

# Radical Options for Scotland & Europe



FOR PUBLIC OWNERSHIP AND DEMOCRATIC CONTROL

December 2022

## PUBLIC OWNERSHIP OF GREEN ENERGY DENIED

The Welsh Labour government announced at the end of October that it was establishing a publicly-owned company to develop wind energy.

This has thrown into stark relief the refusal of the Scottish government to do so. In 2017 the SNP promised such a scheme. But when Labour MSP Monica Lennon moved an amendment opposing the switch in the 2021 ScotWind legislation to private franchising, the SNP and the Greens combined to defeat it.

**Shell and BP hold a quarter of the licences**  
All the licenses have now been bought up by the big energy monopolies. BP and Shell alone hold a quarter. All the rest have gone to multinational companies including SSE (pictured) whose main ultimate owner is the Emir of Qatar.

This month Dr Keith Barker, author of the Common Weal study on the financial benefits of public ownership, submitted a parliamentary question to Catherine McKay Chair of the Scottish government's Public Energy Agency asking what powers the government had lacked to introduce its own scheme.

### 'Not for the Scottish government to comment'

Ms McKay replied 'it is not for the Scottish government to comment on the powers the Welsh government has'.

Dr Barker's report estimated that the cost to Scotland of failing to secure public ownership would be annually up to £3.5 billion – against approx. £70m annually received from the current franchises.



## Scotland faces severe cuts 2023-2025

The Scottish government will submit its budget for the coming year on 15 December.

This will largely match November's Westminster budget – although Holyrood does have the power to increase the number of tax payers in the highest tax band by lowering the qualifying income to £125,000 (as has been done for England). This could raise an additional £40m.

### Three percent reduction next year

The estimate of the Fraser of Allander Institute is that overall, taking into account the consequential from the Westminster budget, the monies available for the Scottish budget will be cut in real terms by 3 per cent in 2023-24 and 2.5 percent in 2024-25.

Funding for the NHS and Education is likely to be protected (though with little increase in real terms). Elsewhere cuts will be savage – and at a time when household incomes will be cut by 7.5 percent in real terms over the two years to 2025.

The Fraser of Allander commentators posed the question – why has the Scottish government not been demanding an increase in the Scottish Parliament's borrowing powers. Currently these are very limited: less than those of a local authority. Borrowing, especially to invest, would present a major additional resource when faced with the exceptional circumstances arising from the current crisis

# We Say

The decision by the Supreme Court on 23<sup>rd</sup> November that the Scottish Parliament does not have the competence to hold a 'legal' referendum on independence, came as a surprise to no-one. Indeed, Nicola Sturgeon had already set out her intended response to such a decision which she reiterated that day, shortly after it was confirmed unanimously by the Justices. The SNP government will treat the 2024 General Election as a 'de facto' referendum.

This, in many ways, suits the SNP very well. In almost every devolved area for which the SNP has responsibility there are problems and, in some cases, such as the NHS, very serious problems.

## Two tier NHS

The recent leak of minutes recording a discussion between senior NHS managers about a possible 'two tier' NHS is the logical consequence of the SNP's ideological position heavily influenced by that dominating the EU itself and shaped by the decision of the German SPD in its 1959 Bad Godesberg programme for "as much competition as possible—as much planning as necessary." And one might argue, in the case of the SNP, that means not much planning at all because the SNP has been heavily influenced by the neo-liberal iteration in capitalist politics, as has the EU itself.

This is the approach it has adopted to Social Care where the Scottish government will in effect act as broker to non-state providers. Already in the Scottish NHS the Government Quango, the [NHS National Services Scotland](#) (NSS), has asked private firms to provide prices "for more than 1500 procedures including a range of operations such as heart, cancer and brain surgery."

Nor is it only the service sector that is treated as fodder for predatory capitalists. While the Welsh Government has just announced plans to set up a publicly owned renewable energy firm, the Scottish government's failure to do, has led to a potential loss of between £3.5 billion and £5.5 billion every year, according to the Herald. A Scottish state-owned energy company could have sold the new ScotWind electricity to the grid and retained operating profits. Instead, the Scottish Government and the Crown Estate, owner of the seabed, raised a meagre £700 million in an auction of the 7000 square miles off the coast of Scotland to a range of power companies, including SSE, Scottish Power and Shell, licensed for 17 giant windfarm projects.

The ownership of an energy company would have allowed the SNP much more leverage in the price of fuel, a critical element of the cost-of-living crisis. Further and despite the protestations of the SNP to the contrary, this is not the only area where the Scottish government could have intervened in the current crisis using existing powers. Indeed, even the SNP's own Trade Union group put forward a motion to the October SNP conference where they proposed "creative and bold use" of the "wide range of tax powers" available to the Scottish Government to tackle the cost-of-living crisis. It was excluded from the conference agenda.

## Borrowing powers

That is not to say that more powers are not necessary to achieve a fundamental shift in the nature of Scottish society including immigration, drugs policy, employment law, industrial policy and taxation and borrowing. These last two, for example, could have allowed a progressive Scottish government to make a powerful intervention in the cost-of-living crisis on behalf of poorest sections of Scottish society.

## Post Independent Scotland Cllr Andy Doig



The recent UK Supreme Court decision to overrule the right of the Scottish Government to hold a consultative referendum on independence should be a cause for concern for all democrats, socialists, and left-wing nationalists.

It is very telling that the Scottish trade union and labour movement has consistently supported the right of the Scottish people to decide their own future, and will be appalled at unelected judges undermining the power of the ballot box.

## The need for the Scottish voice to be heard on the world stage

Yet the real debate about Scottish democracy, and what we need more political sovereignty for, is predicated on the fact working people need the protection of a better national minimum wage, and of the ability to make the energy companies work for them, and not just for shareholders. Of course, the Tories are quick to highlight the role of the war in Ukraine and its effect on energy increases, but that further emphasises the need for Scotland's voice to be heard on the world stage of international affairs.

SNP foreign policy is totally wedded to Scotland being a full member of both NATO and the EU, and how much real independence in foreign policy terms this would bring the Scottish people is extremely negligible.

## The issue of neutrality

The YES movement, now re-energised due to the UK Supreme Court decision, has to look to other options such as armed neutrality, and show solidarity with groups such as Peace and Neutrality Ireland, which is aligned to the Irish peace and labour movements, who are fighting to preserve and protect the sovereign neutrality of the Republic of Ireland. Over decades the Fianna Fail/Fine Gael establishment axis have allowed Irish neutrality to be salami-sliced away in favour of Anglo-American military interests.

The Scottish Greens have recently been seduced away from their anti-NATO stance into supporting the EU Defence Union, which will be NATO led and co-ordinated, but not all Greens will be convinced by this.

**And there is a strong anti-NATO element still within the SNP so it is the duty of the wider YES movement to make common cause with these elements, and Irish allies, in defence of real democracy and national sovereignty across these Islands.**

# ROSE'S 2022 ANNUAL

## GENERAL MEETING

ROSE's annual general meeting was held on Saturday 29 October in the Unite Building in Glasgow.

The chair, Phil McGarry, described the past year as a busy one for ROSE. 2022 had posed, in stark reality, the need for public ownership of key services and industries. It also showed the urgent need to enhance real democratic control. 'Our governing institutions must become much more directly accountable to the people at every level.'

The AGM confirmed existing officers but strengthened the organising team by adding three vice chairs, Frieda Park, Arthur West and Stephanie Martin (who will have responsibility for IT work). The AGM was followed by a public meeting. Contributions are printed below.

### Pauline Bryan, Labour Peer



### Options for Scotland's Future

**For the past 10 years the Red Paper Collective has assessed the different options for Scotland's future against three criteria:**

- **Would it allow the redistribution of wealth across the whole of the UK?**
- **Would lay the basis for the democratisation of the Scottish economy?**
- **Would it build working class unity?**

The Book "The Red Paper on Scotland 2014: Class, nation and Socialism" published in 2013 said in the introduction that "this approach by no means precludes support for independence, but it does mean we have to respond to the SNP's version of independence rather than an idealised version."

Helpfully, since 2014 the SNP has clarified its blueprint for the economy of an independent Scotland in the Sustainable Growth Commission and reinforced it in the past few weeks with the "Building a New Scotland: A stronger economy with independence".

The SNP's plans have enormous implications for an independent Scotland's fiscal policy — taxation and public spending. The very levers Scotland would need to achieve its declared goals of becoming "prosperous, sustainable, fair and equal" would not be available to it.

This latest Scottish government document has been analysed by Jonathan in his blog and Vince Mills in his Morning Star article. Both describe the constraints of remaining within sterling and how it would deny the Scottish economy the levers needed for growth while excluding it from decisions about how wealth is redistributed. **The plan for independence fails to meet the Red Paper's first criteria of redistribution of wealth.**

One of the most worrying developments over the past half century has been the shrinkage of Scotland's manufacturing base followed by its shrinking finance sector and importantly its external ownership. This has obvious implications for an independent Scotland but is no less serious for Scotland within the UK.

The SNP has allowed vital industries to go to the wall. Overseas investment far from bringing employment has led to the destruction of industries. Based on their actions over the past 15 years, there is no evidence that a SNP government of an independent Scotland would use its powers to gain democratic control over utilities and industries. For example, in its paper on Energy Efficiency the Scottish Government explained:

"We have not abandoned our pledge to provide affordable energy to the people of Scotland however there has been significant change since we commissioned the outline business case for a public energy company we originally committed to in 2017 under the previous Scottish Government administration.

Some of these changes include:

- The energy supply market has faced dynamic challenges;
- A climate emergency has also been announced; and
- We have set new ambitious net zero targets that require a step change on the demand side in terms of how people use heat and practice energy efficiency behaviours.

Given these factors and the on-going, complex nature of the energy market and UK Government regulations policy, now is not the right time to pursue a national public energy company." Strange, you would have thought it was exactly the right time for such a step.

**It fails to meet the second criteria of democratising our economy.**

### Class Unity

The importance of class unity across Britain has been demonstrated in recent and ongoing trade union struggles and the mobilisation around the cost-of-living crisis. It remains the case as argued in the 2013 Red Paper that the independence on offer would break the class unity of working people across the nations of Britain without breaking the chains of economic control that bind them.

The STUC played a central role in the Scottish Constitutional Convention in 1995 and before that in 1980 in the Campaign for a Scottish Assembly. But there had been a time when the STUC rejected calls for devolution. It was in 1968 that Mick McGahey speaking for the miners' union brought the STUC back to supporting a Scottish Parliament in a motion calling for a federal UK. The report of his speech is as follows:

"It was said that a Scottish Parliament, with its forms and powers to be decided by the Scottish electorate, would mean separatism. His colleagues and he rejected outrightly the theory of separating Scotland from a United Kingdom" he went on to say: "They had more in common with the London dockers, the Durham miners and Sheffield engineers than they ever had had with the barons and landlord traitors of that kind of Scotland."

**The SNP plans would fail on the third criteria of consolidating class unity.**

The Red Paper on Scotland of 2013 was written against the backdrop of Tory austerity and was preceded by two earlier volumes. The first Red Paper on Scotland was of course edited by Gordon Brown who wrote in his 1975 in his introduction: "That the social and economic problems confronting Scotland arise not from national suppression nor from London mismanagement

(although we have had our share of both) but from the uneven and uncontrolled development of capitalism and the failure of successive governments to challenge and transform it.” I couldn’t have put it better.

The second volume was edited by Vince Mills in 2005, eight years into the New Labour government. It analysed the impact of neoliberal policies enacted by then the Chancellor Gordon Brown. He and Blair helped shape the Scottish Parliament in a way that would ensure it would not challenge these policies. It was not as Jimmy Jack had predicted, a workers’ parliament.

## UK even more centralised

Under Boris Johnson the UK became even more centralised. He used his post Brexit legislation to retain powers being repatriated from the EU that should have come to the Scottish Parliament including arrangements for an internal market and subsidy control. He took powers under levelling up to directly intervene in the Scottish and Welsh economies. With Gove back in charge of Levelling up there is every reason to think these plans will continue.

The Red Paper Collective remains committed to its three criteria. The best means it can see of achieving this is to respect the sovereign right of the Scottish people to determine the form of government best suited to their needs. We go on to argue that forcing people to vote for either independence or the status quo does not respect that sovereign right. It has argued since its foundation in December 2011 that there must be a third option, but that it must be a progressive third option. In the 2013 book it argued that Devo Max, defined as full fiscal autonomy, was not progressive. Rather it is a form of fiscal discipline that would delight the Tories requiring Scotland to cut its spending cloth according to its means. Much as outlined by the SNP’s Sustainable Growth Commission.

## Progressive form of home rule

Our aim should be to define a progressive form of Home Rule that starts by guaranteeing the rights of devolved administrations and gives the parliaments shared sovereignty with the Westminster.

We have always argued for common minimum standards across the UK, but also for the right of devolved administrations to enhance services, protections and rights.

For example, even within its existing powers, the Scottish Government could enhance social security to end child poverty. It can better protect the environment by enacting some of its own rhetoric. Even though workers’ rights are reserved, it could take steps to adopt the Institute for Workers’ Rights Charter for Scotland rather than the managerial approach of the Fair Work Convention. Should there be an independence referendum we must demand it includes a third option. But I am not arguing that we sit and wait for such a referendum, we must be arguing for these changes now. We should build the case for new powers over immigration, further workers’ rights, the restoration of powers subsumed in the Subsidy Control Act.

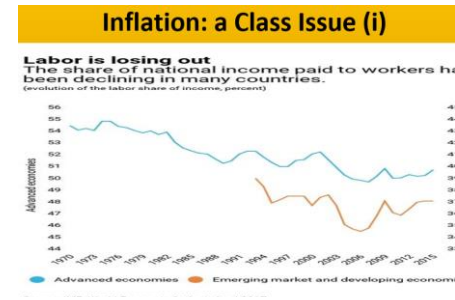
As John Foster argues in the Red Paper book *Scottish Independence: There is a Third Option* “The key levers would be the ability of the Scottish Parliament to supply state aid, to develop comprehensive public ownership of key utilities and the use public procurement to sustain local industry and employment. They need to be fought for now.”

Back to the first Red Paper and the words of Gordon Brown:

“There are many Scottish roads to Socialism as there are predictions of Britain’s economic doom – but most of them demand three things: a coherent plan for the extension of democracy and control in society and industry which sees every reform as a means to creating a socialist society; a harnessing of the forces for industrial and community self-management within a political movement; and a massive programme of education by the labour movement as a whole.”

**That is a programme we can still support today.**

## Stewart McGill



## The political economy of the current crisis

The presentation focused on rebutting the claim that the current inflationary crisis was caused by wage pressures.

Real wages had fallen not risen. The cause of inflation was increased monopolisation by giant firms themselves controlled by finance companies looking for maximum returns.

The long-term origin lay in depressed wages and increased income inequality across the western world over the past fifty years. This had created an enormously rich rentier class competing to maximise dividend income. As pay-outs rose, productive investment shrunk and economic growth stalled – amid a wave of asset inflation, of land, housing, commodities, that penalised the great majority. These were the real causes.

## Income share down from 55 percent to 40 percent

According to the World Bank the share of wage income in developed economies had fallen from 55 percent in the 1970s to less than 40 percent. Research for Unite showed that UK company profits jumped by 52 percent in 2021 and was directly responsible for 58 percent of inflation. External hikes in commodity prices accounted for 33 percent. Wages only 8.3 per cent.

In oil the two biggest global companies, US owned, raked in \$200b in just six months this year. A report from Britain’s Competition and Mergers Authority in April showed that the mark up by the top ten percent of most profitable companies had increased from 52 percent in 2008 to 82 percent in 2021. Stewart provided detailed evidence of the impact of asset inflation for the crises in energy, housing, pharmaceuticals, automation.

Research by McKinsey in 2021 revealed asset prices, especially property, tripling since 2000 as assets became the major focus of corporate investment. In turn productive investment stalled – starving areas essential for growth and above all for investment in the technology needed to combat climate change.

**He concluded by stressing that public ownership was the only answer. It could be achieved with minimal cost if the political will was there. A study by Greenwich University found the total cost of nationalising utilities, if investors were paid what they invested, would be £50B and save the economy £8billion a year.**

Jonathon Shafi



## Independence Commercialised

**Jonathon Shafi began by stressing that he had been a campaigner for Scottish independence for two decades - but that he now no longer saw the SNP as a vehicle for any genuine independence in terms of shifting the dominance of corporate capital.**

Quite the contrary. It would perpetuate it. Membership of the European Union would deprive any Scottish government of independent powers over the economy and, ultimately, over the currency – as would the interim use of sterling.

Currently the SNP was using the demand for an independence referendum to divert attention from its own mismanagement – stemming largely from its willingness to bend to corporate lobbying. *The Ferret* had recently uncovered hundreds of unreported meetings between ministers and business lobbyists

Its 'Analysis of Scottish Government ministers' engagements in 2020 shows that meetings, potentially of key public interest, were not in the register, including those between ministers and companies awarded multi-million pound UK and Scottish contracts to supply the NHS in the run-up to Covid-19.

### Meetings with big business

Let's just think about this. The First Minister announces a National Energy Company in 2017. Nothing happens. Then, in 2021, SNP members want to raise the issue again to add some urgency to the plan. They vote overwhelmingly for the policy at their conference. Again, nothing happens. At the same time government ministers were having meetings, outside of the public record, with big businesses seeking to cash in on Scotland's renewables industry.

Before we know it, the Scottish Government launches a "green investment portfolio" worth £3billion of Scottish green assets. This package, a substantial component of Scotland's economic future, is to be bought up by private and foreign capital.

As we know, ScotWind has already seen large tracts of renewable wind energy sold, cheaply, to the likes of British Petroleum. Meanwhile, Scotland's six offshore wind farms have paid a derisory £150,000 to nearby communities in the last 12 months." (cited from *Independence Captured*)

**The same story could be told about the Advisory Group on Economic Recovery chaired by Benny Higgins, former Chief Executive of Tesco Bank. And it's why the independence movement needs to think much more radically about the way ahead. We need a plurality of perspectives and in that regard I welcome the work of Radical Options for Scotland and Europe. We have a joint responsibility to explore all options to secure a world in which corporate capital is no longer the dominant force.**

## Labour's Plans for advanced Devolution

**On 5 December Labour announced initial proposals for the abolition of the House of Lords, for its replacement by an elected chamber, for a decentralisation of powers to the devolved administrations in Scotland and Wales and also to local councils/elected mayors. Additionally there is a call for the creation of 400 growth centres across Britain to promote economic development.**

These proposals will be discussed within the Labour Party before any final plans are advanced. The proposals are in largely based on Gordon Brown's report on devolution.

### Some similarities to the Levelling Up Bill

Some aspects of the proposals have a resemblance to those in Michael Gove's Levelling Up Bill. The establishment of growth centres seems to mimic Gove's plans for 'missions' to galvanise local development. So also does the extension of the powers of county-mayors.

The report's central proposal is to replace the Lords by an elected Assembly of Nations and Regions. The report also proposes that the Sewell Convention be given constitutional status – thereby restoring to the Scottish and Welsh parliaments a number of their original powers including industrial policy. The Westminster parliament will have a constitutional requirement to ensure that 'prosperity and investment' be spread more evenly in order to secure an 'equality of living standards'.

However, there is no mention of the responsibility of monopolisation and the investment companies for uneven development, or the current crisis. Nor is there ANY mention of public ownership and democratic control in rebalancing the economy – or of role of the trade union movement.

ROSE plans to organise a conference in the early part of 2023 to discuss these issues.

## The STUC report on the financial powers of the Scottish Parliament

**Authored by Howard Reed of Landman Economics, the report outlines how the Scottish Parliament, under current powers, can raise additional revenue through income tax reform, wealth, land and property taxes.**

### £3.3 billion could be raised with existing powers

The report demonstrates how £1.3 billion of reforms could be in place as early as April 2023, while longer term measures raising a further £2 billion could be in place by 2026.

The report shows how investment in public services, through increases in public sector pay, helps close the gender pay gap, boosts consumer spending, reduces economic inequality and promotes public sector performance. It highlights that 40% of public sector pay rises are returned to the public finances, with 25% accruing to the Scottish Government through increased income tax receipts. The full report is available to read here: [https://stuc.org.uk/files/Reports/Scotland\\_Demands\\_Better\\_Fairer\\_Taxes\\_for\\_a\\_Fairer\\_%20Future.pdf](https://stuc.org.uk/files/Reports/Scotland_Demands_Better_Fairer_Taxes_for_a_Fairer_%20Future.pdf)

# EU policy conflicts: trade and EU membership

Growth slowed to virtually zero across the EU in the third quarter of 2022 – down from 0.7 percent in the second quarter to 0.2 (and contracting in Belgium and Austria). At the same time inflation continued to increase reaching 11.5 percent in October (11.6 in Germany) and over 20 percent in the Baltic States (figures from Eurostat).

This forms the background to the increasing friction between the EU and the US over trade policy and conflicts within the EU between Germany and the East European and Baltic states over institutional reform and EU enlargement (though the two conflicts are linked).

## United States' Inflation Reduction Act

The US is currently implementing its Inflation Reduction Act which allocates \$369 billion dollars to subsidise a wide range of 'green' products: electric cars, batteries, wind turbines, green hydrogen. One major reason is the relative failure of US production of electric cars and their marginal position in European markets. In the first half of 2022 China sold two million, Germany one million and the US 0.3 million.

EU ministers, strongly influenced by Germany and France, have given the US an ultimatum to moderate this policy by 5 December or the EU will adopt counter-measures and additionally refer the subsidy to GATT as a breach of international law. Underlying this immediate conflict is a more fundamental one about the nature of the EU and its international alignments.

## Sholz's Visit to China

Germany's previously dominant economy has been badly damaged by NATO's energy sanctions on Russia, sanctions which it initially resisted. As China's major trading partner, it has also viewed with rising concern the antagonism to China led by the US and Britain – with the German Chancellor Scholz visiting China on 5 November and calling for relations to be repaired.

On November 28 EUActiv reported that the State Secretary at the German Chancellery, Jurg Kukies, set out Germany's conditions for an expansion of EU membership – currently being pressed by US-aligned states in Eastern Europe, the Baltic and Scandinavia – as institutional reform in terms of voting rights in the Council. Any expansion must be delayed until these issues have been resolved.

The ability of the United States (and Britain as its active emissary) to use NATO members to engineer policy change in EU has been seen to represent a threatening and dangerous shift in the balance of power within the EU. The president of the EU Commission Ursula Von de Leye has also announced that EU deficit rules, along with some additional financial assistance, will be resumed in 2024.

EU rules require the EU Commission to monitor economic and fiscal management in those states with national debt exceed 60 percent of GDP. Currently national debt stands at 180 percent in Greece, 150 in Italy, 125 in Portugal and 115 in Spain.

# The current crisis viewed by a young Edinburgh trade unionist



Leaping from one crisis to the next, energy bills have continued to soar and inflation has climbed - and is predicted to rise as high as 18 percent by the first few months of 2023. All the while 209,214 people have lost their lives to Covid. And the State has continued to push on with austerity. Wages have not risen since 2008. If an employer has offered any wage increases to combat inflation, they are pay cuts in real terms.

Although unique in its 'randomness', this is a crisis of monopoly capital. As profits begin to fall, the owning class must find ways to survive.

The first attempt to find resolution is in the world of work. This is done via manipulating the process of labour and production- a worker produces, an owner sells and in between this process a 'profit' is taken - usually by keeping wages low, hours long and prices high. Then once the worker is outside of work, the exploitation continues at the point of consumption or rent.

A second attempt to find resolution is through the state - often through austerity s in the budgets recent conservative ministries. Hunt and Sunak say that their most recent financial alchemy will result in a £55bn reduction in spending. These sunny pictures of 'prosperity' are paired with an even more hope inspiring a 7 percent drop in living standards. Unemployment is also forecast to rise, which is quite something given current chronic labour shortages (which are a function of low pay). Public provision will be unable to address the material needs of the impoverished and those who work will see less of their wages.

Thus, so long as profit is stolen out of the workers pockets by the simple machinations of capitalist production and societal relations, there will be social consequences. It is in this context that we can understand the strike wave that is currently going on in Scotland as well as Britain-wide.

In Scotland, this strike way has been anything short of straight forward. The traditional difficulties of any living democracy were present: voter registration for strike ballots, confusion, personal blame over collective good. No one wants to admit messy media attacks, government threats and much more.

If the history books are to be written in this period, the RMT will stand as magistrates of reinventing struggle for better wages and conditions. Their efforts from the beginning of the year, their consistent approach and undeterred exterior produced a victory for the ScotRail workers. Yet, beyond these big ticket strikes lay a world of irregular battles and guerrilla strikes.

One such key example is the bin strike in Edinburgh led by Unite CEC. With a prolonged propaganda campaign and pre-ballot organising begins in January, they led an original effort all the while keeping their cards to their chest. Under the banner of 'Cost of living crisis' they canvassed two core sections of the council's services - bins and schools. Always on the strategic side, they looked to have both of these as strike ready forces. The logic is cruel but obvious. They could be used as a staggered force.

These regional segments of national strikes or the isolated disputes fighting one employer, show something that is true for Scotland as it is for Britain as whole, Striking is a way of life now. It can no longer be avoided.as the conditions worsen day by day. The organised working class has made its return. **Grant MacDonald**

# 'Levelling Up' and Michael Gove

Both Michael Gove and his Levelling Up programme appear to have survived serial sackings and three changes of prime minister.

'A Bill to set up Levelling Up missions etc' has just completed all stages in the Commons and is currently awaiting a slot in the House of Lords. It is broadly in line with the White Paper issued earlier in the year. The 15 November budget allocated £5 billion to Gove's department.

## Missions to the 'United Kingdom'

The Bill covers, under Part 1, the powers of the Secretary of State to set up Levelling Up missions that appear to operate directly under authority of the Secretary of State 'to reduce geographical disparities in the United Kingdom' (note United Kingdom).

Under Parts 2, 3 and 4 it provides powers to establish 'combined country authorities' (in England only) under elected mayors, powers to establish a new Infrastructure Levy for England and Wales (on development land used for housing and other purposes in order to fund roads and services) and new legislation for 'Environmental Outcomes' that also cover Wales and Scotland with new regulations to be promulgated by the Secretary of State after 'consultation' with devolved administrations.

The Bill is centralist in character – concentrating powers in the hands of the Secretary of State and, in terms of County Mayors, in their hands – with appointed cabinets – but also under the strict supervision of the Secretary of State.

The Bill does nothing to restore powers of industrial and economic policy to Scotland or Wales. The creation of country mayors will directly cut across the creation of powerful elected regional assemblies in England. Gove will have about two years to establish the new structures before the next election.

## AFFILIATE TO ROSE

Individual membership is £5; local organisation £10; Scottish level organisation £50

Name \_\_\_\_\_

Address \_\_\_\_\_

Fee \_\_\_\_\_

Cheques payable to ROSE: Jim McDaid, 41 Craufurd Ave, West Kilbride KA23 9DP

Current affiliates include Scottish Unite, Unison and RMT and Trades Union Councils for Glasgow, Dundee, West Lothian, Mid Lothian, Fife, North Ayrshire, Dumfries, Clydebank and Kilmarnock & Loudon. Vice Presidents include Elaine Smith MSP, former Labour MEP Alex Smith and former deputy leader of the SNP Jim Sillars.

# 'Not so much a Care Service as a complete shambles' writes Stephen Low

The Scottish Government's National Care Service (Scotland) Bill is being examined by Scottish Parliament committees. The proposal is to create an ill defined, highly centralised system based on outsourcing. It delivers contracts. Not care.

Amongst critics are: trade unions, Councils (irrespective of political control), and separately, senior council executives, lawyers and accountants, public protection officers groups, a number of big players in the third sector and even the Parliament's Presiding Officer

What the Bill tells us is criticised. But what the Bill **doesn't tell us**, a great deal, is criticised even more. In their response to the Bill the Law Society of Scotland use the phrase "it is not clear" twenty-seven times. The lack of evidence for the proposals gets a fair few mentions too.

So where to start? Well, we could try following the money, except... as the Chartered Institute Public Finance Accountants (Directors of Finance Section) put it, the Scottish Government assessments for the costs of services being transferred are "Inaccurate and incomplete". The Scottish Government has yet to work out whether or not the proposed Care Boards which will commission services will pay VAT, or whether staff who transfer out of council or NHS employment to third or private sector employers will retain pension rights

Objections go well beyond the financial. Many of those who deliver services are left scratching their head as they deal with a Bill that looks less HMSO and more like the back of a fag packet.

## Ethical Contracting !

Scotgov's supposed silver bullet for leaving care as a commodity in a market place, indeed expanding the reach of this market into areas like children and families social work, is that the market will operate on the basis of "ethical commissioning". No one seems opposed to ethical commissioning. As plenty people point out though, we aren't given very much detail about what is meant by ethical commissioning, and what is there is doesn't inspire confidence.

The Care Inspectorate point to ethical commissioning being "relatively undefined". SAMH say that the term has no "clear definition". Quarriers observe that "The Scottish Government's proposals make broad allusions to ethical commissioning, but there is no serious attempt to review existing procurement law", a point also made by the Fraser of Allander Institute.

For many this Bill is more like an abuse of process. How can there be parliamentary scrutiny of proposals that either do not exist or that the Scottish Government has not made public? It's put most pithily, but far from uniquely, by Parkinson's UK they do "not support the Bill as drafted because it enables great changes with insufficient Parliamentary scrutiny. It is the legislative equivalent of a blank cheque" The presiding officer, points out that the Bill breaches all precedent in giving Ministers power over parliament.

The Scottish Government should pull this Bill and start a process of real ground-up engagement to design something first. Care is too important – above all, for those who need it. ***This is an abbreviated version of the article appearing in the Scottish Left Review.***

ROSE WEBSITE <https://www.rose-scotland.org>

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