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6 February 2018
Rt Hon David Lidington MP
Minister for the Cabinet Office
70 Whitehall
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Dear David,

I am writing to you in your capacity as Minister for the Cabinet Office, which has specific responsibility for promoting efficiency and reform across government through innovation, better procurement and project management, and by transforming the delivery of services.

UNISON believes that in-house service provision should be the default option for public service delivery. But where the private sector is running public contracts we need a set of principles to ensure that the driving force and prime consideration is the public, not the private interest.

Carillion's failures show that it's time to reassert the public service ethos when it comes to the delivery of public services.

The Prime Minister has said that when it comes to vital public services she wants the British people to have the very best.

It is over twenty years since the Nolan Committee published the seven principles of public life – selflessness, integrity, accountability, openness, honesty, objectivity and leadership following the cash for questions scandals in the 1990s. We now need a 'Nolan' for our 21st century public services.

If the UK is to have decent public services, the country now needs an equivalent set of principles that will apply to any private company that receives taxpayers' money to deliver public services. The government should set about establishing these new principles without delay.

Selflessness and integrity means there can be no place for companies that use tax havens, that blacklist workers for belonging to unions, make it hard for unions to

represent the workforce, and generate profits by attacking pay and terms and conditions.

The Prime Minister has also said the government wants to see tough new rules for company executives who line their own pockets while jeopardising their employees' pensions. Equally unacceptable are those companies such as NSL Patient Transport which take over the delivery of public services, and then seek to exploit staff by offering new employees much reduced pensions, simply to achieve short-term gains for shareholders or hedge fund owners.

These low pay practices not only place extra demands on the public purse, they also create future liabilities for the state when those workers retire with little or no pension entitlement.

The principles of accountability and openness require full transparency. This means that all procurement information should be available online - including tender documentation, bids and all signed and amended contracts. George Osborne committed a future Conservative government to this in February 2010, but failed to deliver.

Freedom of information requirements would be written into contracts alongside the open book accounting called for by the National Audit Office. This would give proper transparency to contractors' costs and profits.

The quality of the service would be critical and when failure occurs procurement frameworks would ensure that public bodies were able to make the rapid changes that are needed. An example of why this is necessary occurred at the Great Western Hospital Trust in Swindon in 2014. There were huge problems with food hygiene and cleanliness that posed a potential risk to patients, visitors and staff. But the Trust was powerless to intervene as Carillion were contracted to provide these services by Semperian, which provided the facilities under the PFI agreement.

The principle of honesty would mean that propriety is both rigorous and demonstrable so conflicts of interest do not arise.

Finally, in terms of objectivity and leadership, the companies delivering public services should be at the forefront on issues such as equality, environmental sustainability and paying the real living wage as set out by the Living Wage Foundation.

The government needs to give effect to the values of British public life set out by Lord Nolan by establishing this new set of principles.

Ultimately, the primary motivation for the provision of services must be the public interest, not the pursuance of profit.

A handwritten signature in black ink that reads "Dave Prentis". The signature is written in a cursive, slightly slanted style.

Dave Prentis

UNISON General Secretary