

Joint Trade Union

Regulatory Services Briefing No 2.

Lessons to be learnt from the Newcastle story



Back in 2009 the Joint Trade Unions held a book launch on the Newcastle story is told in the book **'Public Service Reform.....but not as you know it'** by Hilary Wainwright & Matthew Little.

The reason we raised Newcastle with our Employer and staff is to demonstrate what can happen if you positively engage staff, trades unions and residents. Their story is truly inspirational and is particularly relevant to the Regulatory Services Bundle.

Here are a few quotes from the book.

"We put in unprecedented hours – 80 hours a week – and I remember sitting propped up in bed at midnight proof reading. When the document came together, it showed that if it could be made to work the council would be achieving far greater levels of savings than with BT – more than double in fact."

Deputy Director of IT

"My core belief – is that the public sector can be as good as – and in some ways better than – the private sector [in the management of public services] because of its social values."

Development and Transformation team manager.

"The private sector has a very simple bottom line.....If it doesn't



add value for shareholders, don't do it. But there is no reason why this sense of focus can't be applied to an organisation that has the complexity of local government, and where the bottom line is quality of service."

Manager for Exchequer Services

"In setting up City Service, we ensured that local people weren't just consulted but were kept involved throughout the process to monitor the development of the design and the workings of each customer service centre"

Senior Officer Leading council's community engagement strategy.

"It's people's capability and commitment that needs to be released. These are assets not costs...Managing people is a matter of...true strategic importance. It's too important to be left solely to OD (organisation development)."

Head of City Service

"A lot of the blocks to change that we identified at those workshops were about management culture and the way managers were used to manage. The idea of culture change and transforming the way the services were organised became a key part of the **in-house** bid."

Newcastle Branch Secretary

In Newcastle they were dealing with Back Office services putting together an in-house bid alongside BT. The Council initially had not intended in resourcing an **in-house** bid it took the work of the trade unions and staff at all levels to persuade the Council to reconsider.

As you can see the **in-house** bid was resourced and written by senior managers involving their staff and trade union reps. In addition they also involved the local community which is one of the Future Shape aims 'a new relationship with citizens'.

The in-house bid won the tender and the new directorate City Ser-

vices has gone from strength to strength taking with it the staff.

It is the Joint Trade Union view that that the same opportunities that were afforded in Newcastle should be provided to all the current council services.

We are confident that Regulatory Services Project could build upon the Newcastle model of staff, resident and trade union engagement in order to meet the Future Shape tests.

What do the Audit Commission say?

In January 2008 the Audit Commission carried out a National report '**For better, for worse**'- **Value for money in strategic service-delivery partnerships**.

In terms of the current economic and political context facing Barnet Council the JTU's believe this report is still relevant to the issues being raised by staff and trade unions.

In **section four** entitled '**Looking Ahead**' there a number of points being made (Strategic Service- delivery Partnerships SSP)

153 However, SSPs will not be an appropriate option for all councils. They are complex arrangements and require additional resource and appropriate skills to be managed effectively. And there are clear potential downsides. Three councils have terminated their SSPs and reverted to in-house provision, incurring additional termination costs. In those that continue, it has been difficult to realise all of the additional claimed benefits.

154 There are other options that can be employed to transform service delivery, including:

- reforming in-house provision;
- collaborative shared services arrangements between public bodies;
- traditionally specified, short-term contractual arrangements; and

delivery by voluntary and community sector organisations.

155 Councils should therefore only choose an SSP as a service-delivery model if they can clearly demonstrate that it is more cost-effective than other options, and that they are well equipped to manage the large-scale, long-term contractual components of SSPs and the additional complexities of partnership.

156 This report has identified many of these complexities and recognises that there are different challenges for councils at different stages of the SSP life cycle, particularly in the extent to which they can measure value for money and ensure that the SSP offers, or continues to offer, an economic, efficient and effective service delivery model.

For those wanting to read the report just Google '**For better, for worse**' **Audit Commission**.

What the Audit Commission report demonstrates is the complexity of entering into partnerships and the risks involved.

Next steps - Get involved!

- JTU Future Shape meeting 2nd March Training Room 1, NLBP 12.30–1.30
- Next One Barnet Programme Board April 1st
- JTU are waiting for a meeting with the Project Manager within next few weeks
- Next meeting with PHR Future Shape Liaison Group 24th March
- Waiting on details on staff engagement with the Project