

Taunton Deane Corporate Scrutiny Committee 11th July 2016
West Somerset Council Special Scrutiny Committee – 12th July 2016

High-Level Transformation Business Case

Comments from UNISON

1. The High-Level Business Case appears to have been sent out to elected Members before UNISON has had an opportunity to read and comment on it (we received it only a couple of days beforehand). The report and Business Case run to 119 pages, yet very little time has been made available to read and respond to it.
2. UNISON understands that the Government has suggested that the two Councils consider a formal merger. We recognise that there is a tension between 'scaling up' to achieve economies, whilst maintaining local accountability, democratic control of services and community identity. The 'austerity agenda' is denuding local government of resources, and this is forcing difficult choices to be made.
3. From the tables in Paragraph 1.4 of the report, it appears that:
 - (i) Option 2 (a formal merger) could save an additional £500,000 per annum in running costs.
 - (ii) Option 3 (a return to two separate Councils with their own workforces) appears undeliverable.
 - (iii) The covering report does not put a figure on 'further potential savings', but the likelihood presumably is that these would be more substantial if there were to be a single local authority rather than two – in areas such as property, the costs of servicing two sets of Committees, etc.

It is also noted that the scale of cuts that are now having to be brought forward could potentially result in 1 in 5 staff losing their jobs.

4. Why has this particular 'transformation' model been chosen? Councils all over the country are facing similar financial pressures, so presumably there are other examples besides Eastbourne, Aylesbury Vale, Dorset, Eastleigh, West Devon and South Hams. Is the common factor that all these councils have used iESE and Civica/Ignite?
5. The Business Case seems to be based on the assumption that IT will provide a 'silver bullet' - that if the Councils buy the Civica software, it will fix everything. Past experience (e.g. with SouthWest One) suggests that this may not be the case; use of proprietary software can build in inflexibility and risk. Custom-built IT may better support new ways of working.

6. Are the Councils having to pay iESE, Civica/Ignite, or any other local authorities, for the use of this transformation model? UNISON has been advised there will be a cost to the Councils in payments to both sets of organisations.
7. Taunton Deane and West Somerset have an above-average proportion of elderly people, many of whom may not have access to broadband or who do not in fact use the internet. Under transformation they may effectively be denied the chance of face-face contact.
8. The Executive Summary to the Business Case contains references such as 'attitudes and behaviours' and 'traditional service silo structures', setting the scene for a document that – beyond laying out the financial realities – does not give very much justification for what is being proposed. The phraseology used has also accompanied 'transformation' elsewhere, giving the impression that it has essentially been 'lifted' from other places. It would be reasonable therefore to expect evidence of whether 'transformation' elsewhere has actually worked.
9. Whilst there have been briefings for staff and UNISON, very little information has actually been provided in these as to the impact on employees (other than an overall figure of a 22% saving in the staff budget). Taunton Deane & West Somerset UNISON has therefore directly approached other UNISON branches in local authorities where 'transformation' has been taking place, in order to assess what the implications are likely to be for staff. The feedback we have received to date is of some concern.
10. The proposed recruitment and employment regime – referred to in the Business Case - is a totally unacceptable way to treat staff. Any who can are likely to walk away, resulting in staff and skill shortages and a need to buy in services from outside. This is what has happened at West Devon, where approximately 100 staff left, leaving the Council vulnerable to challenge over its ability to perform its statutory functions. The employer has in fact been left with the staff who have no choice but to keep working there. We have had assurances that One Team will learn from this and not do things this way; however paragraph 5.2.3 of the Business Case does refer to 'the more radical approach'.
11. The appointment of staff on the basis of 'attitudes and behaviours' rather than competencies, seems fundamentally wrong. Such nebulous concepts are difficult to measure and indeed, could open the door to cronyism. It is certainly not appropriate for professional posts, such as planners, environmental health officers, housing officers, accountants, etc. to be filled in this way, and it is likely to act as a deterrent to people applying for jobs with One Team from outside world. Professionals are looking to apply for jobs such as accountants, planners, housing officers etc., not 'general dogsbodies'. Plus, what evidence is there that this practice improves customer service?
12. UNISON would question the assumption that there is something currently wrong with the attitude and behaviour of existing staff. What evidence is there that customers are currently dissatisfied with the two Councils' services, or that they believe this is the fault of staff?

13. In highlighting the need to change staff attitude and behaviours, One Team as an employer seems to have forgotten the outcome of its staff survey which highlighted bullying as an issue. We would suggest it is not staff attitudes that need to change, but the attitude and behaviour of certain managers. If the Councils intend changing the attitude and behaviours of managers from an adversarial style to one of coaching and encouragement, then this is a positive step.
14. One Team must consult with UNISON on the HR aspects of the proposals – we are not happy with what we have seen so far – and must make use of the established consultation process (UCF) for anything relating to changes in Terms and Conditions, Job Evaluation and recruitment methods.
15. In Taunton Deane and West Somerset, it is proposed that the taxpayer will have to stump up £3.5m in redundancy costs, whilst a commercial profit out of the exercise is presumably made by other organisations. This is more than half of the total of £6.8m that it is proposed should be ‘invested’.
16. The proposed operating model is IT-driven and designed around transactional services. It does not seem suitable for regulatory or policy/strategy type services, such as planning. Someone developing a shopping centre, for example, would not expect to receive a service from the Councils akin to that provided for buying refuse sacks.
17. The consequence of this operating model elsewhere seems to have been that statutory services ground to a halt (‘worse than meltdown’), as staff took redundancy or left their jobs in order to get better treatment from another employer.
18. Another consequence of the proposed operating model is that, because it is so heavily driven by reacting to immediate demands from ‘customers’, there is a risk that the Councils will become almost entirely reactive – to quote from another authority elsewhere, ‘they have no plans to deal with things.’
19. The ‘case management’ system in practice appears unsuitable for non-transactional or regulatory services. Combined with the use of generic job descriptions, when used elsewhere it has resulted in areas of activity becoming ‘dumbed down’ to the extent that a competent service is not being provided. The interposition of a ‘case management’ layer between the customer and the service may, if anything, increase bureaucracy and customer frustration. Why should a customer who knows what service they require have to go through the intermediary of a case manager? In any event, a case manager will have no authority to make a recommendation on a professional matter – such as whether planning permission should be granted; nor could they represent the Councils at a Public Inquiry.
20. The ‘locality team’ concept could be at odds with the reality of shrinking resources – might the number of workplace locations, if anything, need to be cut back to reduce overheads? One Council we visited was essentially a person at a front desk and a largely empty set of offices.

21. The Councils will have to buy the Civica software, but it has been put to us that it does not work well. (The terms 'bodge' and 'rubbish' were used.) The Civica website was described as 'atrocious'. It should also be remembered that SouthWest One promised the local authorities 'world class' IT, but this never happened. In terms of risk, how will the procurement of IT be carried out and will this provide for customer expectations?
22. The report talks about benefits for elected Members; however, in one 'transformed' authority councillors are not allowed to come into council offices other than on one specified day per week. The abolition of service departments means that councillors do not know who to go to for information. (Where this approach has been tried elsewhere, it appears that service departments are now having to be brought back.)
23. Whilst the report contains many references to customers, overall, there is a lack of evidence that the proposed operating model when used elsewhere has led to an improvement in service delivery or customer satisfaction. It is not clear that there has been a proper analysis of who the 'customers' really are for some services. Where is the evidence of customer involvement in coming up with the design of proposed new ways of working?
24. It must be of concern that staff in at least one authority appear to have been 'gagged', presumably to prevent 'bad news' getting out. This is not an appropriate way to behave when what is at stake are public money and standards of conduct in delivering public services. There is an unfortunate history of 'commercial confidentiality' being used to prevent disclosures.
25. It has also been put to us that in one case the promised financial savings appear not to have been realised. This must be a concern given the underlying need to reduce expenditure. It appears that Eastleigh are projecting an ongoing increase in revenue expenditure of £200,000 per annum.

Overall, UNISON believes that the case for adopting the proposed operating model has not been fully demonstrated – or at least, that it is not applicable to all services; that there are doubts about the Civica IT; and that the staffing aspects of the proposals are potentially unfair to employees and risk damaging the One Team organisation, thereby undermining the effectiveness of the local authorities and service delivery.

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