

# Joint statement on access to skills, trade unions and advice in government contracting

This Joint Statement has been developed and agreed by the following organisations in partnership with Government and as part of the work of the Public Services Forum:

- Cabinet Office
- Trades Union Congress
- CBI
- Association of Chief Executives of Voluntary Organisations
- Business Services Association
- National Council of Voluntary Organisations



The Public Services Forum (PSF) was formed in 2003 to improve dialogue between Government, trade unions and public service employers.

The Forum's core objective is to deliver excellent public services for all by bringing together public service partners – Government, trade unions and public, private and third sector employers – to work collectively on public service workforce issues.

# Foreword

As Chair of the Public Services Forum I am delighted to present this new Joint Statement on Access to Skills, Trade Unions and Advice in Government Contracting. Its aim is to improve the quality of services delivered under Government contracts by raising the skills of service providers' employees and by helping to ensure fair treatment.

For the UK to compete in the modern global economy, a world class skills base is needed. Government has set a challenging target to ensure almost all adults (95%) have basic literacy and numeracy skills by 2020. It is important for Government to lead by example in making progress on this agenda, and to provide a framework for social partners to do the same. This Joint Statement will give many of those who work on Government contracts the opportunity to develop basic skills they may currently lack. This will have benefits for those who use public services, the individual employee and for the employer.

Access to trade unions and advice will help lower-skilled workers access valuable information regarding their working lives. This is particularly relevant for those employees who have little knowledge of their rights at work, or where to go for advice.

The Joint Statement sets out how the procurement process (where Government spends over £160 billion every year) can be used to promote action on access to skills, trade unions and advice. The Joint Statement also sets out voluntary actions for Government, service providers and trade unions. Only by working in partnership and at different levels can we achieve real progress.

A Task Group of the Public Services Forum consisting of Government, trade unions and the private and third sectors worked in collaboration to develop this Joint Statement. I would like to thank all the participants for their hard work, contribution and their ongoing commitment to the work the Statement sets out.

## **Tom Watson MP**

*Chair, Public Services Forum and Cabinet Office Minister*



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# Joint statement on access to skills, trade unions and advice in government contracting

## Aim

This Joint Statement by the Government, trade unions and private and third sector employer organisations aims to improve the quality of services delivered under government contracts by raising the skills of service providers' employees and to help ensure fair treatment. It supports *Skills for Life*, the national strategy for improving adult literacy, language and numeracy skills, and *World Class Skills*, implementing the Leitch Review of Skills in England.

Our aim is to ensure that employees working on Government contracts<sup>1</sup> to deliver public services are recruited, retained and motivated to deliver high quality services. This will bring benefits for the economy, the public and the taxpayer as well as the government, its service providers and their employees. To achieve this aim, all employees delivering Government services, whoever their employer, should be given access to training for basic skills and, should they wish it, access to trade unions and to sources of advice. These objectives already form part of the Government's policies for its own employees. The Government has committed through the Skills Pledge (**Annex A**) actively to encourage and support all its own employees to acquire basic literacy and numeracy skills, and work toward their first full Level 2 qualification in an area that is relevant to their business. Our purpose is that employees providing public services but employed by private or third sector service providers should be similarly supported.

## 1. Access to basic skills training

Basic skills<sup>2</sup> will be relevant to the performance of most Government contracts to a reasonable standard of quality and efficiency. Many employees will already have these skills but our objective is to ensure that all those providing contracted Government services have access to basic skills training if they need it, whether they are employed by public, private or third sector organisations. This will not disadvantage contractors whose employees do not already have such skills since the government will provide full funding to train employees in basic literacy and numeracy skills through the *Train to Gain* scheme. *Train to Gain* will also give all service providers working on Government contracts free access to a skills broker who can identify skills needs and then help the service provider to source appropriate training provision.

We also wish strongly to encourage further development of service providers' employees' skills towards a first full Level 2 qualification – also funded by *Train to Gain* – because this will bring benefits both for contract delivery and the wider goals set out in the Skills Pledge, which we strongly encourage employers to sign. Match funding will also be provided to support English as a second or other language (ESOL) training. In addition, employers with fewer than 50 employees can claim a contribution towards the costs of releasing staff for training. To make the most of these opportunities, employees may need to commit personal time to further study or training.

<sup>1</sup> This means contracts, for example cleaning and security, with central Government departments. It is the Government's aspiration to extend the Joint Statement beyond central Government Departments to other parts of public services. This is subject to evaluation of its impact in central Government (as set out in section 4 of this Joint Statement), and further discussion on the detail of any possible implementation.

<sup>2</sup> Basic skills are defined as Level 1 literacy (equivalent to GCSE English at grades D-G) and Entry Level 3 numeracy (one level below Level 1).

In letting and managing public contracts, Government contracting organisations will recognise the importance of basic skills to service delivery by:

- a) **using the formal procurement process**, to identify on a contract by contract basis the basic skills which will be needed for successful contract delivery, taking into account whole life cost, quality of service, and value for money. There is an expectation that contracts will include a requirement for employees to have, or acquire, basic skills, and their relevance to the contract will need to be made evident. For example, such skills are important for staff dealing directly with the public.<sup>3</sup> Commissioning authorities will ensure that such skills-related criteria are reflected in the contract specification and taken into account in assessing tenderers.
- b) **including in government contracts**, performance conditions requiring government contractors to provide access to basic skills training, in accordance with the public procurement framework.
- c) **monitoring contract performance**, to ensure that employees delivering the services have the necessary basic skills to provide the quality and efficient services specified.

In addition, outside the formal procurement process as part of good relationship management, contracting organisations will work with service providers to:

- highlight the importance of the skills agenda to the Government through regular dialogue with service providers and/or distribution of relevant literature on the skills agenda/pledge;
- **raise awareness of the availability of *Train to Gain*** to employees to access further skills training at basic level and up to Level 2;
- **encourage service providers to sign the voluntary Skills Pledge** as part of further improving performance and raising the standard of public services – and highlight the benefits of so doing;
- **facilitate service providers' employees' access to**

**basic skills training**. This might include, where practical, permitting training at workplace facilities, sharing in-house expertise or, where cost-effective, sharing training programmes; and

- **encourage and support voluntary further basic skills development** and training by the service provider.

Private and third sector service providers recognise the importance of a skilled workforce in delivering improved public services. Once it has been determined that basic skills are directly relevant to successful delivery of a contract:

- potential services providers will be expected to be ready to **provide evidence of capability to deliver** a value for money service, including evidence that their workforce has the relevant basic skills, when tendering for Government contracts; and
- service providers will be expected to **identify and plan to acquire and meet the basic skills needs** of all relevant employees.

In addition, service providers should consider whether, by signing a commitment to the Skills Pledge, they might better meet their business needs by encouraging and facilitating their employees' access to training up to Level 2 through *Train to Gain*. In some cases *Train to Gain* can be used to help fund skills training at Level 3.

Outside the formal procurement process, as part of wider partnership and in line with good practice more generally, service providers will:

- Work with contracting organisations, for example sharing in-house training facilities, sharing expertise or, where cost effective, sharing training programmes;
- Train all employees to do their job, whatever their role, profession, previous qualification or working pattern (including, for example, those working part time; we would also expect this to apply to voluntary workers); and
- Encourage employees to develop their employability, both on the job and in their own time, as appropriate.

<sup>3</sup> Annex B sets out Office of Government Commerce advice on how workplace skills should be addressed in the formal procurement process. Further illustrations can be found at Annex C.

Trade unions and Union Learning Representatives will help implement this Joint Statement, in partnership with Government organisations and their service providers. This could include promoting basic skills issues with current and potential service providers, encouraging them to make a commitment to the Skills Pledge, assisting them in engaging with a *Train to Gain* Skills Broker, and encouraging employee take-up and application of training opportunities. This includes encouraging employees to develop their employability, both on the job and in their own time, as appropriate.

**Meeting costs.** We do not intend to impose unnecessary costs on service providers or on Government contracts. Government will fund the main additional costs through *Train to Gain* (including engagement and brokerage costs) as set out above and, for employers with fewer than 50 employees, Government will also make a contribution to the costs of releasing staff from their normal duties to undertake agreed training. Service providers' costs will be limited to identifying employees with basic skills needs and working with their *Train to Gain* broker to facilitate attendance at appropriate training programmes.

## 2. Access to trade unions

Employee involvement is a key ingredient of successful public service delivery, and it is particularly important that service providers and commissioners engage with employees in order to achieve staff buy-in and high standards of service. Trade unions play a valuable role in the workplace, for example as an established source of help and information to their members, and represent their members' views. The principal aim of this section of the Statement is to ensure that, whoever their employer, employees working on contracted Government services can access trade unions, should they wish to do so. Other sources of advice and support are covered in the next section. Many service providers recognise trade unions, frequently through a TUPE transfer where a service has been contracted out, and there will be procedures in place for individual

employees to access the relevant union.<sup>4</sup> This Statement is particularly relevant to good practice where there is no such union recognition.

Government will continue to work in partnership with trade unions, public, private and third sector organisations to ensure individual rights in relation to trade unions are properly and consistently applied. To support the aims of this Statement, Government organisations commissioning and monitoring contracts for services will encourage service providers to:

- provide information on trade unions (as set out at **Annex D**); and
- communicate this information to their employees in a timely and appropriate manner.

All service providers contracted to Government organisations are required, like all employers, to comply with the law on trade union membership and treat employees fairly. In support of the aims of this Statement, service providers should actively communicate with their employees and, where appropriate, seek to build good relations with trade unions (see **Annex D**). In particular, service providers are strongly encouraged to communicate the information on trade unions in that Annex to their employees. This should be done in ways that fit with their business processes, for example on notice boards, in the employee handbook or during their induction. This is to ensure that all employees can access information, advice and support at work and understand their rights in relation to trade union membership.

Trade unions will continue to work in partnership with service providers and Government to contribute to improving public service delivery. In particular, as already described they will promote relevant learning opportunities for all employees and will also contribute, including through Learning Representatives where present, to address workplace issues, such as facilitating training opportunities and encouraging employees to take them up.

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<sup>4</sup> This statement will apply to all Government contracts, not just those subject to a TUPE transfer.

### 3. Access to advice

This section outlines practical steps that contracting organisations and service providers can take to help employees working on Government contracts to access useful advice about their working lives and rights at work. This may be particularly relevant for those whose basic skills are limited. A great deal of information about company policies and employment rights and how these apply to employees will be outlined in the company or staff handbook. **Annex D** lists a range of sources which complement, rather than duplicate, this.

Government will continue to provide information in an accessible form which enables people to understand their rights at work and to access trusted sources of advice through resources such as **www.direct.gov.uk** and the Acas helpline, which provide free, impartial advice. Government contracting organisations will assist service providers by providing them with the information at **Annex D** about sources of advice for appropriate use with their employees.

In support of this Statement, service providers working on Government contracts should take active steps to enable employees to access such advice, including through their own line management and HR organisations and trade unions, where they are recognised. The emphasis should be on enabling and signposting access to advice, rather than providing personal or prescriptive advice. In particular, service providers are encouraged to communicate such information in a timely manner that fits with their business processes for example, in their induction pack or staff handbook, on notice boards or through electronic communications.

Trade unions will also continue to work in partnership with service providers and Government to ensure their members have access to basic advice and information, as set out in **Annex D**.

### 4. Review

We will hold an initial review of all these arrangements within six months through the PSF and thereafter monitor progress against all our objectives annually, including an assessment of the extent to which anticipated benefits are being realised. This review should also monitor the impact on the procurement process, including monitoring the impact on small businesses and checking that there are no unexpected costs or other unintended consequences. This should include case study examples of Government contracts with the Joint Statement embedded.

In particular, we will measure the impact on access to basic skills. This will be done by cross-matching data from procurement leads with information that DIUS / LSC gather about companies actively engaged in *Train to Gain*, to help track progress on the Joint Statement and by conducting a sample survey of cross-matched companies to identify those who were engaged in training as a result of the Joint Statement. *Train to Gain* brokers will contribute to intelligence gathering. We will also review progress in engaging employers in signing the Skills Pledge.

## Annex A – The Skills Pledge

Employers signing the Skills Pledge commit to:

- “Actively encourage and support our employees to gain the skills and qualifications that will support their future employability and meet the needs of our business/organisation;
- Actively encourage and support all our employees to acquire the basic literacy and numeracy skills, and with Government support work toward their first Level 2 qualification in an area that is relevant to our business/organisation; and
- Demonstrably raise our employees’ skills and competencies to improve company/organisation performance through investing in economically valuable training and development.”

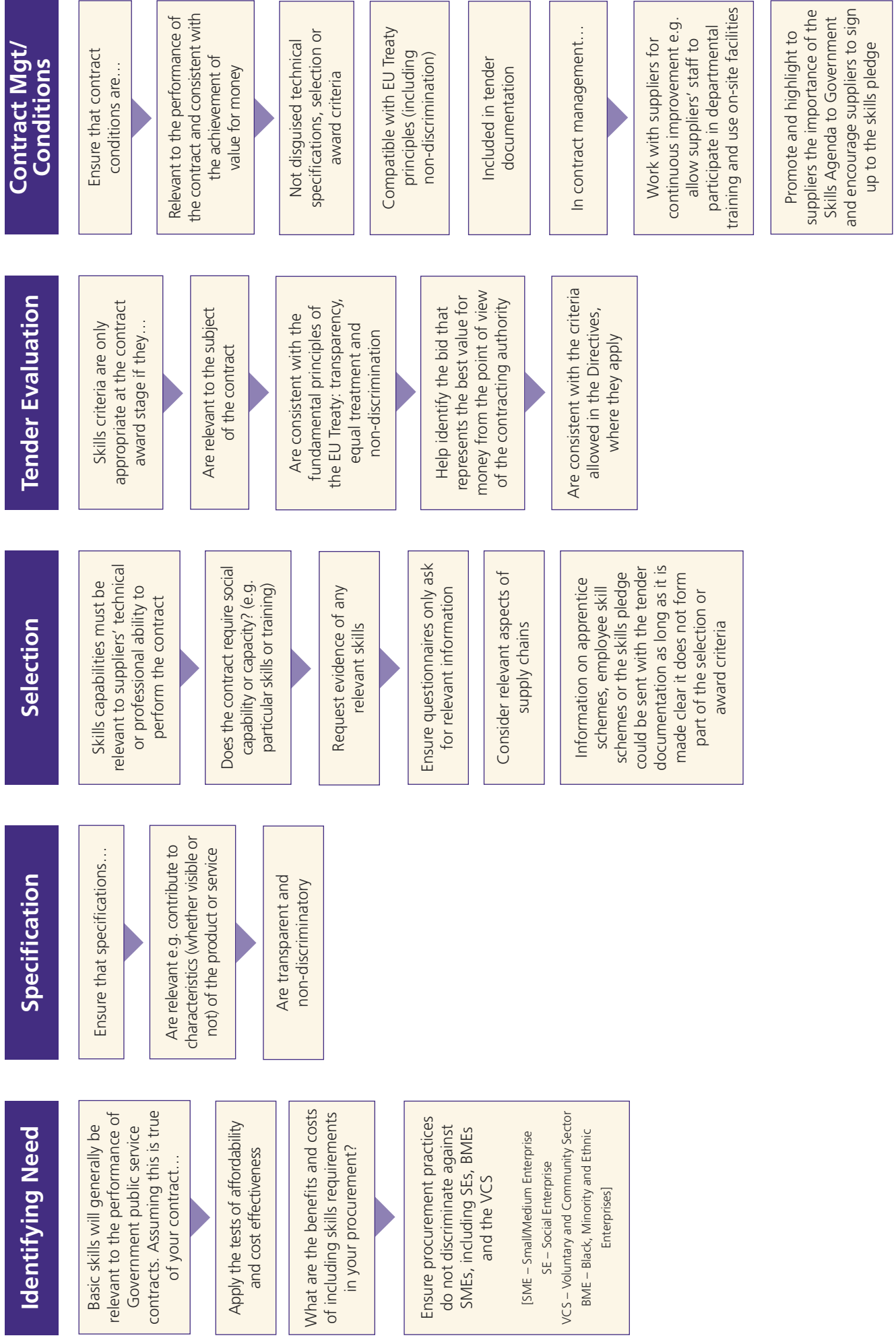
The Leitch implementation plan (*World Class Skills*, DIUS, July 2007) emphasises that “each employer should specify the scale, scope and timetable for delivering their Skills Pledge”; this should include a commitment both on basic skills and a first Level 2 qualification.

## Annex B – Workplace skills and the procurement process

EU procurement rules and the Government’s procurement policy provide scope for incorporating workplace skills in the public procurement process in circumstances where skills are relevant to the subject of a contract, and therefore increase value for money and service delivery. Office of Government Commerce guidance is available on the extent to which workplace skills can be incorporated into the procurement process. Contracting authorities should continue to award contracts on the basis of value for money, taking into account whole-life costs.

A diagram illustrating the process can be found overleaf.

## Annex B – diagram of workplace skills and the procurement process



## Annex C

This section provides further background and illustrative examples about access to basic skills training

### Illustrative examples on skills in the procurement process:

#### Example 1

*Skills are directly relevant to the subject matter of the contract and are included in the specification for consideration at selection stage*

A Government Department needs to buy in security services from a service provider, for which basic skills are relevant. The Department decides that it requires security staff to have spoken English in order to interact with members of staff and visitors and written English for example, in order to fill in the Department's forms. Basic maths skills are also required to add up visitor numbers. In this case, the service provider's staff are required to possess these skills in order to qualify for the contract.

Potential service providers are expected to provide evidence of capability to deliver a value for money service, including evidence that their workforce has the relevant basic skills, in this instance spoken English and basic maths skills.

The company that has submitted the winning tender is chosen and awarded the contract, and appropriate performance conditions are included in the contract. The Government Department monitors the contract to ensure that the skills it requires are present and that the company's employees are competent in the tasks they have to perform and can follow relevant procedures such as health and safety and security rules.

#### Example 2

*Skills are relevant, but are not included as a necessary pre-qualification requirement*

A Government Department needs to buy in cleaning services from a service provider, and knows that basic skills are likely to be relevant to the contract.

The Department seeks to publicise the Skills Pledge and so includes some information about it with the invitation to tender documents. While the Department makes it clear that this is not part of the formal procurement process and that tenderers will not be assessed on it, nonetheless it signals the Department's commitment to skills investment and improvement (i.e. its organisational values).

The Department considers that pre-existing basic skills are not necessary for staff working on this contract and does not include a requirement for pre-existing basic skills in the selection criteria. The Department decides to set conditions related to the effective performance of the contract. The Department sets this out in the Official Journal of the European Union (OJEU). This means that potentially unskilled employees will be eligible to begin working on the contract, but that they should receive access to basic skills training as they work on the contract. The company that has submitted the winning tender is chosen and awarded the contract, and the appropriate performance conditions are included in the contract.

The performance conditions state that the company needs to demonstrate to the Government department that adequate training is ensured for their contracted workforce, and that they have planned to improve the skills of those employees to a basic level. The Government department will ask the service provider

to demonstrate this and may ask the service provider to collect and retain documentary evidence related to this. The Government Department monitors this through its performance management arrangements.

As part of its ongoing relationship management outside the procurement process, the Department also seeks to show the company the benefits of signing the Skills Pledge if it has not already done so. Trade unions operating in the Government department and the cleaning company will encourage the service provider to sign the Skills Pledge and will encourage employee take-up and application of training opportunities.

## Government support for skills training

Research shows that 1.3 million people go to work every day without the skills they require to do their job proficiently.<sup>5</sup>

The Learning and Skills Council's *Train to Gain* service provides impartial, independent advice on training to businesses across England. Government will provide funding to train employees in basic numeracy and literacy skills through the *Train to Gain* scheme. *Train to Gain* will also give all service providers working on Government contracts free access to a skills broker who can identify skills needs and then help the service provider to source appropriate training provision.

There are also a number of ways in which Government organisations can help those working on their contracts to acquire basic skills. These include:

- support from an in-house learning and development team for suppliers in undertaking a basic skills audit / developing a basic skills training plan;
- sharing an in-house programme of basic skills training with all relevant suppliers;
- running a briefing session for the service provider on Government / the organisation's approach to basic skills training, and the opportunities on offer; and

- working in partnership with trade unions and Union Learning Representatives where appropriate, and with service providers, to promote basic skills. For example, assisting service providers to engage with a *Train to Gain* Skills Broker, and encouraging employee take-up and application of training opportunities.

## The impact of skills training

Improving skills levels or developing new skills has benefits for the individual and employers, as well as improving social inclusion. The Leitch Review of Skills concluded that improving our skills levels can help to address child poverty, poor employment rates and income inequality.

For the employee, good quality training and the acquisition of new or improved skills, can produce benefits, such as improved confidence, in addition to tangible benefits such as specific functional skills that can be from there on applied within and outside the workplace. Gaining access to new, or developing existing skills, can lead to better job prospects and, in turn, improvements in salary and overall quality of life, reducing social inequalities.

For the employer, ensuring that employees have the right skills to do the best job can lead to greater productivity (if a workforce is enabled to take advantage of developments in technology; or improved customer service levels for the client) and greater workforce stability.

<sup>5</sup> [www.traintogain.gov.uk](http://www.traintogain.gov.uk)

## Annex D – Access to skills, trade unions and advice

*The information in Annex D is also available as a separate employee handout*

### Information about Unions

This section summarises the basic information about trade unions and legal rights concerning trade union membership which should be given to employees.

A trade union is an organisation of workers that aims to protect its members and represent their interests. Trade unions provide a range of services and advice to their members that can include legal advice, financial assistance, sickness benefits and education facilities. The services offered by a union vary depending on the organisation and workplace. A trade union can, for example, give expert advice about skills and learning, including what training members may need, or how to access it. Sometimes that advice is provided at the workplace where there are Union Learning Representatives.

Union members have a right to access and make use of the services offered by their union at an appropriate time. An "appropriate time" includes both their own time outside work and any work time agreed between the employer and the union. Members cannot be penalised or treated unfairly by their employer for

taking part in union activities at an appropriate time by, say, attending union meetings.

Union members facing a disciplinary or grievance hearing have a right to be accompanied by a union rep or official, provided that they make a reasonable request to their employer to be accompanied and provided the union agrees to help them. It has always been good employment relations practice to allow a worker to be accompanied. Further information is available from Acas, see below.

Joining a union is not compulsory; it is the free choice of the worker. Members usually pay a weekly or monthly subscription. Employees should be told that they will not be penalised for joining a union; their legal rights include the right not to be dismissed, selected for redundancy, penalised or treated unfairly by their employer on the basis that they do – or don't – belong to, or are thinking of joining, a trade union.

Employees are of course free to attend union meetings or have other face-to-face engagement with trade unions in their own time. Good employers respect these rights and some welcome unions on to their premises at agreed times.

Further information is available from **[www.TUC.org.uk](http://www.TUC.org.uk)** or **[www.acas.org.uk](http://www.acas.org.uk)**

## Advice on life at work and skills

It is important for everyone at work to be given access to advice and information about their job, or to know where to go for further help. This section gives some basic information and advice about life at work and where to go for further help, which should be given to employees.

There are many sources of advice and support available to staff, including employees' line managers, HR, unions and staff council representatives. Impartial advice is also available outside of the workplace through agencies such as Acas, the [www.direct.gov.uk](http://www.direct.gov.uk) website and Citizen's Advice Bureaux – see list of contacts below.

If employees want to speak to someone about their job, or any aspect of their working life, it is important to speak to someone who is informed, and receive accurate and relevant advice. In the workplace, the following people may be able to help and give advice:

- Their line manager
- A member of staff in the Human Resources or Personnel Department
- A trade union rep or official
- A representative of a staff council or a staff group, where these exist.

If employees would rather speak to someone outside of the workplace, or would just like to read some general background information, there are also other trusted sources of advice available free of charge, including:

### **Advisory, Conciliation & Arbitration Service (Acas)**

Acas provides free, confidential and impartial advice on a wide range of employment and industrial relations matters to individuals, employees and employers.  
Information line: 08457 474747  
[www.acas.org.uk](http://www.acas.org.uk)

### **Working Families**

Working Families provides information and advice on employment rights, childcare and flexible working.  
Information line: 0800 013 0313  
[www.workingfamilies.org.uk](http://www.workingfamilies.org.uk)

### **National Association of Citizens Advice Bureaux (NACAB)**

Citizens and Advice Bureaux provide advice and information on a whole range of rights from debt or immigration issues to consumer and employment problems. They provide free information and advice from over 3,000 locations in the UK.  
[www.nacab.org.uk](http://www.nacab.org.uk)

### **Equality and Human Rights Commission**

The Equality and Human Rights Commission enforces equality legislation on age, disability, gender, race, religion or belief, sexual orientation or transgender status.  
Main Helpline: 0845 604 6610  
[www.equalityhumanrights.com](http://www.equalityhumanrights.com)

Trusted online sources of advice about life at work include:

### **DirectGov**

DirectGov provides information on topics ranging from parental leave to local NHS services. The employee pages provide information about employment rights and responsibilities. Home page:  
[www.direct.gov.uk](http://www.direct.gov.uk)  
Employee pages:  
[www.direct.gov.uk/en/employment](http://www.direct.gov.uk/en/employment)

### **Worksmart**

Worksmart is a website run by the Trades Union Congress which provides help and information on workplace issues for union and non-union members. It is an easy to use, comprehensive guide to employment rights and to keeping well at work.  
[www.worksmart.org.uk](http://www.worksmart.org.uk)

## Developing your skills

If you have been handed this document, your employer will be working in partnership with Government to ensure you have access to the basic skills you need to do your job. In addition to the opportunities offered to you by your employer, the following specialist organisations may also be useful in providing information about training and learning opportunities to help develop new or improve existing skills:

### Learning and Skills Council (LSC)

The LSC is the government agency responsible for co-ordinating adult learning activities nationally and locally in England.

Information line: 0870 900 6800

[www.lsc.gov.uk](http://www.lsc.gov.uk)

### unionlearn

unionlearn is run by the Trades Union Congress to promote learning opportunities for union members.

Information line: 020 7079 6920

[www.unionlearn.org.uk](http://www.unionlearn.org.uk)

## Minimum wage

Almost all UK workers have a legal right to a minimum level of pay, called the National Minimum Wage. The level is set by the government each year. For more information, you can call the **National Minimum Wage Helpline on 0845 6000 678**.

## Income tax and National Insurance

You do not pay tax on all of your income. The amount of income tax you pay depends on how much you earn and your taxable allowances. You may also be liable to pay national insurance contributions to the Government. Again, how much you pay will depend on how much you earn and your employment status

(e.g. if you are self-employed). You may also be eligible for tax credits if you are on a low income or have dependent children. If you would like to find out more, speak to Citizens' Advice or look at the Worksmart website listed above.

## Your job

Your employer will provide you with information about your job and the terms of your employment e.g. how many paid holidays you are entitled to and what you earn. You can speak to any of the sources of advice listed above if you need further help or advice about this, including what information you should have about your job, and who can give it to you if you don't have it already.

For example, you may wish to find out about:

- How to join a trade union;
- What your rights are if you are, or are about to become, a parent, including your right to maternity, paternity and adoption leave;
- The right to be accompanied if you are facing disciplinary proceedings;
- What support and advice is available if you feel you are being discriminated against, or if you are being bullied.

## Health and safety at work

Your employer must ensure that your workplace is safe and healthy. As an employee you have rights and responsibilities for your own wellbeing and that of your colleagues. Many organisations, including unions, will provide further advice if needed and The Health and Safety Executive (HSE) is the official body which provides information and advice on all aspects of health and safety at work. Call **HSE's information line: 0845 3450055** or see [www.hse.gov.uk](http://www.hse.gov.uk)

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