses; greater collaboration between schools/ colleges and universities to improve ease of continuation of study/ fast track for students.</p> <p><b>B:</b> Expansion is to be welcomed. Making it easier to go from HNCs or HNDs to later years of degree study is also a good policy.</p>	<p>Reverse cuts to higher and further education budgets.</p> <p><b>D:</b> Current fiscal framework is unsustainable. Increasing budgets will only make a bad situation worse.</p>

<p><b>Tuition fees</b></p>	<p>No tuition fees or graduate contribution. <i>F: Higher education is not free; it is paid for by the tax payer, therefore, often those who cannot afford to attend university pay for others to go. This policy is not fair and it is unsustainable given the funding gap between England and Scotland.</i></p>	<p>No up front or back-end tuition fees <i>F: Higher education is not free; it is paid for by the tax payer, therefore, often those who cannot afford to attend university pay for others to go. This policy is not fair and it is unsustainable given the funding gap between England and Scotland.</i></p>	<p>Capped graduate contribution <i>A: The principle of graduates, as well as wider society, contributing towards the cost of their higher education is the right one and ensuring nothing needs to be paid back until the graduate is earning a certain level, at least the Scottish average, ensures access to university is not based on ability to pay.</i></p>	<p>No tuition fees or graduate contribution. <i>F: Higher education is not free; it is paid for by the tax payer, therefore, often those who cannot afford to attend university pay for others to go. This policy is not fair and it is unsustainable given the funding gap between England and Scotland.</i></p>	<p>Oppose tuition fees and graduate taxes. <i>F: Higher education is not free; it is paid for by the tax payer, therefore, often those who cannot afford to attend university pay for others to go. This policy is not fair and it is unsustainable given the funding gap between England and Scotland.</i></p>
<p><b>Local tax</b></p>	<p>Freeze council tax for next parliament; will offer new local tax at the next election. <i>F: It should be up to councils to set their own council tax rates and manage their own budgets. Councils currently raise only a tiny % of their budget and this freeze simply restricts the one tool they do have. The freeze is centralising and interfering</i></p>	<p>Council tax freeze till 2013; future rises capped at inflation. <i>F: It should be up to councils to set their own council tax rates and manage their own budgets. Councils currently raise only a tiny % of their budget and this freeze simply restricts the one tool they do have. It is ironic that a Labour party which complained bitterly when the Conservative government at Westminster introduced capping on local taxes in the eighties has itself now called for capping.</i></p>	<p>Council tax freeze till 2013; give local residents right to a referendum to stop future increases going above inflation; £200 discount for pensioners. <i>F: It should be up to councils to set their own council tax rates and manage their own budgets. Councils currently raise only a tiny % of their budget and this freeze simply restricts the one tool they do have. The freeze is centralising and interfering.</i></p>	<p>Council tax freeze till 2013; No pensioner on less than £10,000 pays council tax; look to introduce a local income tax from 2016, after the introduction of Scottish income tax in 2015. <i>F: It should be up to councils to set their own council tax rates and manage their own budgets. Councils currently raise only a tiny % of their budget and this freeze simply restricts the one tool they do have. The freeze is centralising and interfering - bad enough from the other parties, but particularly disappointing coming from a party which claims to believe in localism.</i></p>	<p>Replace council tax with land value tax at just over 3p in the £; support local government to raise more of its own revenue with new ideas such as hotel tax. <i>D: Credit for looking at new tax options and aiming for local authorities to raise more of their own income, however, the Greens proposed land value tax will be set centrally therefore removing control from councils.</i></p>
<p><b>Local government</b></p>	<p>Propose a Community Empowerment and Renewal Bill to make it easier for communities to take over unused public sector assets; give Scotland's community councils more relevance. <i>C: Both are good policies, however marked down because the continued council tax freeze restricts local authorities' powers.</i></p>	<p>An accord between local and central government underpinned by national goals. <i>D: Sounds like a new concordat in all but name, therefore in danger of interfering with what little freedom and control Scottish local authorities have left.</i></p>	<p>Abolishing the concordat, have referenda in four main cities for elected provosts. <i>C: Both are good policies which improve accountability and localism. Marked down because there is a contradiction between saying they will freeze council tax till 2013 but abolishing the current means of doing so. Any new requirements on councils would be centralising.</i></p>	<p>White paper on localism to disperse power away from the centre; <i>B: While the white paper is interesting, it is disappointing that a party which believes in localism has no specific policies which devolve powers from Holyrood to local authorities.</i></p>	<p>Will put the case for decentralisation of power from Holyrood to local authorities and from local authorities to communities where appropriate; <i>A: Although more details are needed about how this will be done, the principle is right.</i></p>

Voluntary sector

Expansion of self-directed care.  
**A:** *Is to be welcomed*

Restart ProjectScotland; support third sector in competing for public sector contracts; encourage self-directed support.  
**A:** *Good step in expanding public sector collaboration with third sector. Expansion of self-directed care to be welcomed*

Introduce 'right to bid' for third party organisations.  
**A:** *Good step in expanding public sector collaboration with third sector.*

Expansion of self-directed care.  
**A:** *Is to be welcomed*

Create a fund to enable third sector organisations undertake to bid to undertake work to improve public understanding on the opportunities and costs of climate change.  
**B:** While enabling third sector organisations to bid for this work is to be welcomed, the sector could be used in other areas too.