



NOTTINGHAMSHIRE **BULLETIN** for Old Peoples Homes

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TRANSFER (or not?) NEWS No. 4

September '92

CSL: THE SUMS DON'T ADD UP!

How did you
learn to be a
management
consultant?

I used to watch
Tommy Cooper on
the telly and it
it came to me...
... Just like
that!



Shock report says transfer scheme will cost council more, not less

Senior Council Officers have now confirmed to Transfer News that CSL got their figures **WRONG**.

The plan to transfer OPH's to an independent operator will cost the Council more, not less. The news was broken to Councillors in a high level report from the County Treasurer.

The whiz-kid consultants from CSL promised budget savings of £14 million over the next ten years if 20 Homes are transferred to an Industrial and Provident Society (IPS).

But when the finance experts from County Hall

looked closely at their figures, the 'savings' disappeared.

Far from saving money, the transfer would add another £6.5 million to Social Services spending over the ten year period looked at by CSL.

County Hall took the figures produced by the consultants for their 'Option 1' to pieces. 'Option 1' put forward the transfer of 20 Homes, with the County keeping the other 25.

PROBLEMS

But there are problems with CSL's figures on all three of the options because they used two 'Creative Accounting Devices'.

DEVICE NO.1

Overstate the case

CSL over estimated the savings to be made from cutting staff at County Hall after the transfer.

The consultants claimed that £850,000 a year could be saved by sacking admin and support staff who would no longer be required. To save that amount would mean two County Hall staff going for every Home transferred! The idea that 40 headquarters staff would go if 20 Homes were taken over is absurd.

(continued overleaf)

UP IN THE AIR NUPE'S VIEW

The revelations of just how serious the problems with the CSL report are is bad news for union members working in the Homes.

* When the CSL Report first came out it promised the earth. It promised an answer to the pressing problems of how to find the money needed to bring the County's Homes up to registration standard.

* It promised to reduce the hard pressed Social Services budget without closing Homes.

* It promised secure jobs for staff without cuts in pay and conditions.

But now the CSL report has been looked at closely, those promises look hollow.

* It's not at all certain that an Industrial and Provident Society could actually raise the money to refurbish the Homes.

(continued overleaf)

THE SUMS DON'T ADD UP

(continued from page one)

County Hall agrees that savings could be made but £200,000 would be a more accurate figure, says the new report.

DEVICE NO.2 "Magic Money"

But the really big problem with CSL's figures is the use of magic money, making their scheme look better than it is.

They slipped a line into their projected accounts for the IPS under the mysterious heading 'Post 1/4/93 (L.A. TRANSFER FUNDS)'. These figures appear in type just 2 millimetres high on page 116 of the full version of their report. They don't appear at all in the shorter ver-

sion seen by staff.

This made amounts of up to £3 million a year simply appear, as if by magic, in the IPS accounts as 'income'.

What the consultants *didn't* say was that this money would have to be paid by the Social Services Department out of the cash it will get from the Government to pay for community care after April next year.

Putting the "magic money" down as income for the IPS, but not showing it as a cost to the Council, turned extra spending for the County into a big saving.

Hey Presto! You can do anything with figures - if you just know how!

UP IN THE AIR

(contd from page one)

* It would cost Social Services more, not less, if the Homes were transferred.

* Projections show that the cost per bed for the IPS would be high compared to private Homes and so pay and conditions for staff would come under pressure right from the start.

But we still have the registration problem. The Service Standards Unit will not wait forever for County Hall to sort out what it's going to do about the Homes.

The Officer working group which is looking at the CSL plans is due to report in mid-October. It had better come up with some good answers if it is going to back the transfer plan after all.

In particular it must come up with a business plan for the IPS which shows clearly how it can raise enough money to register the Homes AND pay the staff a decent wage.

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PART 'A'

NOTTINGHAMSHIRE COUNTY COUNCIL

SURNAME MR/MRS/MISS/MS _____

FIRST NAMES _____

PAY NUMBER _____

HOME ADDRESS _____

SERVICE/DEPT. _____

OCCUPATION _____

PLACE OF EMPLOYMENT _____

To the Treasurer of the above named Authority

I, being an employee of the above Authority request and authorise you to deduct from my pay and credit to the NATIONAL UNION OF PUBLIC EMPLOYEES the sum shown below, until further notice or such sum as may from time to time be notified to you by the Executive Council of the Union.

Signed _____ Date _____

It is essential that ALL SECTIONS are completed

Rate of Deduction. £1.20 per week/£5.21 per month

80p per week/£3.45 per month

PART 'B'

NOTTINGHAMSHIRE COUNTY COUNCIL

SURNAME MR/MRS/MISS/MS _____

FIRST NAMES _____

PAY NUMBER _____

HOME ADDRESS _____

SERVICE/DEPT. _____

OCCUPATION _____

PLACE OF EMPLOYMENT _____

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ARE YOU IN ARREARS WITH A PREVIOUS UNION ? _____

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