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## **FORMAL UNISON RESPONSE TO MTF'S PROPOSALS 2015-2018**

### **Introduction**

UNISON remains opposed to the draconian cuts being made across local government services. We believe these will have a disproportionate effect on the most vulnerable in society, and in the case of Haringey will result in increased social exclusion, disengagement of young people, higher crime and a fall in standards of care for the elderly and disabled. We struggle to reconcile the content of these huge cuts with the supposed aim of building a "stronger" Haringey.

We do not understand the logic of setting a three-year budgetary envelope on the eve of a general election. In doing so, Haringey's Labour Council are indicating that they expect the budget attacks to continue for another three years to 2018, and also that they accept them. Haringey should have considered the options other Councils are proposing, and set a one-year budget. Much is made of the supposed acceptance that local government funding will decrease at the rates set out in the current Con-Dem government's Victorian approach to public spending. After May this year there is a potential for a change of government, and any new government may have different priorities to those set out by the current administration. For example, while the overall public expenditure envelope may not change, the allocations within this could well do so, as could the availability of extra funding for specific pieces of local government work such as Early Years, Youth and care for the elderly. By setting out a three year plan to close, cut and privatise key services, Haringey is giving no indication to the current or future government that the attacks on local government funding are both unfair and unacceptable.

Additionally, it is clear any future government intends to review the method of funding local authorities. Such an exercise could lead to a reversal of the current direction of travel, which has seen money removed from the more deprived local authorities (such as Haringey), whereas more affluent areas have been affected to a much lesser degree in cash terms.

It is not enough for our Council to accept the current attacks on funding, wring their hands and then implement the sort of cuts that are proposed. It must consider alternatives and it must consider them now before the damage proposed becomes a reality. If Haringey Council implements these cuts, there will be no incentive for or pressure on an incoming government to provide the Borough with the funding it needs.

We also have serious concerns about the language that has been used in the documentation relating to the cuts. For example, there are multiple references to making Haringey "stronger" and "better". It is simply ridiculous to claim that taking £70 million out of the budget and closing such vital services will in any way be an improvement. The consequences for residents, particularly the most vulnerable, are likely to be dire.

### **Consultation**

Our most pressing concern at this point is that the consultation period should be extended. You will be aware that on 29<sup>th</sup> October 2014, the Supreme Court found that Haringey's consultation on changes to council tax was unlawful. Although this was a different issue, the principles in terms of what is considered to be a meaningful consultation are the same. These are as follows:

- That consultation must be at a time when proposals are still at a

formative stage.

- That the proposer must give sufficient reasons for any proposal to permit intelligent consideration and response.
- That adequate time must be given for consideration and response.
- That the product of consultation must be conscientiously taken into account in finalising any statutory proposals.

We believe that the consultation as it stands would not fulfil these criteria. Only four weeks have been allowed for it, which includes two weeks for the Christmas and New Year break. Many people did not receive the documentation until after Christmas. Consultation meetings were arranged for the week commencing 5<sup>th</sup> January 2015, straight after the holiday period. The documentation is complex and much of the information is not clear. It is not reasonable to expect people to be able to read, understand and respond to the proposals in this timescale.

However, what is even more concerning is that many of the people who are affected by the proposals in priority 2 have learning disabilities and autism. The information has not been provided in an accessible format for them, so most of them will not be able to understand it, let alone respond to it. It is well known that people with these disabilities need longer to process, understand and interpret information. This is complex information, and the amount of time that that has been provided is utterly inadequate.

We understand that some so-called consultation meetings have been arranged for service users with learning disabilities, seemingly at the last minute. We have been told that no accessible information was made available to the service users at these meetings, and that they were largely unable to understand what was being put to them. We also understand that the consultation meetings were carried out by an external organisation that is also a provider of social care services, and has been known to take over (or at least attempt to take over) outsourced services. Therefore, we would suggest that there might have been a potential conflict of interest in this organisation carrying out the consultation.

Management have tried to defend the short timescale of the consultation and the lack of detail by saying that it is not a consultation on individual service proposals, and that following agreement of the budget there will be detailed consultations on each service proposal. The problem with this is that the overall cut in the budget is so huge, and many of the individual service cuts so significant, that once the budget has been set there will be very little room for change. It will be all but impossible to formulate any alternative proposals once the budget has been set, therefore any consultation that takes place after this point is highly unlikely to be able to change any particular proposal, and as such would probably not meet the criteria for being meaningful.

Our position is that it is this current consultation on the budget that is the key consultation, and that it is this which will determine the key decisions, therefore it needs to be long enough to allow all those affected to process the information and respond to the proposals. On this basis, it is clear that the consultation period needs to be extended beyond 18<sup>th</sup> January.

### **Outsourcing**

There are plans to outsource/privatise some services. The terms social enterprise and social investment model have been used in the documentation. We have a number of concerns about this, which are as follows:

- 1) There is no guarantee that any such body will want to take over the services. What happens if no organisation that wants to do this can be identified? Will the services then close? If so, isn't it the case that a separate consultation will be required, as this will be a departure from the original proposal?

- 2) What will happen if a social enterprise is then taken over by a private company? A service will then have been fully privatised, even though this may not have been the original stated intention.
- 3) Outsourcing services to any body, even a social enterprise, means that there is no longer any local and democratic accountability or control.
- 4) What happens if an organisation takes over a service and then runs out of money or simply decides that it no longer wants to provide the service? Will the council have to step in and rescue it? There have been previous examples of this happening in the council; over a decade ago, all the residential homes in the borough were outsourced to CSS, a not-for-profit organisation. This was a disaster, and the services eventually had to be taken back in-house by the council. Our concern is that companies can take on these services without taking on any of the risk, because they know that the council will be forced to step in if things go wrong. There is then less incentive on them to provide a decent service.
- 5) There is really only one way that outsourcing saves money – by cutting staff pay and conditions. Social enterprises can be just as vicious as private companies at doing this. The private care sector is notorious for low wages, zero hours contracts and poor working conditions. Social enterprises are likely to use the same methods to cut costs. There is a clear relationship between poor conditions for staff and poor quality of care.
- 6) We would advise you to look at what has happened at Barnet Council, where social care services have been transferred to Your Choice Barnet. This is a Local Authority Trading Company rather than a social enterprise, but many of the issues are similar. Some of the potential concerns we have highlighted above have actually occurred in Barnet, including running out of money and trying to cut staff pay. This should serve as a warning against trying anything like this in Haringey.

UNISON opposes all forms of outsourcing, including to social enterprises.

### **Alternatives**

The council is trying to tell staff, service users and residents that “there is no alternative” to the cuts. In fact, there are alternatives:

- 1) Council tax could be increased. A small increase in this, particularly for the better off, would be preferable to decimating services.
- 2) Set a one year budget and use reserves to eradicate or minimise the need for cuts in this budget
- 4) The council currently spends approximately £20,000 a day on external consultants, which amounts to around £5 million a year. Some of them are on ludicrous daily rates that bear no relation to the duties they actually perform. In some cases we believe that they are using Starbucks-like tax avoidance methods, meaning they pay less tax in percentage terms than the lowest paid in Haringey. There are also far too many potential conflicts of interests in these arrangements. We believe that there is scope for huge savings in this area. All contracts with consultants and interim managers should be terminated.
- 5) Terminate arrangements with highly paid private sector partners such as Agyllis and Impower, companies whose only role appears to be to create costly solutions to problems they have identified. These often involve high cost IT solutions which we suspect will need to be procured from companies with established links to those who are proposing them.

- 6) The Council should review and monitor the costs of running the ALMO with a view to bringing the unified service back in house under direct council management.
- 5) Not making cuts would save a huge amount on redundancy costs.
- 6) Councillors could challenge the government in relation to Haringey's settlement.

## **Priority 1**

The proposals for "priority one" which are in effect services for Children are short-sited and unclear. They include proposals to cease, outsource, or reduce the full range of services designed to improve outcomes for Children. In common with the other proposals we are concerned at the lack of meaningful information as to how these will be achieved or the impact on the service reductions proposed. There are vague references to delivering services in other ways but a complete lack of detail as to what these other ways may be!

The headlines in the consultation document include "improve access to affordable childcare" and "strengthen Children's Centres and improve access to services" which appears to be in direct contradiction to the proposal to cut the budget for Children's Centres by 1.44 million. There is a complete lack of detail as to how these savings will be achieved and how this will result in better services and outcomes. We are concerned that the consultation appears to not have reached parents and users of Children's Centres and have received some evidence that staff have been discouraged from providing copies of documents which in many cases are not accessible as they appear only to have been produced in English. Children's Centres are accessed by many parents whose first language may not be English. In respect of the Childcare element of the Early years offer there is once again a complete lack of detail or evidence base. We believe the Children's Centre programme has been an unmitigated success and one Haringey should be rightly proud of, we therefore wish to express our grave concerns at comments attributed to Councillors and Senior Officer of the Council which appear designed to talk down this success and to soften the community up to cuts such talk is disingenuous when it is taken into account that the service already suffered large scale reductions in earlier budget rounds.

The proposals for Youth services appear designed to largely end the provision of a universal youth offer. Again there is reference to reviewing the delivery model which we assume is consultant speak for privatisation in one form or another. The merging of the budgets of Youth with Youth Offending in the consultation document makes it almost impossible to understand what it is that the Council wishes to deliver. We are aware that Young People have expressed grave concerns about the lack of accessible information in order to allow them to respond to the consultation. It appears superficially that the Council intend to cut a sum equivalent to the total current expenditure on Youth Services. We are gravely concerned at the potential impact on outcomes for Young people and an increased level of disengagement and alienation that will result from these proposals.

On Youth Offending the proposals are lacking details or clarity. It is of concern that they may represent a reduction in the service to statutory levels rather than the current enhanced offer. While this may on paper deliver savings we contend that reduction in prevention and risk management is likely to lead to higher demand for the statutory interventions. This would appear to be at odds with the ethos of early intervention, in particular we are concerned at potential impacts on issues such as young gang criminal involvement. It is our understanding that an element of this service is funded by the Youth Justice Board in any case.

The savings from early help appear challenging, while we broadly agree that earlier intervention results in improved outcomes for children these will require significant investment and engagement. There is a lack of clarity about how this will save money and we believe these savings may take several years to be achieved. Moving to an early intervention model is not in itself a bad thing but when it is combined with an assumption of significant savings we are concerned that the impact may be negative.

The reductions in social work and social care staffing appear arbitrary and we are concerned they are not realisable. Much has been made of the fact that many of the staff are agency workers but the reality is they have been put in place in order to deal with overwhelming workloads and increased scrutiny. We all want better outcomes for Children who are engaged with the Social care system but due account needs to be taken of the need to have a sufficient workforce to deliver this.

We note under the SEND reforms a proposal to re-tender the home to School transport with an assumed attached saving. We are seeking an assurance that any saving will be made off the back of the profits of the company NOT the pay and conditions of the staff delivering the service. This retendering must take account of the Council's policy on the living wage and build this into the contract.

The proposals for Haselmere are lacking in detail, the inference seems to be privatisation in some form we would wish to put on record our opposition to any such proposals.

The Traded service proposals appear to place at risk the viability of the services covered, there is a recognition that if the Council increase costs in order to reduce the subsidy that Schools will move away from these services. The services are good quality and it appears to us that the Council may be setting them up to fail as the service may wither on the vine.

Pendarren House : We are surprised and disappointed to see this proposal on the table, the cost of £220k is minuscule in the Council budget. We are concerned that a reduction in the subsidy may result in some more deprived children no longer being able to afford to attend. For some in the Borough Pendarren may be the only experience they get of seeing life outside of the Borough.

We note the options appraisal carried out but this has yet to be shared with ourselves in contravention of agreements between the Trade Unions and the Council. We remain opposed to any leasing or other privatisation of the facility as this would inevitably reduce its ethos and commitment to young people in Haringey since a profit motive would emerge. We strongly believe the offer at Pendarren needs to be strengthened and retained as an in house service. If investment is needed this could be found by small reductions in capital projects elsewhere, consideration should also be given to public-public solutions such as a shared service with another Borough.

In conclusion the proposals for Priority 1 will have the opposite outcome to that desired and we particularly object to the attempts to dress these cuts as service improvements.

## **Priority 2**

We are dismayed to see that the proposed cuts will effectively mean the end of social care services being provided directly by the council. Most services will be closed, and the remainder will be outsourced/privatised.

In terms of service users and their families, the cuts are likely to have a devastating impact. You will be cutting services for the most vulnerable, services they rely on to stay safe and well, to have a decent quality of life, and to avoid isolation and loneliness. This is likely to cause great harm to both the users of the services and their families/carers, who will have much more pressure put on them. The cuts are likely to be a false economy in the long run, as people will probably end up needing even more care and support at a later date due to services being removed.

UNISON completely opposes the proposals for cuts made in Corporate Priority 2.

The Haven, the Grange and the Haynes are lifelines for the people who attend them. For many of these people, going to their day centre is the only social interaction they have, as well as the only stimulation they receive. Closing the Haven, and reducing the availability of dementia day care, is clearly going to leave many vulnerable people without a service. This is likely to lead to isolation, depression and other serious consequences. The use of Neighbourhood Connects is not going to be able to compensate for the loss of day services.

The closure of three day centres for people with learning disabilities and autism will have a devastating impact on both those who use the service and their parents/carers.

Osborne Grove is a successful and well-regarded service and we do not understand why there is a proposal to shut it. Also, Linden Road provides an essential service for vulnerable adults with learning disabilities. These closures will mean that the council will no longer directly provide any care homes, and that vulnerable people will have no option but to use private sector services that are often poor quality.

The cuts in social work and care management are likely to lead to huge and unsustainable increases in work for the remaining staff, as well as risks to vulnerable people.

Cuts proposed in mental health and in care purchasing packages will create risks for those whose services are reduced, and could lead to possible harm. There are claims that these changes will lead to greater independence and other improvements, but we are concerned that this is an attempt to gloss over the impact of the cuts. The fact is that the intention is to save significant sums of money from these cuts, and it is difficult to see how this can be done without creating the risk of harm to vulnerable people.

In relation to care purchasing for residential care, the problems with high costs are caused by the fact that almost all residential care is purchased from the private sector, which exists only to make money and over which the council has no control. This situation has been both created and worsened by the closure of local authority care homes. It may well be the case that some providers charge fees that are excessively high, and it may be reasonable to try and reduce those costs. However, our concern is that this may have a negative impact on residents, particularly if providers claim that they can no longer afford to provide a service to them. We are also concerned that providers may try to compensate for any reductions in funding by cutting the pay and conditions of staff, which are usually already poor. We would like to know how the cost of residential care packages managed to get so out of control.

Reablement, and the increased use of it, is mentioned several times. Reablement is the use of short-term input, usually after discharge from hospital, with a view to improving someone's situation so they do not need long term support. Whilst this can be useful in certain cases, such as if someone has had a fall, it is also limited in its usefulness and scope. It has no real relevance to people with long-term conditions and it certainly cannot be a replacement for the kind of services that will be cut if these proposals go through.

It appears that the voluntary sector will be expected to cover some of the huge gaps in services that will result from these proposals. We do not understand how the sector will be expected to do this when it is facing a cut of £1.4 million.

### **Priority 3**

We recognise the potential to increase parking income recovery but believe this will be challenging. There is also potential for adverse public reaction to increases in parking charges and in particular consideration needs to be taken on the potential impact on lower paid residents and staff. We are pleased to note that the Council has recognised savings from contracts but would hope these have not had an adverse effect on staff employed by the vehicle contractors who tend to be low paid and overwhelmingly BAME.

We wish to place on record our complete opposition to the proposal to consider privatisation of the parking enforcement service. The Service is a high profile one and the experiences in other Boroughs of privatisation have been negative both for staff and for residents as there has been clear evidence of a profit motive becoming dominant. For staff there have been a combination of poor pay and often evidence of discrimination within the workforce, Haringey need to be aware of these issues and UNISON's position remains that services are most effectively delivered in-house, any options appraisal exercise must not be driven by the cheapest option being the best option.

While we welcome some of the proposals for Parks in terms of looking for more work from outside of the Council Parks we have serious concerns about the following. The commitment to significantly increase commercial income from Parks infers that Parks will be less available to the local community than at present. Specifically that whole parks or areas of parks will be closed in order to allow profit making to take place, this is of concern as Parks are an invaluable resource for

the Community not least those with Children as they represent a place where they can take part in activities without having to pay an entrance fee.

We are concerned at what appears to be a proposal to outsource parks management in some form whether this be a Social enterprise, Community Interest Company or outright privatisation the effect will be the same a loss of ownership and control over Parks services. It is of concern that volunteers are to be further promoted presumably in the name of empowerment. The reality of a move from direct provision for the workforce has been seen in other previous privatisations pay falls and commonly staff turnover increases as the new employer "encourages" staff protected by TUPE to leave so that cheaper staff can be hired. This pattern has been seen across local government and in Haringey.

As with all such exercises there are costs associated with options appraisals and if chosen procurement options. We feel that the service which was last reviewed as recently as 2012 would be better off if these costs were instead given to the service to promote and develop their offer.

In respect of the cleaning contract it is disingenuous to show no staffing impact, in fact it is clear there will be a staffing impact in that Veolia will be forced to make people redundant to make these savings. A drop in street cleanliness is likely to lead to a reduction in the resident empowerment the Council is seeking. In short faced with rubbish on their streets the residents are less likely to have regard to promoting social responsibility.

We have similar concerns about the impact of proposals on street recycling and the Neighbourhood Action team. These reductions will limit the Council's ability to deal with dumping for example.

The proposals for Wolves Lane appear designed to create space for Dignity to make further profits by expansion of the cemetery. This would in effect be privatisation of current publically owned land. The impact and disruption caused by the closure on service users with Learning Disabilities is yet another blow for this group on top of the huge proposed cuts in Adults.

Similarly to waste management it is disingenuous to suggest there is no staffing impact this is solely because of the NLWA running the site. We have concerns about the removal of facilities from Tottenham in favour of retaining these in the west of the borough.

## **Priority 4**

The reduction in the availability of consultation for planning to statutory minimums presents risks in our opinion. This is particularly in the context of increasingly ambitious plans for Tottenham which may include large scale demolition and rebuilding

The proposal under planning to increase use of fixed term contracts and consultants suggests potential increased costs. There will also be a reduction in opportunities for staff development. It appears to be potential privatisation by the back door.

There appear to be further privatisation proposals for Economic Development, we believe that before this approach is taken consideration should be given to a service improvement plan for an in-house provision. It is clear there may also be TUPE implications arising from these proposals and we seek an assurance that the Council agreement on potential outsourcing will be followed in full. If the film office is self funding it is simply wrong to close and re-procure this.

It is disappointing that the Council wishes to reduce its involvement in carbon reduction programmes. Haringey was rightly a leader in dealing with environmental issues and as the report recognises there is a very real risk of the target not being met as a result of the proposed cuts. This would truly be short termism of the worst kind.

With Alexandra Palace again we assume there are potential staffing reductions from the cut in subsidy. There will be a need to ensure the fabric and services are protected we remain concerned Haringey is effectively the bank of last resort should the current company fall into difficulties.

On a rare positive we welcome the HLF bid to improve Bruce Castle but we are concerned once again to see this is to potentially cease to be run by the Council.

The investment in Tottenham is much needed but we are concerned at some of the potential negative impacts on the Community. This is specifically in relation to the potential “gentrification” of the local area resulting in long standing residents and potential residents being priced out. Of particular concern are the proposals related to Council Housing which remain unclear. Our position is unequivocally that at the end of the process the Council must have more and better Council housing stock. We do not believe so called “affordable” housing is accessible to the vast majority of residents in Haringey.

## **Priority 5**

We welcome the proposals for a licencing scheme on private sector rental properties. This is much needed and we hope that it will be adopted and rolled out speedily. We similarly welcome proposals for a Private lettings and management agency.

The reduction in temporary accommodation will only in reality work if the causes of the need are addressed effectively.

We reserve our position on unified housing synergies until more details are provided of the proposals. We remain firmly of the opinion that savings can best be achieved (and service improvements) by winding up the management arrangement and bring housing management back into the Council.

## **Enabling Savings**

We have serious concerns at the proposals for a reduction of 72 FTE within Customer Services. Clearly such a high level of job losses would be detrimental to the ability to deliver an effective customer services offer. There has been a complete lack of effective consultation on how the changes to delivery will negate the need for these posts to date. Once again the Council is spending significant amounts of money on a private company to tell it how to make savings, perhaps this would be better spent on investing in the services to make the improvements. We are concerned at the lack of effective public consultation on the new service offer and the over reliance on investment in technology: what is the Plan B if the money cannot be found or if the magic bullet fails to deliver. There needs to be an urgent equalities impact assessment on these proposals so as to ensure the most vulnerable and socially excluded do not suffer a reduction in service.

We reserve our position on the Muswell Hill Library proposals as the content of these is unclear.

The Libraries savings are a great concern, Libraries in our view are similar to Parks in fulfilling a vital role in social inclusion. We are concerned the Councils commitment not to close libraries is being delivered by reducing floorspace and potentially changing use of the Libraries to a more customer service based one. We note the document makes little or no comment on the proposal to reduce the size of Marcus Garvey library in order to accommodate services currently delivered at Apex House. There has been a lack of transparency in these proposals both in terms of staff consultation and public consultation. There needs to be a recognition of the professional status of Librarians and Libraries rather than an attempt to hide cuts as transformation. We remain particularly concerned that there has been a lack of risk assessment of the issues arising from changes of use in Library building as well as a lack of an equality impact assessment.

We are concerned at the lack of consultation or detail to date on the shared service centre proposal/BIP. So called back office functions are all too commonly viewed as easy targets for savings but it needs to be recognised these teams have already achieved considerable savings. A reduced central support could have unintended consequences such as increased risk to Council budgets through reduced monitoring as well as equality issues arising where the automation requires the public to access services and complete processes electronically. Once again we are concerned at the huge expenditure to date on consultancy on this project.

Within the BIP project sit the current revenues and benefits service where there is a great deal of public interest and involvement. We remain unconvinced that automation can deliver the savings

proposed, as with a number of other services it is the case that the bulk of Housing Benefit costs are covered by the subsidy grant. One obvious way of reducing costs would be to revisit the issue of Council Tax reductions as the reality is there is a high cost attributed to collection of small amounts of money from individuals. This is of course aside from the human cost and stress caused to many of the most vulnerable in Society, it is morally wrong that while the Council proclaims to be protecting people by freezing Council Tax it fails to take account of the impact of attempting to recover money from the poorest in the Borough.

We remain committed to defending services across the Borough and opposing attempts to privatise or outsource these. The proposals in the MTFs fail to deliver for the residents and they fail to deliver for staff. The consultation process is deficient and lacking in the opportunity to provide real alternatives.

**Sean Fox & Chris Taylor on behalf of Haringey UNISON**