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Wednesday 21st October, 6.15 pm
Media Briefing Room, Senedd, Cardiff

An open discussion hosted by **Nick Ramsay AM** (chair)

with contributions from:

- David Rosser, CBI Wales
- Paul O'Shea, UNISON
- Maria Battle, Consumer Focus Wales
- Will McLean, WLGA

Where should the axe fall?

David Rosser,

Director, CBI Wales

- Biggest peace time deficit ever
- Need a credible plan for a rapid recovery in public finances, otherwise effect on exchange rates and interest rates will have adverse consequences for every citizen. Next couple of years will be difficult, but from 2012 onwards as the economy recovers more sustained efficiencies will need to be found.
- A piecemeal approach is not acceptable – would result in capital bearing the brunt, further hindering economic recovery, systems being unreformed and cuts flowing straight to the front line.
- Instead need a fundamental re-examination of the nature and shape of our public service delivery. All government entities should review their services against five core questions:

- Is this something government needs to continue?
- Is this something government can afford to continue?
- Is this something that could be done more efficiently?
- Is this something that could be delivered better by the private or third sectors?
- Is this something that can be re-engineered to deliver a better service?

Redesigning public services

- For example, Lancashire County Council has delivered efficiency savings of £10m across its IT portfolio by merging pay and HR, and rationalising office space.
- Wakefield Council has implemented mobile working solutions for over 1000 employees halving processing time for benefits claims, reducing the number of offices from 34 to 6 releasing revenue savings and capital receipts.
- In health we could have a debate about which treatments should be funded or how healthcare should be rationed. Or we could have a discussion about reform of service delivery.
- For example, fall prevention technology and monitors could save up to 70,000 older people entering residential care each year, savings across UK of £5bn.
- Tackling inefficient NHS procurement procedures
- ISTCs will have reduced costs of procedures such as cataract removal, hip replacements and knee operations to 85% of the NHS tariff by end of contract.
- Patients with long term conditions in Newham have visiting community matrons. Emergency hospital admission has fallen by 26%.
- Some 50 million GP consultations each year involve minor ailments which could be dealt with at pharmacies. Average cost of a GP consultation costs £32, in a pharmacy £18. - £5bn saving

- Criminal justice. We spend 50% more on our police than comparable countries –why not use contractors to operate custody suites and allow police to get on with policing?
- Why not use telephone advice services as the first port of call for legal aid, we spend four times that spent by countries with similar legal systems – limit the automatic recourse to professional solicitors.

Managing workforce

- Freezing the public sector pay bill in 2011-12 and 2012-13
- Matching private sector average absence levels would save £1.5bn pa. (9 days to 5.8)
- Pensions. Longevity at 65 is 20 years. Can no longer pretend that 40 years of low employee and employer contributions will buy 25 years of pension at two thirds salary.

Non core activities

- Is catering and cleaning at hospitals really core? Is managing payrolls in the army really core? Making progress in housing maintenance

Non essential expenditure

- Consultants and advertising!
- Advisory schemes that aren't valued or regarded.
- Information campaigns that don't change behaviours.