

Briefing on *Arbuthnott Report*

Clyde Valley Review

Introduction

Sir John Arbuthnott delivered his report: Clyde Valley Review to extensive coverage in the Scottish media. The report is the result of the Clyde Valley Community Planning Partnership (CVCPP) commissioning an independent review of joint working and shared services. The authorities in the CVCPP are Glasgow, East and West Dunbartonshire, North and South Lanarkshire, East Renfrewshire, Renfrewshire and Inverclyde. This area contains 35% of Scotland's population and 35% of Scotland's jobs. Any changes in the delivery of local services in this area will have a significant impact on our members and on Scotland's wider economy.

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Context

The report lays out the reasons why Sir John believes that local authorities need to move towards greater shared services. He emphasises the "financial squeeze" that local government is experiencing and other challenges like the aging population and the different demands that will place on services. He believes that the eight councils have shared priorities and outcomes developed with their community planning partners: reduce socio-economic inequality, regeneration, improved health, citizenship, sustainable communities, customer service, safer communities and a good start in life. He believes that authorities need to move quickly to shared services but that this alone

is not enough. He is also calling on councils to revisit their current priorities in partnership with each other and the government. He believes that action needs to be taken on "a number of fronts" he suggests

- Making budget savings
- Sharing services and resources
- Improvements in performance
- Stopping doing some things
- Raising income

He expects a 10-15% real terms decline in local authority budgets over the next four years

Main findings

The report recommends:

- Accelerated joint working between individual councils and health boards.
- Shared services between councils in waste management, property management and maintenance and fleet and transport.
- Shared services in across councils in education, in

particular social transport, asset management, and organising supply teachers.

- Shared (so-called) back office support services
- a shared economic approach to addressing the recession and regeneration in general

The report calls for a time limited consortium of the CVCPP and the two

health boards to come up with a plan **within a year** to look at the challenges in the delivery of:

- The care of the elderly including admission to and discharge from acute care
- Purchased social care services
- Personalisation, its affordability and the use of mainstream service models
- Mental health and drug and alcohol services

- Consolidate the recruitment and deployment of supply teachers
- Shared specialist services on curriculum development and psychological services
- Shared payroll and back office with education taking the lead on joint payroll
- Shared approach to income generation and a common charging framework

Further info

Revitalise UNISON's quarterly updates on public sector reform:

<http://www.unison-scotland.org.uk/revitalise/index.html>

Shared Services update June 2009

<http://www.unison-scotland.org.uk/revitalise/SharedServicesUpdateJune2009.pdf>

Shared services briefing

<http://www.unison-scotland.org.uk/briefings/210sharedservicesFOI.pdf>

UNISON's response

UNISON has always been in favour of delivering our public services efficiently but all the evidence indicates that shared services don't deliver savings in the short term if at all. Indeed they mean increased expenses initially as new processes and systems, accommodation and IT have to be bought. The figures in the report state that the 95 business cases under consideration could save £84.1million in the first five years and £79.4 from year six. This though would cost £120million over the 5 years. Therefore initially there would be a cost of almost £40million. This is typical of shared service projects according to the National Audit Office. Government research acknowledges that only about 60% of projected savings are achieved.

Sharing services can also mean centralising services, and that this can remove jobs and accountability from local people. The charging framework of councils represents their local priorities so for example swimming is free for children in Glasgow because of the specific health challenges in the area. This is not the same issue in Renfrewshire which charges £1.70. UNISON believes that local authorities are right to set their own priorities based on the needs of their area.

Jobs created by public services are very important for a local economy - particularly in rural areas and in the current recession. There have been examples abroad where centralisation of services has damaged that.

Action for branches

The report is not yet publicly available but branches involved should already have a copy via their employer. All branches need to look carefully at this report and its implications for their members. Other councils are following the development of this report and will be developing similar plans. We welcome the fact that the report calls for the full involvement of trade unions in the process and branches need to be well prepared in order to participate fully. Upwards of 76,000 jobs are involved in the affected councils.

The UNISON Scotland website has range of reports on shared services in the UK and internationally. See the further information section of this briefing for links. Branches should meet with their employer at the earliest opportunity in order to find out how they plan to move forward with the recommendations of the report.

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