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Positively Public Briefing

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Campaign News

Housing - a level playing field and choice for tenants?

UNISON has welcomed a vote by the Labour Party Conference in favour of allowing councils to directly invest in housing stock and for tenants to have real choice.

Currently, tenants who want their homes to be improved to a decent standard only have a choice between stock transfer, arms length management or PFI. There is no 'fourth' option of investment. Tenants who have chosen to stay with their local authority have been financially penalised. Camden Council rejected plans for an ALMO but in doing so was deprived of the same level of investment as an ALMO, despite being a high performing authority.

UNISON has long campaigned for a level playing field in housing and for council tenants to have 'real choice'. Commenting on the vote, Dave Prentis, UNISON's general secretary, said: "The government talks about choice, but council tenants have been denied the choice to stay with the council and have their homes repaired. This vote makes it party policy that tenants should have that choice.

We call on the government to implement conference's decision to ensure that all tenants have a right to a decent home."

Building schools for the future - will it deliver quality schools in the 21st century?

The first wave of new schools under the controversial Building Schools for Future programme (BSF) is underway, with the first new school due to be completed next year. The programme was launched by the DfES following heavy criticism about PFI/PPP schemes which had failed to deliver good quality schools.

The programme aims to improve the quality of schools and provide modern facilities for every secondary school in England. Capital funding of £5.1bn has been allocated for the programme, yet despite the inherent problems associated with PFI schemes - including poor quality, higher costs and design problems - most of the schools will be privately financed. Only £1bn of funding is set aside for conventional capital funding. UNISON has questioned the use of private finance as the main form of funding when all the evidence suggests that PFI is flawed.

Last September UNISON published a report on failing PFI schools. You can download a copy of the report 'What is wrong with PFI in schools' from

<http://www.unison.org.uk/acrobat/13672.pdf>

In August this year, the government published new changes to PFI which aim to create a level playing field for procurement (See July and September issues of Positively Public briefing.) The new guidance gives public authorities the opportunity to explore other forms of procurement besides PFI, and in view of strong evidence suggesting that PFI does not deliver good quality schools, public authorities now have a strong case to argue for traditional forms of procurement to deliver the improvements needed in English secondary schools. For more on Building Schools for the future visit: 4ps website:

<http://www.4ps.co.uk/home.aspx?pageid=3.1.3#1stWave>

Privatisation Problems

Private rail firm puts profits before performance

A private firm has failed to run trains on time despite making huge profits last year. Tube Lines, the private firm which runs a third of the London Underground earned more than £100,000 a day and paid huge bonuses to its bosses, yet failed to meet key performance targets.

The firm's chief executive was paid £552,000, despite the firm failing to improve the running of the Jubilee, Northern and Piccadilly lines.

Tube Lines together with Metronet have a 30-year London Underground PPP contract to maintain and improve the tube line network. But the controversial PPP has been heavily criticised for poor performance and failing to bring about desired improvements in service delivery. The National Audit Office criticised the PPP deal for not offering value for money. This year, Tube Lines has missed 27 out of its 39 targets for running trains on time. The firm was also fined £15m for poor performance by London Underground for failing to handle

derailments at Camden Town and Hammersmith adequately.

Jarvis rejected by Kirklees council

Jarvis has failed again to secure a £25m PFI contract to build new schools. This time the construction company was rejected by Kirklees council over concerns about the firm's parlous financial situation and its ability to deliver new and renovated schools in West Yorkshire.

The council's decision comes less than two months after Fife Council dropped Jarvis as preferred bidder for a £174m PFI project to build 10 new schools. Jarvis has been dogged by problems including its role in the Potter's Bar train derailment in which seven people died; its mounting debts; and poor performance in completing building works on time. All these have tarnished the reputation of Jarvis, impacting on its ability to win contracts.

This month, the chief executive of the firm, Kevin Hyde, resigned over concerns that the firm paid its directors £807,000 in bonuses in 2002, the year of the Potter's Bar train derailment. Jarvis was responsible for the maintenance of the rail network where the derailment occurred.

Jarvis is struggling financially and has had to sell off some assets to stay afloat. There are now fears that the company will go bust, impacting on the many PFI projects which the company is involved with - this includes 129 PFI schools projects with a total value of £573.7m and university accommodation projects totaling more than £70m.

Private firms blamed for court delays

Private security firms are to blame for the 'absolutely disgraceful' delays in getting prisoners to court, says a senior judge, Lord Justice Thomas, presiding over the six court circuits in England and Wales.

The Prison Escort and Custody Service (PECS) has contracts with private security firms to collect prisoners from jail and escort them to court for hearings. In a letter from Lord Justice Thomas to the senior judge at each crown court and the presiding judge for each of the six circuits, he warned that in many cases prisoners have not been collected on time meaning serious delays to the court process and in some cases prisoners have not arrived at all, leading to the collapse of some major trials.

The judge blamed PECS for their inability to manage the service efficiently. In order to tackle the problems of serious delays, PECS need to ensure that private security firms meet their contractual obligations and improve their performance. The prison service will now impose financial penalties where contractual obligations are not met.

Reliance, GSL and Premier dominate the private security sector. In April, Reliance took over a prison escort contract in west Scotland but just over a month after this, seven prisoners were mistakenly released from court by the firm, sparking fears over public safety.

Balfour Beatty withdraws from Fife PFI schools project

Balfour Beatty, PFI contractor, has become the second contractor in just two months to withdraw from the Fife PFI Schools project. The company, one of three preferred bidders for the £174m schools project to build 10 new schools, withdrew from a deal with Fife Council after failing to agree prices for the scheme.

Jarvis the other preferred bidder was rejected as a preferred bidder for the project due to poor performance on other schools PFI contracts and concerns about the future of the

firm. (See article on Jarvis, page 2.)

Fife council now has the option of negotiating a deal with the only remaining bidder, Miller Construction, or abandon the scheme altogether.

Glasgow PPP school buildings not healthy, say teachers and pupils

Teachers at PPP schools in Glasgow are considering taking legal action because the design of their new PPP schools are flawed and this is having a detrimental impact on their health and wellbeing.

Teaching staff and pupils have to endure soaring temperatures of 25-30 °C even in the cold season due to ventilation problems. They have complained to Glasgow City Council which is now in talks with 3ED, the private contractor responsible for maintaining the schools. The new PPP schools have also been blighted with problems including poor lighting. This has led the council to withhold payments of £35,000 to 3ED.

Last year, Glasgow City Council conducted air quality tests at six of the PPP schools, following complaints by teachers that they were suffering from headaches, eye problems and other ailments.

Hospital privatisation and the MRSA superbug

Over the past 15 years the number of hospital cleaners have halved as the service has been privatised, leaving dirty hospitals more vulnerable to dangerous hospital acquired infections such as the MRSA superbug. The British Cleaning Council claims that there are an estimated 5,000 deaths a year from hospital acquired infections due to poor hygiene and cleanliness at NHS hospitals. Instead of the government directly investing money in cleaning services, more and more money is being invested in expensive contracts to

outsource cleaning services to private firms which are in the business to make huge profits from public contracts.

Currently five firms control more than half of NHS cleaning. They are ISS Mediclean, Sodexho, Compass, Rentokil Initial and OCS. But outsourcing cleaning services has led to poor pay and conditions for cleaning staff employed on private contracts, with wages just at or above the minimum wage. Earlier this year, cleaners working for ISS Mediclean earned £4.62 an hour, while cleaning staff working for Rentokil earned £4.75 an hour.

Contrast the low pay of cleaners with the pay received by bosses employed by the firms. ISS Mediclean's boss earns £607, 839 a year, while Sodexho's boss earns £562,639 a year. In 2002 Sodexho pulled out of a contract at Glasgow's Victoria Infirmary following an MRSA outbreak.

At Derriford Hospital in Plymouth, housekeeping services at the hospital were contracted out 10 years ago to ISS Mediclean. But since privatisation, the numbers of cleaning and domestic staff have been reduced. This has led to fallen standards of cleanliness and hygiene at the hospital and an increase in the number of deaths from hospital acquired infections. Currently, Derriford is the hospital with the most number of deaths - 22 in one year.

Good Practice

Pursuing Excellence: Volume III

Pursuing Excellence Volume III is another invaluable study of best practice and innovation in local government. The publication features many good practice examples of local authorities working in partnership with a wide range of organisations,

including trade unions to provide customer focused, high quality services. It also demonstrates the excellent work being done by local authorities across the country where services have been brought back in-house from failing contractors. There are also very good examples of public-public partnerships.

The publication is published by the Association for Public Service Excellence (APSE) and is priced at £15.00 for members and £30.00 for non-members. UNISON has a limited supply of the report which is available free. To obtain a free copy contact Sylvia Jones by phone on 0207 551 1759 or by email s.jones@unison.co.uk.

Completing the picture - The vital role of support staff and managers in the NHS

The NHS provides excellent health services in caring for patients' needs. These services do not only depend on doctors, nurses and clinical staff but also on admin, clerical, secretarial and managerial staff who are the backbone of the NHS.

UNISON and the NHS Confederation have come together to celebrate and showcase the excellent work being done by managerial and support staff in the NHS. They have produced a pack '**Completing the Picture**' which was launched at last month's UNISON conference. The pack showcases some of the many jobs done by 'real' people and dispels the myths about 'bureaucrats' in the NHS.

To receive a pack '**Completing the picture**' and to learn about the important work being done by support staff in running hospitals, surgeries and NHS organisations to very high standards visit:

www.completingthepicture.org.uk

Reports

Audit Report Trade Union and Employee Involvement in Public Services Reform

'More union and workforce engagement is needed in improving public services', says the first report by the Public Services Forum (PSF). The Forum was established in 2003 and aims to strengthen the dialogue between unions, government and public service employers on public service reform.

The report '*Audit of Trade Union and Employee Involvement in Public Services Reform*' considered ten case studies from the NHS, Local Government and Central government to identify good practice in engaging trade unions and employees in reform of frontline public services. It also suggests ways for improving dialogue and collaboration between trade unions, government and employers. It concluded that effectively engaging staff and unions in the reform process would lead to improved services.

The report is published by the Cabinet Office. You can download a copy of the report from: <http://www.pm.gov.uk/files/pdf/main%20report.pdf>

Internet Link of the month

<http://www.thepfi.net> - is an independent online magazine. The site is an information resource on all the latest news on UK PFI/PPPs. Whether you need facts to support a campaign against PFI or information to find out what is happening with PFI schemes across the country, this is the site to visit: <http://www.thepfi.net>

For further information on privatisation and campaigning against it go to

www.unison.org.uk/positivelypublic

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