

Public Services Forum

Supporting the workforce through the effects of the recession

All public sector organisations are coming under increasing pressure to do more for less. In meeting the challenges of the economic downturn, employers and trades unions should encourage partnership working at all times and recognise the expectations and responsibilities of all parties.

To realise the full benefits of the public sector, we need to work in partnership to encourage innovation through our people in day-to-day service delivery and treat all employees fairly and with respect.

This paper outlines some of the main challenges facing the public sector and its workforce. Building on the wealth of good practice in existing local arrangements, the PSF's objective of supporting and encouraging principles of partnership, workforce involvement and public service improvement, this paper sets out examples and principles of good practice for both employers and trade unions in responding to these challenges.

Public service employees are vital in helping people and businesses deal with the recession. It is important that they get the support and the resources they need to help people through difficult economic times and beyond to create a sustainable future.

It is for each sector to determine how these principles apply to their specific circumstances..

Job Security

While spending budgets are, and will continue to be, under considerable pressure, all possible steps should be taken to avoid the recruitment and retention problems last seen in the 1990s. In times of uncertainty, job change and redundancy provisions are needed, in order to set out fair and transparent processes for managing change and minimising the need for redundancy. Public sector employers have an important role to play in tackling worklessness, for instance through their involvement in Local Employment Partnerships and providing opportunities for apprenticeships. It is therefore also important that there are clear principles in place for the use of interns, temporary or agency staff and volunteers, for promoting the employability of the young, socially excluded groups and long term unemployed and for ensuring that aims for service delivery are met in a responsible way.

Principles

Establish clear job planning and redundancy processes in full consultation with Unions throughout
Build on existing, and develop further, opportunities for redeployment within and between public sector organisations, and retraining for affected employees
Consider flexible working options as an alternative to redundancy
Use interns, work experience, temporary staff and volunteers responsibly to support employability and avoid job substitution

Quality of work

Even in tough economic times, public sector employers should still aspire to provide secure and interesting work, flexibility around hours and working arrangements, and safe and healthy jobs.

There are skills gaps and skills shortages in many parts of the public sector. To attract and retain the right staff, employers and Trade Unions will need to provide the sort of environment and conditions that meet the needs of our increasingly diverse population.

Young people make up a relatively small part of the public sector workforce but are critical to the future. Young people are sometimes less attracted by traditional career structures and more by factors such as the chance to learn new skills, flexibility around ways of working, and varied, interesting work.

We also face challenges from the ageing public sector workforce, responding to their needs while responding to the inevitable skills shortages we face as a result of their retirement. Older workers will sometimes require flexible working options and opportunities for training, in order to retain the valuable skills and experience they offer.

The workforce is also becoming more ethnically diverse and predominantly female. The public sector has long been an employer of choice for women and people from Black and Minority Ethnic backgrounds, and employers and trade unions should continue to work together to ensure workplaces value and respect all employees.

The need for good quality learning and development never recedes. Ongoing learning and career development are necessary to attract and retain a highly-skilled public sector workforce needed to deliver public services. Employers are encouraged to continue to invest in learning wherever possible and to adopt and progress the aspirations of the PSF Learning and Skills Task Group, as set out in their publication "Quality Skills, Quality Services".

Investment in the health and wellbeing of employees is also essential. Workplace support and occupational health provision can help reduce instances of work-related stress, can help promote wellbeing and can support employers looking to tackle the reasons for and reduce levels of sickness absence.

Principles

Encourage public sector employers to go beyond their statutory obligations regarding flexible working
Promote the image of the public sector as a good place to work and articulate the value of the public sector pay, benefits and pensions package
Support people facing life changes such as moving to retirement
Support lifelong learning, apprenticeships and career development and the role that can be played by Union Learning Representatives in support of this
Strongly encourage investment in the health and wellbeing of employees, promote wellbeing and aim for reductions in levels of sickness absence

Collective bargaining

The purpose of collective bargaining is to improve the quality of working life and provide an opportunity to address workplace issues which will ultimately lead to better, more successful and productive organisations. Collective agreements can be a cost-effective way, as well as consensual way of getting things done, but only a high trust relationship, with real commitment from both sides, can lead to constructive bargaining.

The suitability of the different approaches to collective bargaining depends upon the sector in question. National and departmental pay bargaining, pay review bodies and social partnership arrangements all have a key role to play in determining a fair, affordable, sustainable approach to public sector pay.

Principles

Support existing structures of collective bargaining in the public sector - national and departmental pay bargaining, pay review bodies and social partnership arrangements where applicable

Commit to working in partnership to achieve sustainable and affordable outcomes

Continue to review and modernise pay and terms and conditions at national and local level as appropriate and ensure discussions take due account of the prevailing economic circumstances and funding that will be available in the short and longer term

Maintain a commitment to the joint PSF Pay and Reward Principles

Respect and trust in the workplace

Partnership in the workplace builds respect and trust and can create constructive dialogue about how work is done. Employee and union engagement is important in order to shape the development and design of services to the benefit of employees and service users. It is the responsibility of all parties to keep that engagement constructive. Public sector employees are a valuable knowledge asset on what works best and how things can be improved.

Engagement with employees and unions can help foster a constructive focus on productivity within the workforce. Productivity should be about highly performing, evolving services that are efficient and cost-effective and not necessarily about job losses or working harder for less.

Public sector employees, who feel that their work is valued and that their voice is heard, feel more able to make positive contributions to the productivity of their own organisation. There is a clear productivity dividend to be gained by all parties contributing equally and constructively towards employee engagement in the workplace. Lack of engagement can lead to poor decision-making, demotivated staff, lack of innovation, and wasted time.

Trade unions and public sector employers are willing to get involved in discussions about service improvements and improved productivity, as evidenced by the Drive for Change initiative. This could appropriately mean making better use of resources and the sharing of services and functions in such a way as to improve workforce flexibility during difficult economic times.

Principles

Engage in regular constructive dialogue to discuss service changes. Where appropriate use the Drive for Change model of engagement.

Involve Trade Unions at the earliest opportunity in any service changes and give appropriate opportunities to contribute

Enable appropriate time off for trade union representatives' learning and development

Encourage opportunities for all employees and especially those with constant, direct access to the public, to demonstrate their ideas for innovation and improvement

Explain in partnership the need for agreed change to employees and work together to promote agreed new ways of working

Support for Jobs

The public sector can lay the foundations for recovery by creating the economic conditions for regeneration and sustainable employment and promoting the continued importance of skills development. Partnership working and an appreciation of the many initiatives available to support job creation can enable the public sector to play a leading role in getting young people into work, slowing the rise of long term unemployment and driving economic recovery.

Principles of Good Employment Practice

Job Security

1. Establish **clear job planning and redundancy processes** in full consultation with Unions throughout
2. Build on existing, and develop further, **opportunities for redeployment** within and between public sector organisations, and retraining for affected employees
3. Consider **flexible working** options as an alternative to redundancy
4. Use interns, work experience, temporary staff and volunteers responsibly to **support employability** and avoid job substitution

Quality of Work

1. Encourage public sector employers to go beyond their statutory obligations regarding **flexible working**
2. Promote the image of the public sector as a **good place to work** and articulate **the value of the public sector pay, benefits and pensions package**
3. **Support** people facing **life changes** such as moving to retirement
4. **Support lifelong learning, apprenticeships and career development** and the role that can be played by **Union Learning Representatives** in support of this
5. Strongly encourage investment in the **health and wellbeing** of employees, promote wellbeing and aim for reductions in levels of sickness absence

Collective Bargaining

6. Support existing **structures of collective bargaining** in the public sector - national and departmental pay bargaining, pay review bodies and social partnership arrangements where applicable
7. Commit to working in partnership to achieve **sustainable and affordable outcomes**
8. Continue to **review and modernise pay and terms and conditions** at national and local level as appropriate and ensure discussions take due account of the prevailing economic circumstances and funding that will be available in the short and longer term
9. Maintain a commitment to the joint **PSF Pay and Reward Principles**

Respect and Trust in the Workplace

10. Engage in **regular constructive dialogue** to discuss service changes. Where appropriate use the **Drive for Change** model of engagement.
11. **Involve Trade Unions** at the earliest opportunity in any service changes and give appropriate opportunities to contribute
12. Enable **appropriate time off** for trade union representatives' learning and development
13. **Encourage** opportunities for all employees and especially those with constant, direct access to the public, to demonstrate their **ideas for innovation and improvement**
14. **Explain in partnership** the need for **agreed change** to employees and work together to promote **agreed new ways of working**