

Care Co-operative Update (June 2014)

The Care Co-operative Proposals were released in October 2012 and agreed by cabinet in March 2013. The aim of the proposal was stated as:

'We are looking at how we can create a 'care co-operative' for social care services currently run by the council. This approach is a way of shaping a market that delivers excellent outcomes for service users, within an environment that retains public service values, but is also able to trade in the open market in order to secure its future.'

The services that would make up this proposal are:

- Complex care for people with learning disabilities, day care and respite (Welford and Castle Dene),
- Reablement (Care at Home),
- Older peoples resource centres (Byker Lodge and Connie Lewcock)
- Community Mental Health, including Scrogg Road (Recovery Support Team).

The Care Co-op is projected to save £524,000 in 2014/15 (this has now been achieved without any staff reductions) and £994,000 in 2015/16. It is currently not clear how the 2015/16 savings will be achieved.

The Care Co-operative was intended to be launched in year two of the council's three year budget (2014/15). Although there is currently no concrete implementation date, there have been numerous meetings with staff to explore the proposals and seek ideas. Any date will need to take into consideration the length of time it will take to finalise the proposals and for time for there to be a meaningful consultation and further discussions around staff's terms and conditions.

UNISON's Position

Although the Care Co-operative proposal does not seek to sell these services to a private company it is still a form of outsourcing as a traditional in-house service will no longer operate.

Newcastle City Branch will seek to:

1. Ensure the council thoroughly explores keeping these services in-house.
2. Influence the development of the Care Co-operative proposal in the interest of our members.
3. Consult with our members once the proposals are finalised to decide on the best course of action.

We are committed to engaging with the managers and staff developing these proposals. We do this with an open mind, because at this stage the council has not presented any firm proposal on what the 'care co-op' will look like.

Regular newsletters are being sent to staff and we encourage our members to read them. The Project Team, consisting of staff volunteers and management, are currently working on a business plan which is an integral part of the proposal.

When these plans are finalised they will need to formally present the whole proposals to staff for consultation and answer any questions or concerns. At this point we will also consult with our members.

The council has had no discussions with unions or staff about any changes to terms and conditions. If the council decide to create a new organisation and transfer staff, their existing terms and conditions will transfer with them. This is protected under a regulation called TUPE (Transfer of Undertakings (Protection of Employment)). Although TUPE provides some protection, it is possible for these terms and conditions to be changed by the new organisation in the future (in consultation with staff and unions) if there is a legitimate reason.

We will continue to press the council on its intention for the terms and conditions of staff.

Throughout the process we have expressed the following:

- The council have been slow to develop and explain what they actually mean by proposing the 'care co-operative'.
- The details of how creating a 'co-operative' alone will save money are still not clear. All discussions with staff and unions so far have highlighted the need to increase revenue and make savings, but the specifics are still being explored.
- There are significant concerns amongst our members about what these proposals will mean for them, especially around terms and conditions.
- If the Care Co-operative becomes a reflection of the private sector – in terms of lack of staff empowerment and poor terms and conditions - it will have failed to be anything other than privatisation of services.
- Staff engagement is paramount in formulating these proposals. The test for the Project Team will be in how the group relates to the rest of the staff and reflects their contributions.