

CABINET 25 July 2017: BIRMINGHAM CHILDREN'S TRUST

Note from the GMB Trade Union

Birmingham Children's Services have had a very challenging past decade, with the continual scrutiny of Ofsted and central government. The solution to making significant improvements is setting up a Birmingham City Council wholly-owned company: the Birmingham Children's Trust. As this organisation will be able to focus solely on Children's Services and safeguarding Birmingham children, it is hoped that such improvements will be met.

The GMB Trade Union are working with Council Managers, Andrew Christie - Chair of the Shadow Trust, HR and our members, in the setting up and forming process of the Birmingham Children's Trust.

The GMB is extremely concerned as to the future operating model of The Trust, particularly its employment of the current Birmingham City Council employees that it is proposed to TUPE transfer into the Trust by or during April 2018.

It has been confirmed that future BCC budget savings will proportionately be met by the Trust.

The GMB believe that this will place some current BCC employees at a high risk of compulsory redundancy from the Trust, with very limited access to alternative employment opportunities within the Council. Whilst frontline and front-facing services may be afforded more protection from redundancy, support services probably will not.

In providing the efficient and highly performing frontline service to the children and families of Birmingham, it is essential that their support services are of sufficient quality and quantity, otherwise without these vital support functions, the frontline performance will suffer.

Currently, Council employees at risk of redundancy can access internal job adverts, Lateral Moves and Priority Movers to give them increased opportunity of retaining council employment, in mitigation of redundancy. Once these employees are TUPE'd into the Trust, these mitigating opportunities will no longer exist for this group of staff.

Therefore, to give the Trust sufficient time to settle into being a Wholly-Owned-Company, thereby giving the Board and workers a clear view of the number of both front-facing and support staff needed to fulfil this vital role, the GMB proposes that for the first 12 months of the Trust's existence as a Wholly-Owned-Company, that the existing BCC staff are seconded into this organisation. Thereby mitigating any redundancies and allowing said staff access to Lateral Moves, Priority Movers and Internal Job Vacancies for the period April 2018–March 2019.

TUPE transfers negotiations for April 2019 onwards can then follow the normal Trade Union negotiations.

Children's Trust

UNISON Report to Cabinet Members

To be considered beside the report of 25th July 2017

Little evidence has been produced to support the adoption of an independent trust model so why not tread carefully.

You are being asked to vote to agree what services will transfer to the Trust, the indicative budget for 18/19 and the approach to the transfer of staff. If you agree to this today staff will transfer under TUPE on April 1st and will no longer be employees of the council.

In 3.1 the report tells you that there has been "engagement" with the trade unions but tells you nothing about what that has actually meant and there is no attempt to inform you of the views of the trade unions during that "engagement". UNISON wanted to make sure that before Cabinet member's vote they understand UNISON's position and the things that we have asked for during the "engagement".

The use of the term engagement is interesting in itself. The Council have a duty in law to meaningfully consult with the recognised trade unions about anything that affects our members and setting up a private company limited by guarantee and transferring our members to it definitely has an effect on them.

We would suggest that for consultation to be truly meaningful the position at the start of the consultation should be slightly different to the position at the start. However so far not a single issue raised by the trade unions has been taken on board.

Worse than that the management team have set up a staff group to talk to, we believe to undermine the role of the union. This group is not constitutional; it does not formally represent staff, as members are not elected. Although management say anyone can be on the group they won't say who is on it and refuse to allow a trade union rep, even one affected by the transfer to be part of it. There are no public minutes of the meetings held with this group but the report says that this group have influenced their thinking on the Trust. They also say to us that staff are all in favour of the Trust. This is not the experience of the trade unions so we can only assume that this is what management are being told by the staff reference group.

Academically there is lots of criticism of Trusts in children's services. It is clear that the government have an agenda of moving to spin outs that they hope will prepare the market to at some stage open up to the private sector to take over. However we believe that the governments Austerity agenda and their attempt to dismantle as much of the public sector as they can has been questioned by the public and is being shown up for what it is; a way to make the majority of hardworking public sector workers pay for a crisis they didn't cause. It is now widely recognised that this agenda has been damaging the economy and making the recovery take longer.

So why is it that you are being asked to take the steps today of in effect privatising children's services (a CIC is a private company limited by guarantee) and transferring staff to this entity when there is absolutely no evidence that this will improve the services for the children that we strive to deliver services to. However as it is unlikely that you will halt this transfer we ask you to consider the following:

In the meetings with management we have asked for:

- 1. Instead of TUPE transferring the staff we should second them so that they have the security of still being employed by the council. If things do change and we see a change of government it would be easier to make future changes if staff remained employed by the council. This is our favoured proposal.**
- 2. If you are determined to TUPE transfer staff then second staff for the first year (as suggested by colleagues in the GMB and supported by UNISON) so that the Trust model can be tested and staff are protected if things don't go to plan.**
- 3. If you are ignoring all of the trade union proposals regarding TUPE and carry on enforcing a transfer then at least give the staff the same guarantees of protection under TUPE as have been written into the Sandwell Council MOU.**
- 4. Allow a worker representative on the board that is elected by staff.**

All of the above have been rejected by your management team.

Removing children's services from direct control of local authorities has significant implications in terms of local democracy and the role of elected members. It is therefore never a move that should be taken lightly.

It is clear that the move towards spinning off key children's social care services in Birmingham to a 'Voluntary Trust' is being driven by pressure from the DfE and the pursuit of its social work reform agenda. The Government has stated that "our ambition is that, by 2020, over a third of all current local authorities will either be delivering their children's services through a new model or be actively working towards a different model."

The Education Select Committee report on Social Work reform last year advised significant caution in the pursuit of Trust models.

The government has struggled to shake claims these new models are a 'Trojan horse' element of a plan to privatise services, despite ministers issuing repeated denials. The emergence last December of a much-delayed government-commissioned report, by consultancy firm LaingBuisson, advocating greater marketisation of children's services has done little to help. That the government took the unusual step of immediately distancing itself from the findings highlights the ongoing sensitivity of the issue.

Another issue raised with new models of children's services is their cost. In a November 2016 interview with the Guardian Doncaster council chief executive Jo Miller questioned the value of the trust model. "[All

council services] have improved," she told the newspaper. "Children's services haven't improved any quicker – and the trust costs a lot more."

Both sets of concerns are echoed by Ray Jones, professor of social work at Kingston University. "I'd say 'well done' to managers and social workers in trusts for progress they have driven," he says. "But was it necessary to have the extra cost, complication and time delay of setting up trusts to achieve this, when other areas do so while keeping services in-house?"

Doncaster children's trust cost £2.9m to set up, while for Slough the figure is £3.3m, funded through grants from the Department for Education (DfE). But the LaingBuisson report also puts annual running costs for the model at around £3.5m.

UNISON believes that statutory children's services should remain in local authority control until there is clear evidence that the independent trust model improves outcomes for children and young people. However if the council are determined to implement this model they should do all they can to protect the interests of the staff that they want to deliver this new service and agree to Second – rather than TUPE transfer the staff involved. You should also be confident enough to have an elected staff member on the board.

