

ROTTEN BOROUGHS

NOB HILL

TORY Suffolk county council announced in September that it was going to cut 30 percent from its £1bn-plus budget by outsourcing virtually all its services. It plans to become a "virtual" council, or what leader Jeremy Pembroke calls an "enabling" one – putting people in touch with privatised services rather than providing them itself.

Pembroke has been waffling since 2005 about becoming an "enabling" council and the huge savings to be achieved by outsourcing on a grand scale. A year earlier Suffolk embarked on a 10-year contract in "partnership" with BT. A joint venture company called Customer Service Direct (CSD) was set up to handle "back office" functions such as human resources, finance, ICT and call centres. Suffolk would pay BT £300m over 10 years while BT would invest £53m in the council's "infrastructure". BT would make a profit and, at the end of the 10 years, the council would have saved itself £66m. Trebles all round!

Alas it hasn't turned out that way. There is no evidence the council is anywhere near achieving £66m in efficiency savings. Quite the reverse, in fact, because the cost to the council has soared by almost double that amount – from £300m to £421m and counting. Nor can anyone at Suffolk identify where, exactly, BT's £53m "investment" has gone.

Senior council officers attempting to wring some value out of the remaining years of the contract were dismayed at the lack of support they received in challenging BT from council leader Pembroke and £220,000-a-year chief executive Andrea "Arndrea" Hill. One senior officer resigned in frustration last June.

Disappointment with Hill deepened after, unbeknown to the public, councillors and most of her colleagues, she accepted BT's hospitality twice in 2009 to go on junkets to the USA. In April she travelled to Boston and stayed at the Hilton Financial District hotel; in November she flew to San Francisco and stayed at the Huntington Hotel on Nob Hill – "a truly prestigious address for savvy corporate travelers". These jaunts were part of BT's Vital Vision "business training" programme, which, as *Eye* 1257 reported, has seen scores of health trust chiefs, chief constables and council leaders flown to Boston and San Francisco for a week at a time to talk bollocks and indulge in a little light sightseeing.

Suffolk is by no means the only local authority to get a poor deal from BT. In 2008 Essex terminated a 12-year, £32m a year contract while it still had three years to run. Last month a report for Liverpool city council concluded that the authority would be £23m a year better off if it scrapped its £70m a year contract with BT, in part because the company had a habit of "excessively marking up" – ie overcharging – for items not included in the original deal to the tune of £10m a year.

● **HATS OFF** to Jason Kitcat, who last week when six-month suspended local standards crime of posting – already available – on YouTube. A tribunals service not impressed by expensive barrister in Beglan, that to other council rescues of council rescues Cllr Kitcat, who was simply a man open democracy. up – comprising fee, the tribunal? the Metropole he officers' time – it witted Tory leader to do some explain resources".

WATER ME

THE dubious la Cotswold Water imploded last week of senior Gloucester who pushed the sale nearly three years ago.

In the face of a locals, a police investigation in the *Eye*, holiday admitted defeat – a handed a disputed local community.

Thomas, chairman what looked like a Grant, disgraced chairman not-for-profit Cotswold furiously flogged publicly-owned Cotswold for a song at the start.

The role of senior as the park freeholder through under a consultation or proper when locals used the get hold of council ledger.

These disclosed from above as reluctantly ordered to remove prevented Thomas building holiday home. The lawyers' warning the public got to know a fortune from the de return of just £1-a-year went unheeded.

So frantic was that vital details over parts of the 85-acre site discovered to his horror.

IT'S GRIM UP NORTH LONDON



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