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Campaign News

Public services needed in a recession

UNISON is highlighting the essential role played by public service workers helping people and supporting communities through difficult economic times.

A survey last month confirmed that **53%** of councils had already experienced additional demands on welfare and debt advice services as a result of the recession. **45%** reported an increase in housing benefits applications, and **25%** said homelessness was becoming a more urgent problem.

In addition, 69% of councils said local voluntary organisations faced increased demand for services.

“It is easy to underestimate the range of services provided by local authorities”, said Heather Wakefield, UNISON Head of Local Government. “But during these difficult times, local people can turn to their council for help and support”.

As the recession bites it is will be vitally important to remind people of both the economic value of public spending, and the social value of the work that public servants do.

The future for public libraries

A new UNISON report warns of the decline in funding, closures and cuts to services and jobs, and the threat of privatisation facing some public libraries.

Public libraries make an essential contribution to our social, educational, cultural and economic well-being. More people visit a library every week than attend football matches.

But in the past year there have been 71 library closures in England, and many are suffering from severe budget cuts. UNISON published a five-point plan calling for extra spending and greater involvement of users and communities.

Speaking at the launch, Ed Balls, Secretary of State for Children, Schools and Families, offered support, saying libraries were a vital resource for local communities.

More information from the UNISON website at <http://www.unison.org.uk/localgov/library.asp>

Positively Public quote of the month!

“We have been through a long period where probably there was insufficient confidence in a public service ethos, and too much deference to business methods in inappropriate fields in relation to policy advice ... One of the effects of what we are seeing now will be a major culture shift, which will make it look rather odd that for a long period there was quite such deference, not based on evidence, to particular kinds of business, and particularly financial, expertise.”

Geoff Mulgan, former head of policy for Tony Blair

Urgent action needed on housing

In December UNISON organised a high-level summit to address urgent problems in the housing sector.

Participants included key representatives from Shelter, the Local Government Association, Old Ford Housing Association and Compass, alongside Jon Cruddas MP and Heather Wakefield of UNISON.

The discussion looked at the impact of the economic downturn, including the lack of affordable housing supply, the impact of the financial crisis on the housing association sector's ability to develop new housing, and homeowners' ability to meet mortgage payments.

The general consensus was that there needed to be a focus on delivering more affordable housing, including council housing, and that the private sector model had failed. Jon Cruddas called for a "dramatic overhaul of public policy" to "reverse the gradual withdrawal of the state from the housing market in recent years".

UNISON has produced a Fact Sheet outlining its responses to the housing crisis, available to download from <http://www.unison.org.uk/file/B4336.doc>

Time to rebuild our social care system

UNISON has called for the reversal of social care privatisation and for services to be free at the point of use and funded from fair taxation.

The government is consulting on the future of social care with a particular focus on how it is funded. UNISON has argued that a universal, tax-funded option needs to be given full consideration.

Its submission also draws attention to the devastating impact of privatisation on the system of provision and is calling for a new focus on building the workforce we need to deliver the care services of the future.

UNISON's submission can be downloaded in full from: <http://www.unison.org.uk/acrobat/B4377.pdf>

Children's workforce needs support

UNISON has welcomed a new strategy to improve the recruitment, training and support of the children and young people's workforce.

The government says it wants England to become the "best country in the world for children and young people to grow up in". "It's a laudable goal", says Christina McAnea, UNISON Head of Education and Children's Services. But it means "valuing the role of workers in schools, nurseries, social work, health and further education".

A new Ofsted report raises further concerns about the adequacy of child protection in a number of authorities. UNISON linked the problems to huge caseloads, staff turnover and excessive paperwork.

UNISON has also warned that plans to privatise Ofsted's early years inspections could adversely affect efforts to monitor and improve standards. "Ofsted staff play a vital role in maintaining standards for keeping children safe" said national officer Helga Pile.

Unemployed need welfare support

UNISON is concerned at the direction of the government's welfare reform plans.

Parents with young children, carers, sick, disabled, people with mental health problems and other vulnerable groups face tougher tests to qualify for benefits. The reforms will also give private companies a greater role in moving the unemployed back to work, despite concerns that the profit-motive will result in discrimination and exploitation.

A range of organisations have warned that many of the plans are unacceptable and the worsening economic situation should lead to a fundamental rethink.

More information can be obtained by visiting www.compassonline.org.uk/news/item.asp?n=3452

Credit Crunch Update

The “credit crunch” and recession continue to impact on public services and the staff working in them.

- 50% of local authorities report that **public sector capital schemes** had been “adversely affected by the economic slowdown” – and 79% say private sector schemes were hit
- Private health provider **Atos Origin** has pulled out of a deal to run a treatment centre in **Berkshire** blaming the economic downturn
- **Waste PFI projects** are struggling to get finance, which is causing delays to schemes. The Audit Commission recently warned the 2013 target to cut land filled waste may be missed
- **Voluntary organisations** are suffering as companies withdraw sponsorship and individuals end standing orders. Housing charity **Shelter** lost £400,000 in the space of six weeks this autumn when corporate sponsors cancelled donations
- **Northamptonshire County Council** faces a budget deficit following the collapse of a land sale to help fund a PFI schools projects

Meanwhile many public service employers are cutting jobs, partly as a result of adverse financial circumstances. **Redundancies** are planned in councils around the country, including Oldham, Denbighshire, Northumberland, Newcastle, Peterborough, Aberdeen, Wolverhampton, Coventry, Worcester, and Amber Valley. NHS Trusts may also be looking to reduce staff as budgets are tightened and costs rise.

Some private providers of public services are prospering, however. Outsourcing specialist **Capita** was one of only six companies in the FTSE 100 to see an overall rise in its share price by the end of 2008. And **Serco**, the leading private facilities management firm, is seen by investors as a safe bet with expectations of “double-digit revenue growth for the foreseeable future”.

Privatisation Problems

Patient transport firm cutting corners

An undercover investigation by the BBC showed failings at a private firm subcontracted at least two **Birmingham** hospitals. They include allegations that staff qualifications were not vetted properly, criminal records were not checked, there was little training for drivers, and some were working lengthy hours.

Sodexo quits school meals contract

Sodexo has withdrawn from a £6m schools catering contract in **Milton Keynes**. “Sodexo could not deliver against their own tender bid and the meal numbers have dropped significantly as a result”, said the council. “Despite substantial investment by the council in the school meals service, Sodexo requested additional financial support from us, which was beyond the provisions of the contract”.

“Death by misadventure” at ISTC

A patient has died after a routine operation at a privately run independent sector treatment centre (ISTC) in **Yorkshire** went wrong. Recording a verdict of “misadventure aggravated by neglect”, the Coroner blamed inadequate procedures at the ISTC, which is run by **Nations Healthcare**, a private health firm.

Concerns over monopoly power

The Office of Fair Trading (OFT) has raised “significant competition concerns” over the supply of revenue and benefits software services to local authorities. It said **Capita**’s acquisition of rival **IBS** meant it would be able to push up costs when bidding for contracts.

Residents moved from care home

Residents are being moved out of a privately run care home in **Southampton** after a damning report from the Commission for Social Care Inspection (CSCI). The home is owned and run by **Southern Cross**, the largest private provider of care homes in the UK.

Privatisation News

Local service privatisation accelerates

Throughout the country local councils are signing away core functions to private companies in an effort to cut costs and meet stringent “efficiency” targets:

- **Barnet** is planning to hand over responsibility for managing and commissioning of a “huge swathe” of services to a private firm or joint venture
- **Essex** county council has tendered an 8-year £5.4 billion contract covering corporate and back office functions, environmental services, social care and school-related services
- **Rushcliffe** borough council is now planning to hand over functions to **Capita** after financing difficulties forced Liberata to withdraw
- **Cardiff** council is looking at partnerships with the private sector as part of a new efficiency drive
- **Slough** borough council is to put customer services and “back office” functions out to tender as part of a major cost-cutting drive
- **Glasgow** council is transferring 8,000 staff to a specially-created company which will compete with private firms to provide local care services
- **Bournemouth** are looking at an “incremental partnership” to outsource an increasing number of services to a private sector partner over time
- **Havant** borough council is looking at handing over customer services and IT, payroll, and finance departments to **Capita** in an 8-year-deal

The pressure to outsource council services is likely to increase as public spending is tightened even further after 2010. The Pre-Budget Report, published in November, identified “back office” functions as a key area in which greater “savings” will be required.

Meanwhile the Conservative Party’s local government spokesman Eric Pickles has indicated that they would push for an even more dramatic shift to “shared services” and private contracting if they are elected.

Reports

Outsourcing in the health service

A report by the **Office of Public Management** for UNISON says there is “little hard evidence” to suggest that “outsourcing impacts positively on value for money or quality of care” – and many examples of it having a “directly negative effect”.

In-depth interviews with health trusts reveal that the cost benefits of outsourcing have failed to materialise and that the quality of services has suffered. The report highlights the sheer complexity of the commissioning process, and the mountains of bureaucracy and paperwork attached to it. Improvement could be better delivered through “investment in expanded public provision or adaptation of current services”.

The report can be downloaded from the UNISON website: <http://www.unison.org.uk/acrobat/B4360.pdf>

Shared services failing to deliver

A flagship shared services project has been slammed by the **Commons Public Accounts Committee**.

The Department for Transport (DfT) scheme was introduced to cut administration costs by basing payroll, finance and personnel services all at one site. But current forecasts show that the net cost to the department will be £81m.

You can download the full report from: <http://www.publications.parliament.uk/pa/cm200708/cmselect/cmpublicacc/684/684.pdf>

SEND US YOUR STORIES!!

We want to hear from you about what’s happening in your area – new campaigns, successes to celebrate, problems to highlight. Contact the team on **020 7551 1759** or email Positivelypublic@unison.co.uk

www.unison.org.uk/positivelypublic