

# **“GOOD PRACTICE FOR MANAGING THE PEOPLE CONSEQUENCES OF OUTSOURCING AND PRIVATISATION”**

## **Frequently Asked Questions**

### **1. What is the status of this Guidance?**

For the first time, we have agreed national guidance on good practice for dealing with staff where their functions are being outsourced or privatised. This opens up a new arena for reps to become formally engaged with management over these issues.

It is signed and endorsed by the Cabinet Office and the Council of Civil Service Unions (CCSU), and is further endorsed by the Permanent Secretaries Employee Relations Group. It outlines “good practice” for Departments to follow, and makes clear that these good practices “*should be followed*”. It is an annex to the Civil Service Protocols.

### **2. What new protections does the Guidance offer?**

There are a number of important new concessions and protections which will assist PCS representatives in defending members’ interests when they are faced with the possibility of privatisation or outsourcing.

- The consideration by Departments of rationalising work prior to outsourcing to avoid transferring staff who might otherwise be retained, and to do so “with public service values in mind”.
- The consideration by Departments of the option of continued in-house delivery.
- That Departments should consider a time-limited commitment, possibly within the contract with a proffered bidder, on the avoidance of compulsory redundancies post transfer.
- Earlier and more open consultation with the TUS.

### **3. Does it mandate in-house bids?**

No. But it does, for the first time, suggest that Department should “consider the option of in-house delivery”, and if that option is not allowed the Department concerned must explain the reasons for this to the relevant Departmental TUS. In the context of strong government support for outsourcing, and a hitherto reflex prejudice against in-house bids, this is an important, though obviously limited, step forward. PCS representatives and negotiators should exploit the opening it provides to the utmost.

### **4. Does it mean no further privatisation and outsourcing will take place without trade union agreement?**

No, the Guidance does not extend that far. However, it does provide a significant number of new concessions from the government which will make it easier for TUS to face the threat of outsourcing and privatisation. It does so as official Cabinet Office guidance, and is to be monitored by both the Cabinet Office and the CCSU to ensure that its provisions are being implemented by Departments.

**5. What does this mean for PCS's policy of opposition to privatisation and outsourcing?**

PCS remains implacably opposed to privatisation and other forms of outsourcing. We have made clear to the employer our principled opposition to privatisation, whether to the private or "third" sector, and that we will continue to campaign and lobby against it. In the recent past we have had successes in the NHS Pensions Agency and Forensic Science Service.