**Councillor briefing**

**What is at stake in the learning disability service (LDS)?**

Dimensions, the company contracted to operate the new social enterprise that will run the service, have announced measures to take effect after the handover date of 1 April 2017, that will hit staff pay and conditions, as well as suggesting the closures of some day centres. Dimensions claim the cuts are needed to reduce costs, but during the tendering process the council made clear reducing spending was not a driver of the transfer. However, it seems to have become central to Dimensions’ plan to the extent that it is no longer in line with the options appraisal carried out by the council. The council predicted that Dimensions would run the LDS for a cost of £191m over six years, as opposed to an in-house option costing £195m over six years

**Dimensions have advised UNISON that they propose measures to:**

* Review provision of day services which may result in closures in some situations.
* Employ more relief workers. UNISON is concerned about the impact increased use of relief workers would have on continuity of service
* Reduce both salary and non salary terms and conditions across the whole workforce.
* Restructure the workforce with a considerable number of proposed resultant vacancies and asking staff to take on responsibilities previously done by staff on higher grades.
* Advise relief workers that if they are willing to remain to support the delivery of LD Services in the future this will be on a lower rate of pay with all enhancements removed.

To preserve the service and protect staff, UNISON is asking for the transfer date to be pushed back from 1 April, so that legally required consultation over Dimensions’ cuts can take place, and so a review of the decision to award the contract and its implications can also be carried out.

**Councillors should be aware of five areas of concern over the transfer of the LDS:**

1. **Threat to a quality service**
	1. Continuity of care – identified as a key priority by service users – is at risk from Dimensions’ plan to rush through changes by the end of 2017. This leaves little time for consultation or phased implementation of alterations to staffing, work practices, and role responsibilities
	2. Recruitment and retention of staff is already an issue in the LDS with a 17% annual turnover rate. Increasing stress while making terms and conditions inferior will only exacerbate this.
	3. Sick pay is to be cut to the legal minimum – meaning low-paid staff will not receive sick pay until they’ve been off work for three days, increasing the risk of ill staff turning up to work, to the detriment of themselves and service users
2. **Impact on staff livelihoods and the local economy**
	1. Care staff are hard working and skilled individuals but their wages are low. Somerset has a relatively high cost of living and these changes will put further pressure on just-about-managing family budgets
	2. Almost all the care workers live and work in Somerset – they are local people doing local jobs. Reducing the money in their pocket will suck demand out of the Somerset economy exclusively, hitting local businesses and high streets
	3. People made redundant by Dimensions may struggle to find further employment as care staff often work around their own family responsibilities and have limited geographical mobility in Somerset’s rural environment.
3. **Legal risk to the council**
	1. Under TUPE regulations, Dimensions must provide “economic, technical, or organisational” reasons for changes to terms and conditions.
	2. No rationale for an economic reason has been supplied; Dimensions have merely stated change is required without supporting evidence or explanation of how the changes relate to the contract
	3. Given that no evidence has been put forward, UNISON cannot start the required consultation process over changes of this scale. Completing this in time for the 1 April transfer is unrealistic in the extreme. Pressing ahead would potentially put the council in breach of its TUPE obligations
4. **Retreat from commitments made during consultations**
	1. Members of the cabinet stated from the beginning of the transfer process “there are no savings targets associated with this decision”. However, cutting costs has now become the organising principle for Dimensions’ engagement with the LDS.
	2. The options appraisal which informed cabinet and stakeholder decisions to go with a social enterprise made no reference to a benefit of an SEV being reduced costs. None of the problems with an in-house model nor benefits of an SEV will be met by the cuts package.
	3. A majority of service users (51%) were happy with the in-house service and supported the outsourcing on the basis of quality-based improvement. A cuts-driven approach seems to betray the trust they put in the council to responsibly run their service.
5. **Failure to explore all the options**
	1. The saving of £4m predicted over the six year contract could be met by the council, thus avoiding the slash and burn approach Dimensions claim is needed.
	2. Currently the cabinet plans to raise a 2% adult care levy instead of the full 3% that is allowed in 2017/18 and 2018/19. Raising the extra 1% this year and next would provide roughly £4m more, filling the gap in Dimensions’ finances or at least allowing it to be managed more sensibly.

**For further information:**

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