WILTSHIRE COUNCIL

STAFFING POLICY COMMITTEE 24 NOVEMBER 2010

EXTERNALISATION, PROCUREMENT AND THE WORKFORCE

Purpose of Report

To brief Staffing Policy Committee on the proposed agreement on Externalisation, Procurement and the Workforce between Wiltshire Council and the Council's Recognised Trade Unions. This is in connection with the externalisation of a service involving the transfer of staff.

Background

In 2003, the Office of the Deputy Prime Minister produced a Code of Practice specifying the way in which local authorities transfer staff to a new service provider.

The Code of Practice provides that local authorities and service providers approach outsourcing contracts on the basis that TUPE will apply, unless there are genuinely exceptional reasons for it not to do so. Staff will be transferred therefore to the employment of the service provider on their existing terms and conditions and also either continue to have access to the Local Government Pension Scheme, or offered a broadly comparable alternative.

Following the transition to a unitary authority there is no single agreement for managing and dealing with such transfers, and whilst in the main the former Wiltshire County Council Agreement has been used, bearing in mind the work programme coming up it is now timely for it to be reviewed. A copy of the former Wiltshire County Council Agreement is attached as appendix 1.

Main Considerations for the Council

The absence of not having a single agreed protocol that Officers and the Corporate Procurement Unit are aware of and use is putting the Council in a vulnerable position. We cannot be sure that the Council is adhering the Code of Practice.

The budget savings that the Council is required to make along with the Departmental Service Reviews is likely to result in an increase of consideration for externalisation of some services which could affect staff.

The Trade Unions have been keen for the new Council to agree a local protocol. Following negotiations between representatives from the Corporate Procurement Unit, Human Resources and the Joint Consultative Committee a local protocol has been jointly written and agreed. It is consistent with the Code of Practice, is intended to apply to all outsourcing arrangements and give more details of the various stages. A copy of the revised protocol is attached as appendix 2.

Environmental Impact of the Proposal

None

Equalities Impact of the Proposal

The local agreement will be Equality Impact Assessed.

Risk Assessment

As outlined above not having a local agreement is putting the Council in a vulnerable position. It could also lead to a disharmonious industrial relations climate.

Financial Implications

The Council could be prosecuted for not adhering to the Government's Code of Practice.

There could be additional costs for potential Service providers if they currently have less favourable terms and conditions than staff currently enjoy.

Legal Implications

Having, and adhering to, a local agreement which is consistent with the Code of Practice ensures that the Council complies with its legal obligations.

Proposal

Staffing Policy Committee is asked to:

- a) note the content of this report;
- b) adopt the local agreement; and
- c) agree that compliance with the protocol be confirmed in all recommendations to Cabinet for externalisation involving staff.

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Appendices

- 1. Wiltshire County Council Agreement Protocol on Workforce Matters
- 2. Proposed Agreement: Externalisation, Procurement and the Workforce