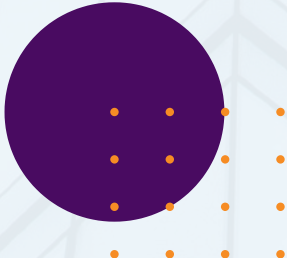




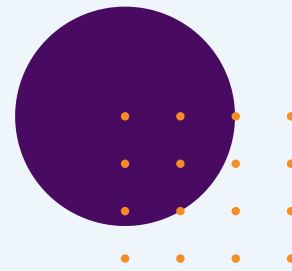
# INSOURCING: WHY IT WORKS AND HOW TO WIN IT



A pamphlet by:

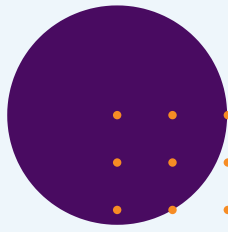


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# INTRODUCTION



UNISON North West Region believes that public services are best delivered in-house by democratically-accountable organisations employing a well-trained and motivated workforce.

The history of outsourcing public services is one of cost-cutting, mostly by attacking the pay, pensions and terms & conditions of those

employees delivering the service, and of wealth extraction by private companies who take profits out of public services to pay to shareholders rather than reinvesting surpluses into improving services.

Insourcing will mean a return to services that are publicly owned, publicly run and under democratic control.

Whilst local government has been at the forefront of public service outsourcing, the issue cuts across most of UNISON's service groups. Far too many services that should be provided directly are being delivered via outsourced contracts. This affects our Local Government, Health, Police & Justice and Further and Higher Education service groups/sectors.

UNISON North West has, therefore, initiated a major campaign in support of insourcing services in our local authorities, NHS, Police and Fire & Rescue Services, and in our Colleges and Universities.

The campaign will make the case for insourcing:

- Insourced services are more cost-effective in the long run.
- They provide higher quality and flexibility.
- Direct services are more democratically accountable and enjoy greater public support.
- Insourced services provide better and more secure employment.



We need to end the 'race to the bottom' that has driven outsourcing. Outsourcing means poorer quality services that are inflexible and slow to respond to the changing needs and priorities of the communities they are meant to serve.

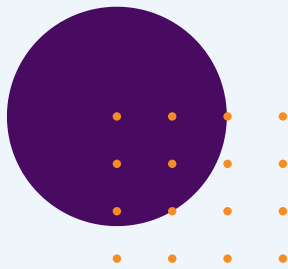
Employees working in outsourced contracts - many of them UNISON members - are generally lower-paid and work longer hours in more precarious employment.

This UNISON North West Insourcing Bargaining Guide is a useful tool in assisting branches to develop the arguments with commissioning bodies to review outsourced contracts and to make the case for insourcing services.

Together, we can win campaigns to return services to public control and ownership by insourcing.



# A HISTORY OF OUTSOURCING



## THE LEGISLATIVE FRAMEWORK



There is a long history of outsourcing of public services, particularly in local government.

Whilst it could be argued that the first major steps towards outsourcing started under the Thatcher government, a number of pieces of legislation have been introduced by both Conservative and Labour governments over the past five decades to promote and expand outsourcing.

The main vehicle for outsourcing during the Tory governments of Thatcher and Major was the Compulsory Competitive Tendering (CCT) regime.

The New Labour government of Tony Blair repealed certain aspects of the CCT regime and introduced the Best Value framework.



# A HISTORY OF OUTSOURCING

## LOCAL GOVERNMENT PLANNING AND LAND ACT 1980

The initial introduction of competitive tendering in relation to construction and maintenance work and led to the introduction by local authorities of Direct Labour Organisations



Local government outsourcing was introduced as part of Margaret Thatcher's wider agenda of privatisation.

## LOCAL GOVERNMENT ACT 1988

The 1988 Act significantly expanded Compulsory Competitive Tendering into a number of 'defined activities'.

Councils were unable to deliver these services without first exposing them to a competitive tendering process.

The defined activities were:

- Refuse collection
- Building cleaning
- Other cleaning
- School and welfare catering
- Civic and other catering
- Grounds maintenance
- Vehicle repair and maintenance

The Act also specified that, in awarding contracts, Councils must not act in a manner that had the effect of restricting, distorting or preventing competition."

# A HISTORY OF OUTSOURCING

## MINISTERIAL DECREE 1990

The 1988 Act allowed for further services to be added to the list of defined activities by an order of the Secretary of State. These were:

- Leisure services.
- Grounds maintenance (in tranches of 20% per year between 1990 - 1994).

## 1991 WHITE PAPER

This paper, entitled 'Competing for Quality', set out plans to extend CCT to a number of professional services, requiring Councils to tender a percentage of the following services:

- Computing
- Corporate and administrative services
- Engineering
- Finance
- Legal services
- Personnel
- Property management

## LOCAL GOVERNMENT ACT 1999

Labour government repeals Compulsory Competitive Tendering regime, replacing it with the Best Value framework. The general duty to provide Best Value required all services to be reviewed using the '4Cs':

- 'Challenge' why and how the service is provided.
- 'Comparison' with the performance of others, taking into account the views of service users and other providers.
- 'Consult' with local service users, partners and the wider business community.
- 'Consider' competition as a means of securing efficient and effective services.

# A HISTORY OF OUTSOURCING

## LOCAL GOVERNMENT ACT 2000

Gave powers to councils to promote “economic, social and environmental well-being” through procurement.

## CODE OF PRACTICE ON WORKFORCE MATTERS IN LOCAL AUTHORITY SERVICE CONTRACTS 2003

Otherwise known as the Two-Tier Code, stated that TUPE should apply to all local authority contracting, and set out that, where local authority staff had transferred to a new provider, new joiners being appointed should be on terms that were no less favourable than those of transferred staff. The intention was to avoid a Two-Tier workforce, although the Code did not apply to pensions.



The New Labour government made some interventions to ameliorate outsourcing.

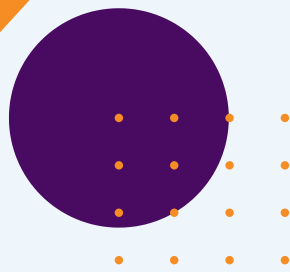
## DELIVERING DECENT HOMES 2003

In order to receive investment to allow council housing stock to be improved to meet the Decent Homes Standard 2010, local authorities were obliged to choose, following consultation with residents, an alternative model of ownership/management:

- Large Scale Voluntary Transfer (LSVT)
- Private Finance Initiative
- Arms-Length management Organisation (ALMO)

Whilst not strictly outsourcing, the policy led to the wholesale outsourcing of council housing ownership and management.





# A HISTORY OF OUTSOURCING



## **PUBLIC CONTRACTS REGULATION 2015**

**&**

## **PUBLIC PROCUREMENT (EU EXIT) REGULATIONS 2020**

Brings EU Public Contracts Directive into UK law, setting out how contracts for goods and services for public bodies should be awarded.

Procurement thresholds no longer calculated in Euros; removes the requirement to publish tenders in the Official Journal of the European Union (OJEU) and instead publish on new UK government platform 'Find a Tender.'



# CASE STUDY: SOUTH RIBBLE REFUSE WORKERS

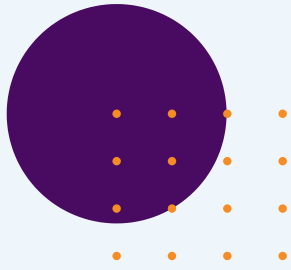


After struggling for years with poor pay and conditions, waste workers from the South Ribble depot started coming together for meetings and joining UNISON.

Together they made a plan to lobby the council and pressure their employer to bring them back in-house and be employed directly by the council.

To make sure they were listened to, the workers organised a collective delegation to the full council meeting where the decision would be made. They turned up together and demanded better for waste workers.

The workers are now insourced full employees of the council and are delighted with the outcome.



# WHAT IS INSOURCING?

**Insourcing** is generally meant as returning a service back to a local authority or other public body after a period where it has been provided under contract by an external provider.

The definition provided by the Association of Public Service Excellence (APSE) in their publication 'Rebuilding Capacity: The Case for Insourcing Public Contracts' is:

"to 'insource' in UK local government... is widely accepted as the cessation of a previously outsourced contract and the re-establishment of the service under the direct operation and control of the local authority."

Similarly, the Labour Party document 'Democratising Local Public Services: A Plan for Twenty-First Century Insourcing' described insourcing as:

"to revert from contractual delivery of a service to direct delivery of a service by a local authority."



## THE GROWTH OF INSOURCING

The past decade of cuts to public services has seen councils and other public bodies increasingly examining how efficiencies can be made and how services can be improved and managed in a way that aids integration with other services.

Many councils and other commissioning bodies are insourcing services, not for any ideological reason, but because it is increasingly clear that there are practical, tangible benefits of insourcing in terms of service continuity, performance management, building flexibility, and integration, and providing more accountable and responsive public services.



# THE CASE FOR INSOURCING



## OUR VISION

UNISON North West believes that the case can be made that in-house services:

- Are **cheaper** over the long-term and are better able to deliver efficiencies.
- Perform **better** against benchmarked services.
- Are able to deliver **greater flexibility** and **integrate** better with existing services.
- Provide **better and more secure employment** and lead to **stronger local supply chains**.
- Are more **democratically accountable**, transparent and enhance local control of service delivery.

We explore below in detail the case for insourcing and the benefits that can be achieved by insourcing services.

We also look at some of the barriers and challenges to insourcing and explore how we might be able to persuade councils and other public bodies to review any currently outsourced contracts and submit them to rigorous review to consider whether the service can be insourced.

# COST AND EFFICIENCY

## HOW INSOURCING SAVES MONEY



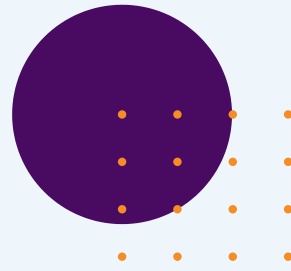
Services are overwhelmingly being insourced because of the need to make greater efficiencies as a result of funding reductions. Intense budgetary pressures are acting as a key driver in insourcing.

Public sector bodies that have entered into long-term strategic partnerships have found it increasingly difficult to negotiate efficiencies as they were committed to contracts with private sector partners who did not want savings to impact their profits.

A primary driver to insource a service is the ability to deliver better financial controls alongside service improvement planning and changes to service provision.

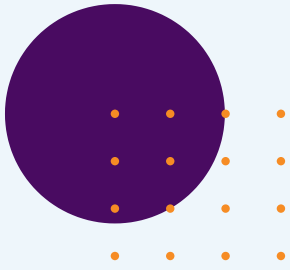


# WHY INSOURCING IS CHEAPER



- Outsourced services cost more because profits are paid to shareholders, rather than being reinvested into the service or used to subsidise other public services.
- Contracted services are inflexible and inefficient, as changes in service needs or public policy are often not accounted for in the original contract and require additional payments to be made.
- Insourcing services allows public bodies to save money and direct resources towards strategic aims, which is difficult to achieve under contracted services.
- Transaction costs associated with outsourced contracts, such as legal fees and contract monitoring, are often underestimated and present throughout the lifetime of the contract.
- Getting value from outsourced services depends on the public body specifying the details of the contract and effectively monitoring and enforcing its terms.
- Outsourcing can have community costs, such as private providers cutting worker benefits or avoiding tax payments, which affect the public purse and community as a whole.

# PERFORMANCE



## HOW INSOURCING IMPROVES SERVICES



As well as cost, one of the main reasons there has been a significant increase in insourcing, is performance.

Privatised utilities and the UK rail system have shown the dangers of poor performance resulting from privatisation.

Outsourced contracts in local authorities, hospitals, and colleges have experienced declining standards, poor performance and market failure.

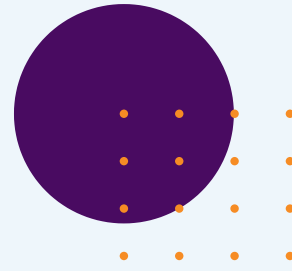
Local authorities have demonstrated their ability to manage change and secure productivity improvements without outsourcing.

Insourcing has consistently demonstrated the delivery of better-performing services when measured against targets. Decision-making and service delivery are brought closer together, enabling a stronger link to local policy.





# ASSESSING OUTSOURCED SERVICES



It is important for UNISON branches to consider the current performance of any service that is currently outsourced:

- Is information available to the public on the performance of the contractor?
- Is data available on the level of complaints about the service or other measures of customer satisfaction?
- Is the service being provided within agreed costs/fees?

Commissioning bodies and contractors will often make it difficult to find out about these performance measures.

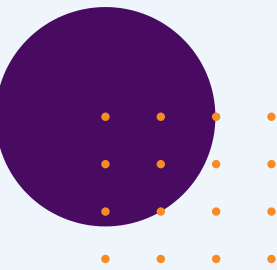
This may be an opportunity for UNISON branches to get local councillors on board: they represent the local community and we can argue that the community has the right to know about the costs and performance of a council's contract with an external provider.

Councils and other commissioning bodies need to be pressed on why there is not transparency about such performance data.

It may be possible to get information on the performance of outsourced contracts via the Freedom of Information request procedure. This is covered in detail later in this guide.



# QUALITY & FLEXIBILITY



## HOW INSOURCING EMPOWERS SERVICE PROVIDERS

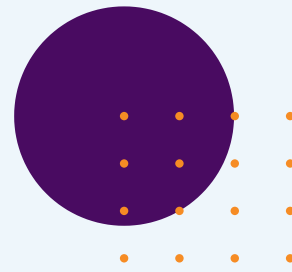


The over-simplification of service delivery into the terms of a contract leads to failure. Insourcing services, makes them more efficient and able to adapt to changing local needs.

- Quality can be a subjective measure that is hard to define and may mean different things to client and contractor. In outsourced contracts it is difficult to specify qualitative measures
- Contracts are inflexible. They lock-in a mode of delivery or a quality standard that can be difficult to adapt as the needs of the service change over the lifetime of the contract.
- Private providers often under-estimate the cost of providing a service. With the pressure to provide a return for shareholders, service quality suffers when costs are squeezed.
- Insourcing enables public bodies to develop more integrated services. Contractors will only deliver exactly what is specified in the contract and require additional payments for any variation.



# CASE STUDY: EAST LANCS HOSPITALS SECURITY



We began our campaign after realising we weren't being paid the same as our NHS colleagues doing the same job. It wasn't right. We approached UNISON and we began a campaign to achieve pay and conditions parity.

After a successful industrial action ballot, our trust decided to insource our service. An amazing outcome none of us expected! We now work for the NHS and have access to all the benefits our other colleagues in our trust receive. Things like training, pensions, and more integrated systems. We are all so much better off.



**Graham Cook,  
Security Officer,  
East Lancashire  
Hospitals Trust  
(insourced from  
Engie)**





# DEMOCRACY & ACCOUNTABILITY




## HOW INSOURCING IMPROVES A COMMUNITY

Democratic accountability is severely lacking in outsourced services. Often taxpayers and service users are unaware of who is providing their services, where to complain, and who to hold to account. Local authorities and other public bodies are more democratically accountable than private providers.

Public bodies are subject to the Freedom of Information Act 2000 and there is a general right of access to information held by such public bodies. There is no similar requirement on private providers.

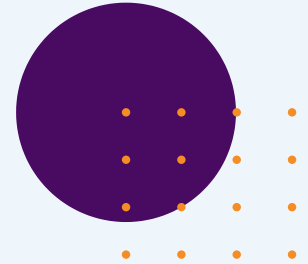
Similarly, public bodies cannot act in a manner that is incompatible with the rights set out within the Human Rights Act 1998. They can be subject to challenge when they violate human rights, act unlawfully, unreasonably, or follow an improper process.

Again, private providers are not subject to the same provisions. The Information Commissioner has stated that “one unintended consequence of outsourcing can be a significant reduction in the public’s ability to access information about a public service.”





# EMPOWERING COMMUNITIES



There is also a more direct and obvious difference: citizens can hold their councils to account through elected local councillors and by attending council meetings. By contrast, private companies lack transparency, can be opaque and secretive and have no direct responsibility to local communities:

- Insourcing brings decision-making and service delivery closer. Public bodies can only exercise real democratic control of services by delivering them directly.
- Insourcing increases transparency and democratic accountability of services. There is little control, accountability or oversight that can genuinely be exercised when services are provided by a private provider with no democratic accountability to the community.
- Outsourced contracts are accountable largely only through contract compliance mechanisms. Contract law, and arguments over whether the terms of a contract have been adhered to, is a completely inadequate mechanism for accountability.

# MYTH: OUTSOURCING REDUCES RISK

## HOW INSOURCING IMPROVES A COMMUNITY



One of the main drivers for outsourcing has been the belief that risk associated with delivering services are transferred from the commissioning body to the private provider, and that this should form part of the evaluation process.

But how true is it in reality?

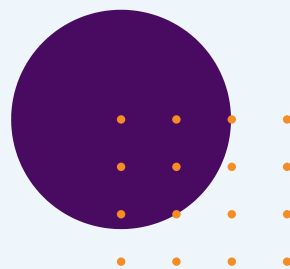
Over the years, we have seen numerous examples of market failure where the public sector has been left to pick up the pieces when contracts collapse.

UNISON North West saw an example of such a failure on a grand scale when the collapse of construction company Carillion meant work on delivering the new Royal Liverpool Hospital had to be halted.

Some private companies have walked away from contracts where the expected profits for shareholders have failed to materialise. Serco effectively gave up on a contract to run an NHS 'Out of Hours' service because this was "no longer core to [their] healthcare strategy." The company simply walked away and the NHS Trust was left to pick up the pieces.

Was risk really transferred in such circumstances? The phrase 'if you own the consequences, then you own the risk' is an accurate description of the myth of risk transfer in outsourcing.

# BARRIERS & CHALLENGES TO INSOURCING



Whilst UNISON believes that the arguments in favour of insourcing are compelling, there are still barriers and challenges to overcome when arguing for services to be insourced.

Even where there is overwhelming evidence to support insourcing, we can still find that there is internal resistance to change, particularly from some senior officers. It is important that UNISON makes the case that any such challenges are seen as a barrier to be overcome, rather than a reason for maintaining the status quo.

Some examples of the challenges and barriers to be overcome are set out below:

## CAPACITY

**The Challenge:** Due to the original outsourcing there has been a loss of expertise in delivering and managing the service in question should the service be insourced.

**The Solution:** Clearly, in most cases of insourcing, TUPE will apply and so there will be some continuity of service. Where there is a lack of capacity within the council to manage the service, it maybe that a decision is taken to reintegrate the service initially into an area of the council where there is existing management capacity and knowledge of internal support services such as HR and purchasing.

Another approach has seen such difficulties overcome by co-operation and secondment of officers from neighbouring authorities who retained the equivalent service in-house, until capacity has been rebuilt.





# PENSION COSTS

**The Challenge:** The commissioning body can't afford to cover the pension costs of the outsourced employees.

**The Solution:** Again, where TUPE applies to a workforce transferring into the council from a previously outsourced contract, a significant number of staff will have originally transferred and these employees' LGPS arrangements have remained intact.

However, a number of employees will have been recruited post-transfer and may be on different pension arrangements.

Whilst there may be cost implications for provision of LGPS pensions for transferring staff, the overwhelming evidence is that efficiencies and improvements were still realised by insourcing services even where pension expenditure increased.



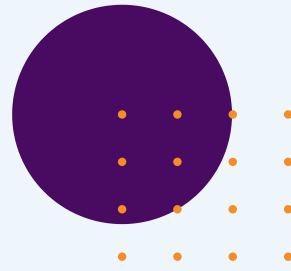
# CAPITAL COSTS

**The Challenge:** Large-scale capital investment that may be needed in plant, machinery and premises. For example, a refuse collection service may need significant funding for depots, recycling facilities and refuse collection vehicles.

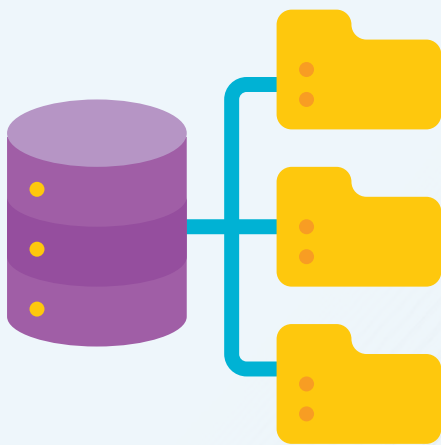
**The Solution:** Whilst revenue spending capacity has been disastrously cut by the Tories over the past decade or more, councils have more freedom to borrow to invest in capital spending, particularly where borrowing is within affordable limits and can contribute to long-term financial benefit through income generation.



# BUILDING A CONTRACTS DATABASE



As part of our Insourcing campaign, UNISON North West will be conducting a mapping exercise to determine the extent of current outsourcing within the region.



Whilst we have the benefit of some local knowledge via individual branches we are also issuing Freedom of Information requests to councils and other applicable public bodies within the North West.


From this we hope to be able to compile a database of outsourcing so that we know:

- Which services are currently outsourced
- Length of contract
- Renewal date or break clause

We also aim to gather data on how contracts have performed, although this data is not as readily provided by commissioning bodies as they may argue that it is too costly to compile the data.

Whilst the FOI requests will be issued centrally by the Region, we have developed some sample FOI requests. The template for local authorities is shown as **Appendix A**.





Whilst most councils will provide the information requested, early indications show that some councils will seek to query the scope of the FOI request. We have therefore provided some additional text to use in those circumstances where councils seek clarification of the scope of the request. This can be found at **Appendix B**.

**Appendix C** is a template for Health Trusts. This also includes a request for information relating to services outsourced as part of PFI contracts.

At **Appendix D** is a generic template which can be used for Police and Fire & Rescue Services, Universities and Colleges and more.

**The FOI requests will be issued centrally by NW Region to ensure consistency. Please check with your Regional Organiser before issuing a FOI request yourself.**

We hope that the database will prove useful in assisting branches with identifying and planning individual campaigns around insourcing specific contracts at a point before decisions on possible renewals take place so that the case can properly be made for insourcing.

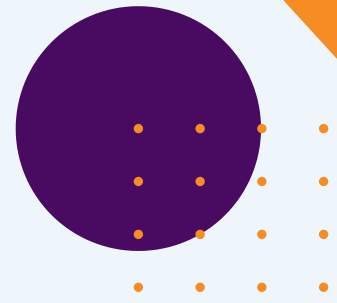
Timing of discussions with commissioning bodies is important. There is little point opening discussions with a council or other body on insourcing a contract if it has recently been issued a lengthy contract.

If a contract is 18-24 months from its expiry, this is the optimum time to begin discussions as it is around this timeframe that commissioning bodies will start to look at their options. UNISON North West are developing a traffic light system that will alert branches to contracts that are within this timeframe.





# 10 QUESTIONS FOR COMMISSIONERS



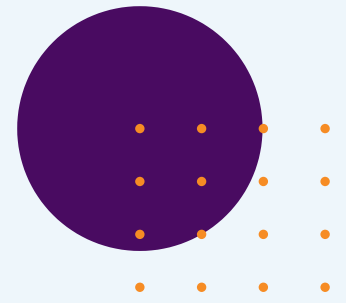
We must encourage councils and other commissioning bodies to consider these questions when they are considering renewing an outsourced contract:

- 1 Can the commissioner be satisfied that the service is amenable to precise measurement and evaluation by contract?
- 2 Can the commissioner be satisfied it has sufficient contract management skills?
- 3 Can the commissioner be satisfied there is a sufficient existing supply of high-quality service providers?
- 4 Can the commissioner be satisfied there is a sufficient existing workforce, in the public or private sector, with adequate skills and capabilities to deliver high- quality services?
- 5 Can the commissioner be satisfied that the service does not require stable, high- quality public premises?





# 10 QUESTIONS FOR COMMISSIONERS



6

Can the commissioner be satisfied there is no strategic need for public capacity and expertise to control and improve the service?

7

Can the commissioner be satisfied there is no evidence of greater cost efficiency if the service is provided inhouse?

8

Can the commissioner be satisfied that the service does not involve significant contact with at-risk groups, exercise of coercive powers, or risk of infringement of people's rights?

9

Can the commissioner be satisfied that the service is not a de facto monopoly, or one that demands exceptional investment?

10

Can the commissioner be satisfied that the service does not make exceptional demands on workers?

## Model Motion

A model 'Insourcing First' motion for adoption by councils and other commissioning bodies is attached at **Appendix E**.



# CASE STUDY: WIRRAL COUNCIL DAY SERVICES



Wirral Council outsourced its Day Services in 2015 to a Local Authority Trading Company known as Wirral Evolutions. UNISON opposed the move at the time but were not able to stop the outsourcing at that point.

Over the next few years, we continued to call for it to be returned to the Council until 2020 when the Company proposed a restructure that involved job losses, closures of services and down grading job roles.

Wirral UNISON saw this as an opportunity. We launched a campaign to save jobs and services, and posed an alternative of bringing the service back in house.

When the company open requests for voluntary redundancy more than half the staff volunteered. We surveyed our members and were able to demonstrate that most of those staff would not take redundancy if the company returned to council control.

We held public meetings, lobbied the Council, and launched petitions to stop the closures of day centres by bring the service back in house.

# CASE STUDY: WIRRAL COUNCIL DAY SERVICES

Our arguments found favour with the Councillors, if not with the senior officers of the council. We worked with Councillors and were able to demonstrate that the service could be modernised and improved most effectively by bringing it back under council control, and that this could be done without closures or job losses.

It was agreed in the spring of 2022 that the Company would return to the Council and our attention turned to TUPE. It became apparent that whilst outsourced the company had allowed the pay of the lowest grades to be eroded. They had lost the equivalent of up to £1172 from their salary.

We launched a campaign, lodged a formal dispute and members overwhelmingly supported industrial action in a consultative ballot. We simultaneously launched a media campaign and exercising political pressure. Our campaign led to the council agreeing to uplift the salaries to their council equivalent on the point of transfer, but we continued to press and eventually secured 30 months back pay.

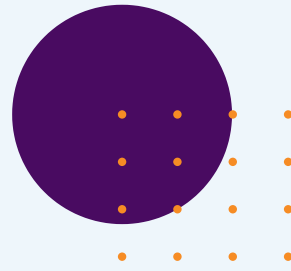
The Company returned to Council Control on 1 October 2022 and the workers and council are very happy with the outcome.



**Dave Jones, Branch  
Secretary of Wirral  
UNISON**



# WHAT IS AN 'INSOURCING FIRST' POLICY?

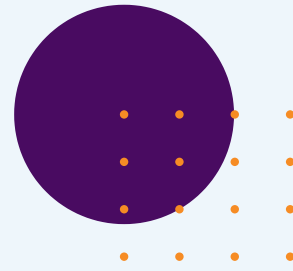


**UNISON will aim to challenge the basis for continuing outsourcing at individual contract level as contracts come up for renewal.**

However, we believe that we need to be bolder than that.

UNISON North West will push for commissioning bodies to adopt an 'Insourcing First' policy. This means that, as existing contracts come up for renewal, the presumption should be in favour of insourcing the service unless there are strong reasons not to.





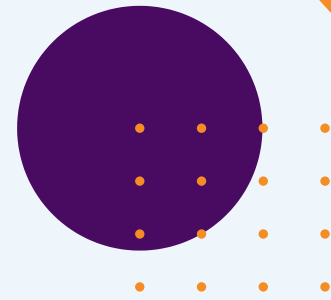
We must persuade public bodies to develop a rolling calendar of review of existing outsourced contracts as they come up for review, and that each review should:

- Consider insourcing well in advance of contract renewal to give time to fully assess the potential benefits.
- Properly consider how insourcing can benefit local economies and the environment through jobs, skills, supply chain management and local spend. These should be fairly weighted on any evaluation.
- Consider how insourcing can encompass immediate operational continuity alongside longer term plans for service improvements which align to local needs and strategic objectives.
- Recognise that Trade Union and workforce engagement and involvement in reviews are both helpful and essential.





# BUILDING SUPPORT



We must build support for an Insourcing First policy if we are to get councils and other public bodies to adopt this approach. To build as wide a consensus as possible, consider onboarding the following stakeholders:

## OTHER TRADE UNIONS

It would be helpful if we can get our partner trade unions on board for promoting an 'Insourcing First' approach. Most have similar policies in respect of insourcing and so it should be relatively simple to build a consensus for such a policy.

## LOCAL COUNCILLORS & POLITICIANS

As part of UNISON North West's Insourcing campaign we intend, supported by our colleagues in the Association for Public Service Excellence (APSE), to develop some briefing sessions for councillors and politicians to explain UNISON's campaign and the benefits of insourcing, particularly in relation to democratic accountability, transparency, and increasing public support and satisfaction.

## SENIOR OFFICERS

Quite often it is senior officers in the commissioning bodies who can be most resistant to a new approach to insourcing. Some will have developed relationships with their counterparts in outsourced services, have concerns about the challenges that insourcing can bring, or simply be content that current arrangements mean that they do not have direct responsibility for services that are currently outsourced. We need to work to convince officers of the potential benefits and promote an evidence-based approach to evaluating options.

## MEMBERS IN OUTSOURCED SERVICES

It is crucial to engage with members in outsourced services, it must be recognised that there can be hesitancy from members employed by external providers regarding campaigning for the insourcing of their service. Support will be given to branches to run dynamic and visible campaigns to increase membership, density, and activism within target outsourced service areas.







# TRAINING FOR ACTIVISTS

Training sessions for branch activists and regional organising staff will be delivered with the aim of raising general awareness and understanding of outsourced contracts, the legal framework post-Brexit, the commissioning process and the rights of public bodies to directly provide services.

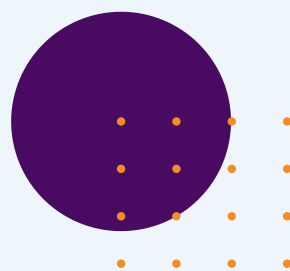
The training will also support branches to develop the arguments for insourcing. It will expand on the benefits of direct delivery of services in terms of both service quality and employment matters, barriers to insourcing, engaging with Officers and Councillors and wider political campaigning and engagement.

It will also assist branches with promoting UNISON North West's 'Insourcing First' campaign and develop the skills of our activists to take the arguments for insourcing to our councils and other public bodies.

**To enquire, contact Tony Caffery on [t.caffery@unison.co.uk](mailto:t.caffery@unison.co.uk).**



# CAMPAIGN RESOURCES



Resources are currently being developed that will assist branch campaigns in support of insourcing.

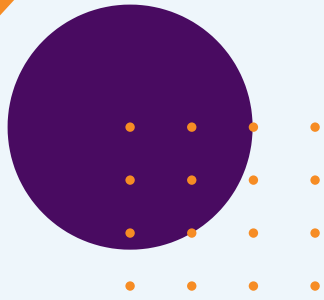
*Human Resources*

Whilst we hope that commissioning bodies such as councils will adopt our 'Insourcing First' policy, we may need to campaign around individual services and run campaigns to insource at a contract-by-contract level.

UNISON North West will continue to provide examples of campaigning best practice, coupled with tips on the various campaign communication techniques that could be deployed within a successful insourcing campaign.

This will include digital aspects such as using social media for leveraging campaigning, and utilising digital communications for organising; as well as traditional tools for campaign communications such as press releases, newsletters and protests.





# CAMPAIGN CHECKLIST

## Identify Your Target

Examine data from Freedom of Information (FOI) requests to identify target campaigns – which contracts are at point where renewal/re-tender is being considered?

Gather intelligence on performance of contract by current provider eg level of complaints, default notices, media reports etc.

Ensure activists are trained on insourcing issues.

## Mapping

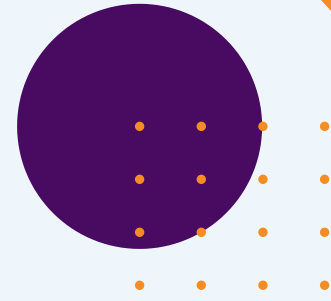
Map our current membership and activists.

Map the existing contractor workforce (e.g. density, stewards...)





# CAMPAIGN CHECKLIST



Identify collective workplace issues that can be used as part of an Insourcing campaign - Is there a two-tier workforce within the outsourced service? Can Insourcing provide the solution?

## Organising the workforce



Grow membership, increase member participation and identify and develop activists.

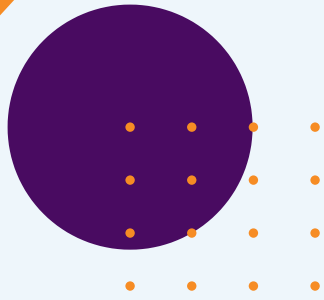


Plan visible campaign activities such as rallies, petitions, lobbies etc.

## Influencing Decision-Makers and the Political Environment



Seek the adoption of 'Insourcing First' policy by commissioning body.



# CAMPAIGN CHECKLIST



Build alliances:

Other TUs

Councillors and politicians

Senior officers

Members in outsourced services



Develop campaign materials. Think about your audience – you may need different messaging for councillors/senior officers/general public.

## Develop the Case for Insourcing

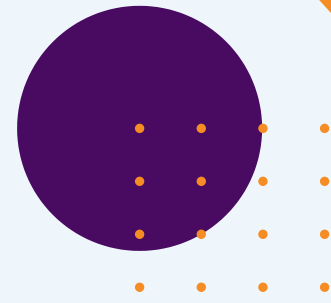


Ensure UNISON involvement in the commissioner's review of each contract. Ensure that trained activists are involved in reviews that can confidently make the case for insourcing of the service.





# CAMPAIGN CHECKLIST



Where an 'Insourcing First' policy has been arranged regular reviews to ensure that decision-makers are accountable for the commitment to insourcing as the favoured option. Reviews are about how we can insource successfully and overcome any barriers or challenges to this objective.



Make sure that there is Trade Union involvement in developing options for what an insourced service will look like:

Consult workers in the service before any meeting.

Familiarise yourself with best practice from similar insourced services elsewhere in the region.

Attempt to go further than existing examples by advocating for maximum worker and union participation in the insourcing process and in the delivery of the service post-insourcing.

# CASE STUDY: LIVERPOOL HOSPITALS FACILITIES STAFF

Without cleaning staff, porters and catering staff, hospitals would be unable to function. Why then are so many of these workers employed by private companies on lower rates of pay and inferior terms and conditions?

At Broadgreen and the Royal Liverpool Hospitals, we argued that in-sourcing these services would be better value for money for the public. It would allow the Trust to better control costs by having direct control over the service, rather than being at the mercy of an inflexible contract with a private company.

We contested that an in-sourced service would be more able to adapt to changes in the health sector. In addition, the improved pay and conditions would have a positive impact on morale and staff retention. For all of these reasons, we contested that the Trust would actually receive a better service.

We also felt that in-sourcing be better aligned with the wider public health agenda. Improving the working conditions and incomes of these workers would not only be directly beneficial to their well-being but would also make a contribution to the local economy. Many studies have established that there is a direct link between income and health inequalities, so it makes sense that the NHS should be ensuring that public money spent remains in our local communities, rather than with the private sector.



**Joe Baldwin,  
Branch Chair of UNISON  
Liverpool Hospitals  
Health Branch**

# APPENDICES A, C & D

## TEMPLATE FREEDOM OF INFORMATION REQUEST

Below is Appendix A, intended for local authorities, Appendices C and D for NHS trusts and other public service commissioners can be found online by visiting the link at the bottom of the page.

Dear Freedom of Information Officer,

This is a request under the Freedom of Information Act. Could you please supply me with the following information:

- A list of all services that are currently contracted out by the authority to an external provider;
- The name of the provider for each contract;
- The value of each contract;
- The number of staff employed on each contract;
- The end date of each contract; and the date that any decision would need to be made regarding renewal;
- Details of whether each contract carries an option to extend the duration of the contract;
- The terms for early termination of each contract.

Could you please forward this information by email to xxxxxxx or by post to xxxx.

I look forward to hearing from you within the 20 working days set out by Freedom of Information legislation.

If I can help to clarify this request, please telephone me on xxxx or contact me by email at xxxxxxxxxxxx.

Yours sincerely,

xxxxxxxxx

**APPENDICES CAN BE DOWNLOADED AS WORD DOCUMENTS BY SCANNING THIS QR CODE OR GOING TO: [BIT.LY/NWINSOURCING](https://bit.ly/nwinsourcing)**







## **APPENDIX B**

# **ADDITIONAL TEXT IF COMMISSIONING BODY SEEKS CLARIFICATION ON THE SCOPE OF THE FOI REQUEST:**

Thank you for your response.

Our FoI request is seeking information on those areas where external providers are engaged in the ongoing delivery of council services.

Typical examples would include facilities management (such as catering, cleaning, security and building maintenance), back office functions (such as administration and payroll), refuse collection and social care.


It would not cover such areas as the supply of goods, short term consultancy, or one off construction / IT installation work.

We hope this offers sufficient clarification of our request.

Yours sincerely  
xxxxxxx

**APPENDICES CAN BE DOWNLOADED AS  
WORD DOCUMENTS BY SCANNING THIS  
QR CODE OR GOING TO:  
BIT.LY/NWINSOURCING**





# APPENDIX E

## MODEL MOTION FOR COUNCILS – ‘INSOURCING FIRST’

Council notes that there is a growing phenomenon of insourcing across local government within the UK. This is being driven by an increasing awareness within local government of the value of council services in supporting local economies and businesses, providing better services for residents and business, and directing resources more cohesively to where they are needed.

Council believes that the case can be made that insourcing services:

- Is cheaper in the long run and is better able to deliver efficiencies
- Gives greater scope to improve performance against benchmarked services
- Delivers greater flexibility and integration with existing services
- Provides better and more secure employment and leads to stronger local supply chains
- Is more democratically accountable, transparent and enhances local control of service delivery

Council therefore agrees:

- To systematically review each existing outsourced contract as it approaches expiration.
- That reviews be undertaken in a timeframe that means proper consideration can be given to insourcing well in advance of the date before contract renewal decisions need to be made to ensure that full consideration can be given to the potential cost/efficiency/performance/quality/democratic accountability benefits of insourcing.
- That insourcing should be considered when assessing the future of any outsourced contract. Insourcing should be included as a favoured option and should be genuinely and robustly considered.
- To properly evaluate how insourcing can be used to support local economies, and the environment, through jobs, skills, supply chain management and local spend. This should be evaluated when insourcing is considered and fairly weighted on any options appraisal.
- Insourcing should be viewed as a form of innovation in both service delivery and resource allocation. Insourcing planning should encompass immediate operational continuity alongside longer term plans for service improvements which align to local needs and strategic objectives.
- That Trade Union and workforce engagement and involvement in reviews are both helpful and essential.

**APPENDICES CAN BE DOWNLOADED AS WORD DOCUMENTS BY SCANNING THIS QR CODE OR GOING TO: [BIT.LY/NWINSOURCING](https://bit.ly/nwinsourcing)**





# **INSOURCING BARGAINING GUIDE-**

## **APRIL 2023**

This guide was written by Tony Caffery (Regional Organiser, UNISON North West) and edited and formatted by Sam Doherty (Area Organiser, UNISON North West).

## **CONTACT INFORMATION**

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-  [s.doherty@unison.co.uk](mailto:s.doherty@unison.co.uk)
-  [bit.ly/nwinsourcing](https://bit.ly/nwinsourcing)



Liverpool  
University Ho



# **INSOURCING: WHY IT WORKS AND HOW TO WIN IT**

**UNISON**  
*North West*