

Scrapping two tier code is a regressive step warns APSE

APSE (Association for public service excellence) issued a stark warning today in light of Francis Maude's announcement to scrap the code of practice on workforce matters, which protects workers on outsourced public sector contracts from having different pay and conditions to colleagues working alongside them.

Speaking in response to the decision to remove the 'two tier code' with immediate effect Paul O'Brien, APSE's chief executive said ***'This will be seen to be a regressive step in the public services marketplace. One of the greatest problems with outsourcing in the past was the perception that outsourcing contracts was a means to generate profits from public services at the expense of the workforce. The two tier code was designed to address that. By scrapping the code it reinforces a message that the terms and conditions of the workforce are viewed as expendable.'***

The code has been replaced by a new 'Statement of principles that reflect good employment practice for Government, Contracting Authorities and Suppliers' but this statement does not have any statutory effect and will be merely circulated to suppliers as part of good practice literature.

Government has argued that the Two Tier Code was prohibitive to third sector suppliers bidding for contracts but O'Brien has criticised this move arguing that the main beneficiaries from the scrapping of the code will not be third sector suppliers but the more unscrupulous amongst contracting organisations. O'Brien said ***'There is a danger that less scrupulous contractors will see this as a nod and a wink to return to some of the worst practices of the CCT years. It is likely to create huge tensions amongst the wider public sector workforce and trade unions at a time when local councils are considering a range of new delivery models to cope with cuts of up to 30%. Decent employers had nothing to fear from the two tier code and that included those in the third sector. I would hope that many of the enlightened contractors who provide public services continue to treat all of their staff with equal status.'***

APSE also stated that contractors should not enter negotiations assuming that savings can be made from the workforce and has warned that contractors, and third sector suppliers still needed to vigorously adhere to domestic and European employment rights legislation including the Transfer of Undertakings Protection of Employment (TUPE) regulations.

Ends

Notes to editors

APSE is the Association for Public Service Excellence, a not for profit body working with over 250 councils throughout the UK

APSE supports local councils who deliver frontline public services including refuse and waste collection, highways, winter gritting, street lighting, street cleansing, parks and leisure services, school meals, caretaking and cleaning services as well community venues and civic buildings.

APSE has extensive involvement advising councils on service delivery models in local government. To arrange for interview or for more details about this topic please contact Mo Baines on mbaines@apse.org.uk or mobile 07971 843515.