

# CARING FOR PROFIT NUPE SOCIAL SERVICES FOR SALE



Phillip Wolmuth

Big business is moving into social services and health as government policy seeks to open up new markets to exploit the caring of children, elderly, handicapped and mentally ill.

- private firms are rapidly opening new residential homes — places in private nursing homes have doubled in the last five years compared to a decrease in local authority places. . . The recent boom has been fueled by government approved increases of up to 150% in DHSS benefits to nursing home residents specifically to match nursing home fees, now ranging between £100-£200 per person weekly. There is evidence that pension funds, merchant banks and money from the Middle East and America are entering this £5 billion expanding annual market, propped up by the government.

- health authorities and councils are selling homes, hospitals and land to private firms often at knockdown prices.

- local authorities are contracting out services — the London borough of Merton has hived-off catering in luncheon clubs, day centres and meals on wheels to Sutcliffe Catering (a subsidiary of a national property empire). Both the London boroughs of Croydon and Merton have sold off residential homes to private operators. Devon has contracted out cleaning of some of its residential homes.

## Cashing in on care

Caring is becoming more profitable for both large international corporations and new small businesses. The private health agency, BUPA, have extended their operations by building a new home for the elderly in Milton Keynes. Barratts, Wates and other builders want to cash in on the expansion of private sheltered accommodation — the House Builders Federation envisage a £480 million annual market by 1990. Grand Metropolitan recently clinched control of Children's World Inc, a chain of 100 day care centres in America, with the obvious intention of opening similar centres in Britain when the time is ripe. Larger firms come to dominate — it is estimated that over half of all the private nursing homes in the USA will be owned by fewer than ten companies by 1990.

But the expansion of private social services is also providing new business opportunities for small time profit seekers. Small existing firms like Care Concern (with 6 childrens homes used by over 55 local authorities) are expanding while some managers and administrators are leaving social services departments and the NHS to buy up large houses and open residential homes.

## The attack on Social Services

The Government's plan to impose cuts, privatisation and centralised controls takes many different forms:

- Cuts in public spending on social services, education and housing regardless of need whilst increasing spending on defence and law and order.
- Using slogans like 'efficiency' and 'value for money' to justify cuts in services, instead of meeting real demands and unmet needs and promoting a decent quality of care.
- Encouraging the contracting out of meals-on-wheels, cleaning, transport and other social services to private firms.
- Encouraging the growth of private

provision, for example by increasing DHSS payments to landlords of private residential homes and hostels, whilst depriving councils of money for badly needed new provision.

- Encouraging private builders to build 'special needs' housing instead of providing funds for councils to build for local needs.

- Promoting the use of volunteers in services by funding volunteer bureaux and MSC organised volunteer schemes to exploit unemployed women and undermine trade union campaigns for better wages and conditions.

- Justify cuts and closures in hospital and social services provision by pushing a policy of 'community care' with no extra resources or training to make it work.

- Putting pressure particularly on women to take full individual responsibility for elderly, sick, and handicapped relatives, regardless of the effect on their own lives and their families.

- Waging a propaganda war against public services and collective responsibility for the old, sick and handicapped, whilst praising the virtues of private provision and reviving Victorian values of self-help, charity and individualism.

# KIDS, ELDERLY, HANDICAPPED

## bear the brunt



Ulrike Preuss

### Crisis looms?

The elderly form an increasing proportion of the population — up from 18% to 20% in the last decade. People are living longer and having fewer children — the proportion over 85 years will increase by over twenty per cent in the next decade. By the year 2010 those born in the post war baby boom will reach pensionable age and forecasts predict varying crises in the welfare state. Low economic growth and the introduction of new technology will lead to fewer people in work and lower tax revenues at a time of increasing demands on health, social services, housing and public transport.

### Private nursing scandal

The standard of private residential homes varies enormously. Many employ totally untrained staff. An investigation into Southport's 32 nursing homes and 98 rest homes revealed many patients having to be readmitted to hospitals suffering from weight loss, schizophrenia and serious mental deterioration. Some had started to starve or mutilate themselves. Severe boredom was rife. One home was recently closed down. The Royal College of Physicians recently revealed that old people in private residential homes are being drugged by unqualified staff to keep them quiet. One in ten patients admitted to geriatric units were suffering from adverse drug reaction.

### Jobs at risk

Social services provide the second largest number of local authority jobs after education. There are currently 165,000 full time and 200,000 part time jobs in social service departments in Britain representing 12% of local authority employment on a full time equivalent basis. The number of both full and part time jobs increased by just over 2% in the last two years but swingeing cuts resulting from rate penalties and rate capping could radically reduce jobs, particularly part time employment.

### Day care cut

Nearly half of social service departments in England have reduced the number of places in day nurseries in the last four years. Ten authorities don't provide any day care nurseries at all and many have withdrawn or cut grants to playgroups and childminders.

### Exploiting the unemployed

Some local authorities are increasingly using the government's Manpower Services Commission schemes and volunteers to undermine jobs, wages and conditions and achieve budget 'savings'. In 1982/83 Dudley Council for Voluntary Service employed 1100 people on various MSC schemes running virtually an 'alternative social services department'. Projects included home help schemes, care assistants and community warden schemes, a survey of social service needs, and school repairs and redecoration, all carried out by young workers on short term contracts with low wages, few benefits and no employment protection. In addition the

government allocates several million pounds annually to encourage unemployed people to work as volunteers. Some politicians have talked of introducing conscription for young unemployed people to work voluntarily in health and social services.

### Charity funding

Charity funding of health and social services is increasing rapidly. Hillingdon council set up Hillingdon Partnership Trust with councillors and business people to raise money from industry and the public for social service projects. Other councils are investigating similar ventures aided by commercial fundraising outfits. Most hospitals now depend on charity funding which is increasingly used to buy and maintain basic essential equipment and services.

### Cuts threaten breakdown

Significant reductions in the quality of some services are reported in the annual survey of the Association of Directors of Social Services. Despite increased staffing and spending by some councils, overall resources for social services have fallen by at least 10% in recent years when increased demands caused by the economic crisis and new legislation are taken into account. Senior council officers and trade unions in Lincolnshire have jointly told the social services committee that any further cuts in staffing levels will result in a breakdown in services particularly in homes for the elderly. The wide variation in services remains with some councils spending three times more per head of population than others. Fifty nine councils have had to increase spending by 40% on services previously jointly funded with the NHS.

## What cuts & privatisation mean for you at work & at home

If you are a worker:

- greater exploitation of your caring and concern for elderly, children and handicapped
- harder work for longer hours for less pay
- reduced sickness benefits, pensions and shorter holiday
- increasing unpaid labour
- redundancies and permanent loss of jobs
- greater use and exploitation of casual labour
- less job security and training
- worsening health and safety and welfare conditions
- little or no trade union organisation and representation

If you are a user:

- development of a two tier service — one for the rich and one for the poor
- poorer quality and less reliable services
- new and increasing personal charges for services
- less personal contact with staff
- more people excluded from going into council homes and being refused other forms of help
- heavier burden on women and friends and relatives
- increased guilt, worry and unhappiness
- less security for old age — no guarantee of continuing services
- less control over services.

# COMMUNITY CARE

## or cuts in caring

The principle that people should have adequate care, independence, access to friends and good quality services in order to lead a fuller life should be a fundamental part of any civilised society's social policy. Community care should mean people having more choice about how and where they live, better and more flexible support services for those being cared for at home and for those undertaking the care. It should mean using new and existing resources differently and more effectively with workers and users having more control over the range, quality and running of services. Community care should mean an end to people being hidden away and forgotten in isolated institutions.

However, the Tories see 'care in the community' as a cheap way of running down social services and cutting public spending. The closure of geriatric

wards and mental hospitals creates huge new demands on social services which councils cannot provide from existing funds. The Tories version of 'care in the community' has become a means of implementing cuts and privatisation by running fewer, more restricted services and by transferring responsibility to families, friends and volunteers. People in need of care are being pushed into the community without the essential back-up services. More demands are being placed on people, particularly women, which puts a huge strain on them physically, mentally and financially. They may be in need of care and support themselves. There have been many reported cases of people being driven to attempted suicide as a result of the heavy burden of caring for relatives at homes. Those forced to take on new responsibilities also have their own lives to lead.



Phillip Wolmut

# RATE CAPPING

## what it really means

**This government has tried many measures to control spending by local councils on services to the community. Councils have been forced to raise the rates unnecessarily to simply maintain jobs and services, as central government grants have been cut or withdrawn.**

Now the government is forcing through a new measure which will prevent councils from protecting jobs and services by raising the rates. New government 'rate capping' powers will give ministers the power to set the rate level for any council they want to pick on — and a reserve power to set the rate levels for every local authority in the country.

If the government can control a council's rate level it can control the level of jobs and services provided, with no regard for the needs of the local community or for the wishes of the local electors. There is already a 'hit-list' of councils for rate-capping next year — putting 300,000 jobs at risk.

Nottinghamshire County Council need to spend £385 million this year: the government 'target' for it is £350 million — so it will lose part of its government grant this year and may be rate capped next year. The spending cuts demanded by government, if implemented, would mean an immediate 10% cut in every department of the Council. A 10% cut in Social Services would be:

- equivalent to shutting down over half the county's residential homes

for the elderly and handicapped, with the loss of 1000 jobs;

- or axing 7,700 weekly visits by home helps and family aides, with the loss of 1800 jobs.

London Boroughs, with their particularly heavy responsibility for thousands of elderly people isolated from their families, are major targets for rate-capping, which will bring spending cuts in London social services totally some £126 million equivalent to eliminating all spending on homes for the elderly and home help services. The leader of

Lewisham Council in London has calculated that if rate capping was in force this year, cuts would have to include

- closing all day nurseries
- closing all 4 day centres for the elderly and half of the 40 luncheon clubs
- closing holiday centres and the training centres for the handicapped
- cutting half the home care services and introducing a minimum weekly charge of £1.

And these won't be one off cuts. Each year the Government could set tighter and tighter limits on the rates, forcing councils to make more and more cuts in services and jobs. As councils' resources are cut the pressure for privatisation of services will increase. Already social service departments, deprived of the necessary funds to provide new accommodation for growing numbers of elderly people, are increasingly placing clients in private residential homes — run only for profit, not care.



Islington Council

# NUPE STRATEGY

## to fight privatisation

The following 7 point strategy has been developed by NUPE to fight cuts and privatisation of public services. Below we give a few examples of how it can be used in social services. Branches should look at it in more detail, work out ways it can be applied to specific local situations, and used to investigate their employer's policies and practices. The forthcoming Action Kit will include material on how to monitor creeping cuts and privatisation in social services and their effects on jobs, services and users.



### Developing Alternative Ideas and Demands to Improve Services

for example:

- collecting workers' views of what's good and bad about their service, how cuts have hit, how much extra unpaid work they do, how the service could be improved for both workers and users.
- preparing and publicising reports — or charters of demands for particular services as in NUPE's residential establishments working party report.

### Education and Propaganda

for example:

- getting the message over to your members about the real threat to jobs and services.
- producing leaflets for clients, their families, friends, contacts, explaining the full range of social service provision and how it is threatened.
- feeding the local press and radio with stories of 'successes' in social services, threats to services from cuts and privatisation, and exposing the scandal of unmet needs.

### Building Stronger Workplace Organisation & Making Links with Workers in Other Places

for example:

- making union meetings more accessible to women workers, shift workers and those working in more remote places — times, places, agendas of meetings and creche facilities all need to be looked at to encourage members to attend.
- Offering a strategy to workers to protect and improve their particular job — as in NUPE's 'Charter for Home Help's'.

- involving individual members in working out alternative plans and strategies.

- making contact with other workers in social services and the National Health Services.

### Developing Joint Action and User Committees

for example:

- trying to build support for services and users involvement in campaigns before the threats become a reality.
- hold meetings with womens groups, tenants and pensioners organisations, trades councils, nursery campaigns and ethnic minority groups to build support, explain the threats, develop new ideas and joint demands.

### Tactical Use of Industrial Action and Negotiating Machinery

for example:

- considering limited forms of industrial action such as overtime bans, working to rule, blacking work with contractors, rather than larger scale action in areas of work where organising traditional strike action may not be easy or appropriate. The timing of any such action needs careful consideration to ensure wide support for any action taken.
- refusing to cooperate with private consultants brought in to review services or carry out feasibility studies for privatisation.
- using the existing local joint negotiating machinery to make demands and protect existing services.

### Direct Action by Workers and Users

for example:

- demonstrations, lobbies and pickets

at council meetings to force the council to justify its decisions and deal face-to-face with workers and users.

- occupations and work-ins are important tactics and attract publicity.
- demonstrations against consultants or contractors are effective — and have put them off in some cases.

### Counter Offensive Against existing Contractors in Public Services

for example:

- collecting and publicising examples of contractors failures to give good service and their bad employment practice in your area and elsewhere.
- publicising any information on poor service or conditions in private residential homes — and the profits they make from public money.
- using information in contractors record elsewhere to discredit companies before they tender for contracts and when decisions on tenders are being made.
- getting information to councillors who are bombarded with advertising materials from firms of contractors.
- organising campaigns to recruit staff in private establishments and those working for contractors in public services into NUPE.
- ensuring that local authorities effectively supervise and monitor standards in private homes and take appropriate action to improve bad conditions.

## CARING FOR PROFIT

### A NUPE/SCAT Anti Privatisation Action Project

This broadsheet marks the start of a national campaign by NUPE beginning in their London and East Midlands Divisions. Our aim is to pinpoint the dangers of cuts and privatisation within social services and arm NUPE members with the arguments, tactics and ideas to counter these threats.

Services to Community Action and Trade Unions (SCAT), the national housing, planning and public service project, has been commissioned to work with us. SCAT has researched and designed this leaflet and will also work with NUPE on the rest of the project, which will include:

- an action kit with more detailed information and ideas for organising
- a national pamphlet exposing the scale of the problem
- a stewards' conference in autumn 1984 to discuss action

If you would like more information, to order more broadsheets, or be involved in any way, please contact:

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