

# ourCity's NOT for sale

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WORKING WITH THE COMMUNITY AGAINST CUTS AND PRIVATISATION

## Keep Edinburgh Public! UNISON's case against privatisation plans

**UNISON** has launched a campaign against 'reckless' council plans to sell-off services and over 3,000 jobs. The 'Our City's Not For Sale' campaign will work with other unions, community groups and the public to expose the dangers of the council's 'alternative business models'.

"Services like front line customer contact, revenue and benefits, catering, cleaning, security, cleansing and vehicle and grounds maintenance, along with HR are all up for grabs with cultural services, transport and legal services also being primed for outsourcing through multi-million pound 'strategic partnerships' or 'joint ventures' - privatisation, to you and me", said Agnes Petkevicius, UNISON Edinburgh Branch Secretary.

"UNISON's own studies have revealed that, at best, council claims about savings are wishful thinking. No credible evidence exists to support them. Worse still, the evidence that does exist points to failures, worse services, increased costs and huge bills to bring failed services back in-house.

"To go ahead with this, in an exercise likely to top £1 million wasted on consultants, without learning the lessons of the social care

**Staff are demoralised at how they are being treated with their jobs being sold from under them to the lowest bidder who will cut their terms and conditions to deliver profits for their shareholders first, with service delivery coming second.'**



**“No school cleaner gambled billions on the stock exchange - No home carer, no social worker, no librarian. None of them created this recession. Why should they be expected to pay for it?”** Dave Prentis, UNISON General Secretary

tendering fiasco is nothing short of reckless".

**"If services are delivered in-house with no need to make a profit, how can they be delivered more cheaply while making a profit on top? Something has to give and that is usually the quality of the service or indeed the whole service - along with any decency in the pay and conditions of those delivering the service"**, added Branch President John Stevenson.

"You still pay your taxes but instead

of the money going on the service and those who deliver it, it goes to company profits. Like the banks, or even perhaps the trams contract, these companies will become 'too big to fail' and will have the council over a barrel. It is time for the council to abandon these plans and concentrate on efficient and quality services in-house".

UNISON lead negotiator Kevin Duguid said, "The union has stressed that it is always ready to fully engage with the council on better and more efficient ways of delivering quality services.

"However, the refusal to seriously look at in-house options means there is no real attempt to look at improving services, just a headlong drive to privatise".

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# 10 reasons why we must keep services in-house

**UNISON** outlines 10 points from its analysis of the council plans that paint a worrying picture that will hit taxpayers in the pocket now and in the future. These include:-

**1** No effort being put into in-house options for service improvement. The whole drive is towards privatisation with no hard evidence of any benefits but plenty of concerns about services and future costs.

**2** The Council's claims on savings are based on wishful thinking and assertions rather than facts. The examples from other authorities mostly show 'planned' benefits rather than any evidenced results whereas the real evidence shows things can get worse.

**3** Hardly any of the 18 authorities used by the council as 'comparable' are anything like Edinburgh. Is Edinburgh really the same as South Tyneside, England's smallest metropolitan borough?

**4** Most of the comparators show no evidence of any benefits. In fact Bedfordshire had to terminate its contract because of poor performance, costing taxpayers £6.75 million. In Somerset last year, the contractor was fined for late filing of accounts and showed losses of £2.5 million. In Barrow-in-Furness, the Audit Commission inspection gave the outsourced Benefits Service the lowest possible rating. Redcar and

Cleveland had to bring its contract back in-house.

**5** There is no guarantee of jobs remaining in Edinburgh. As well as the danger of the Council's front-line contact centre possibly ending up somewhere else, the effect on local economy of jobs leaving the city would be disastrous at the very time the city needs investment to build out of the recession.

**6** The council has left key issues out of the tendering advert like bidders having to comply with legal requirements like the equalities duty, climate change etc, in case it deters them from applying.

**7** Audit Commission research shows that up to 70% of strategic partnerships in the private sector fail with few meeting expectations.

**8** The Audit Commission also voices concerns about the ability to respond to changes. Any organisation which wins a contract will not be in a position to respond flexibly to the changing priorities of local government service delivery - without of course asking for additional money to do so! They will have the council

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**PUBLIC  
WORKS:**  
**KEEP EDINBURGH PUBLIC!**

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"Staff are demoralised at how they are being treated with their jobs being sold from under them to the lowest bidder who will cut their terms and conditions to deliver profits for their shareholders first, with service delivery coming second."

over a barrel, having to shell out or not deliver the service. The size of these contracts will make the companies, like the banks, 'too big to fail'.

**9** The council has not followed the Office of Government Commerce advice to produce an Outline Business Case or full options appraisal.

**10** Failure to learn the lessons of the social care tender. The new 'Remedies Directive' means that any future procurement breach could be catastrophic for the council.

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