

The Unite Trade Union Procurement Strategy Proposal

The Unite trade union wishes to propose a procurement strategy for consideration by the employer. We are concerned to ensure that before a decision is made to market test or outsource services; all other possible options are considered. In addition, we want to ensure more regular and rigorous monitoring once a contract is awarded. Further, we want the employer to work with Unite to avoid a "race to the bottom" as far as pay and conditions are concerned post transfer. It is our experience that despite TUPE, this is increasingly the case.

European Union procurement regulations enable local authorities to take into account the need to ensure quality, continuity, accessibility, availability and comprehensiveness of services, the specific needs and involvement of service users. The Best Value duty and the Public Services (Social Value) Act 2012 give authorities a degree of flexibility in selecting the appropriate award criteria.

Monitoring is a client responsibility and cost irrespective of monitoring carried out by the contractor. The Audit Commission has previously reported that contract monitoring was regularly under - resourced by local authorities.

Unite has been dealing with a number of companies where pay and conditions have been subject to attack following TUPE transfer. Companies have increasingly found ways of legally avoiding TUPE obligations. The legislation after the "Parkwood" case now defines pay and conditions post transfer as "static" meaning companies are not obliged to pay subsequent NJC pay increases. Downward harmonisation, casualisation and lower rates for new starters are on the increase. We therefore wish to discuss the following proposal for a procurement strategy:

PROCUREMENT STRATEGY PROPOSAL

A full service review to assess how in-house provision can be improved and enhanced should be carried out before a decision is made to market test.

If the performance of the service is good or satisfactory, no further action should be necessary.

If the review identifies some weaknesses in service performance it should be retained with a Service Improvement plan.

If the service does not substantively meet performance standards or service needs and fails to achieve improvement targets and timescales then a full options appraisal should be carried out.

Contract award criteria should have a minimum 50% based on quality. Technical criteria and price should account for the remainder.

Quality standards and the methods by which they will be achieved and maintained should be a key part of the evaluation process with a public statement detailing the approach being issued before the award of the contract.

Regular and rigorous monitoring throughout the contract period with monitoring staffing costs accounting for a minimum of 2% of the annual contract value.

The procurement strategy must include protocols on employment policies, trade union and service user engagement in the procurement process.

There should be an aim for common rights for directly employed and contracted out workers.
This to include:

No zero hour contracts

Commitment to minimise use of agency staff

Commitment to abide by the agency worker legislation

Adoption of the London Living Wage Foundation status

No downward harmonisation

Maintenance of full TU rights and facilities post transfer

Setting up of Council/Union oversight committee to enable councillors to deal with union concerns about contractors

Unite the trade union believes that the proposals are a realistic, pragmatic way forward that will allow the Council and the trade union to work together to best protect services, pay and conditions. We hope that the Council is willing to engage in negotiations on the proposals."