

Poor quality but expensive public services

Judged on outcomes, the performance of successive governments, regardless of party, in managing public services is very poor.

This is a major problem faced by many developed nations. But the UK comes near the bottom of the league in many cases. Below are just a few examples of the many poor outcomes.

The economy

On the crucial issue of growth, between 2004 and 2019 the UK economy grew by 21%. This compares well with the Euro Area's 15% but not with the Anglosphere countries of Australia, Canada and the USA which averaged 36%.¹

Whilst the UK's economic performance is not solely dependent on government direction, some governments cope with it better than others. It is no surprise that economic growth has become a core focus of both the Conservative and Labour parties.

Productivity

Productivity in the public sector is extremely low. It has only increased by 3.7% between 1997 and 2019, compared with 24.1% for the service side of the private sector.² If productivity had matched that of the private sector, over £50 billion of public expenditure would have been saved in 2019-20 alone.

Prisons

Some 38% of UK prisons are graded as being of *concern* or *serious concern* by HM Inspector of Prisons.³

¹ For UK, ONS, [Real net domestic product per capita CVM, year-on-year growth rates](#). Other data compiled by Ewen Stewart, founding director of Walbrook Economics.

² ONS, [Public service productivity: total, UK, 2018](#).

³ Ministry of Justice, Official Statistics Bulletin, [Annual Prison Performance Ratings 2018/19](#), Page 4.

Taxation

The UK's tax system is so complex that it takes over 21,000 pages (the world's longest) of Tolley's Guides to explain. Hong Kong's code, by comparison, is 276 pages.⁴ It ties up huge numbers of talented people in HMRC and civil society in unnecessary compliance and enforcement.

Education

The proportion of working age adults in England, with skills levels equivalent to GCSE grade 4 or above, are 57% for literacy and 22% for numeracy.⁵

This bodes ill for the UK's future – particularly when the low number of correct answers needed to qualify is taken into account:⁶

GCSE pass marks	Mathematics	English language
Grade 4 (old grade C)	19.6%	47.5%
Grade 7 (old grade A)	57.5%	67.5%

Health

The NHS has the third highest potential savings from greater efficiency in public health spending according to OECD estimates.⁷

In comparison to the health systems of other advanced economies, UK outcomes are especially poor. In terms of life expectancy, cancer treatment and avoidable deaths, only the USA has a worse record.

And it is not a question of money. UK health spending as a proportion of GDP is now the third highest in Europe.⁸

NHS hospitals are poor by international standards. In a ranking of the World's Best Hospitals, no NHS hospital was in the top 40.⁹

⁴ Tolley's, [Yellow Tax Handbook 2019-20](#).

⁵ National Numeracy, [The Essentials of Numeracy: a new approach to making the UK numerate](#), Page 7.

⁶ School Entrance Tests, [What are the GCSE 2021 pass marks?](#), using figures for AQA exams.

⁷ OECD, [Health Care Systems: getting more value for money](#), Page 6.

⁸ Civitas, [International Health Care Outcomes 2022 – UPDATE](#), July 2022.

⁹ Newsweek, [The World's Best Hospitals](#), 22 March 2022.