

## 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%.<sup>1</sup>

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.<sup>2</sup> 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.<sup>3</sup>

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<sup>1</sup> 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.

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

<sup>3</sup> 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.<sup>4</sup> 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.<sup>5</sup>

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

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.<sup>7</sup>

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.<sup>8</sup>

NHS hospitals are poor by international standards. In a ranking of the World's Best Hospitals, no NHS hospital was in the top 40.<sup>9</sup>

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

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

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

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

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

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