



## Redundancy and the community and voluntary sector

Don't overlook the community and voluntary sector when you're developing your campaign strategy – transfers, cost cutting and actual redundancies could be taking place. This factsheet explains what to look out for, and what you can do to protect members.

### Transfers

Local authorities may try to cut costs by transferring work previously done in-house. In these circumstances the local authority will usually say that instead of direct provision it will make a grant to a voluntary organisation or enter into a contract to provide services.

You need to ensure:

- that the Best Value Code of Practice (for England and Wales) or the Section 52 code (For Scotland) is applied
- the voluntary sector organisation has 'admitted body status' to the Local Government Pension Scheme and that members are able to remain in the LGPS
- there is a binding commitment on the local authority to meet extra pension costs stemming from future actuarial reviews of the LGPS
- that funding or any grant or contractual arrangements fully fund the service, take inflation into account and include proper provision for pension contributions and future pay awards (often voluntary sector organisations will submit budgets that fail to properly take account of inflation or include proper provision for pension contributions).

### Cost-cutting

Local authorities may try to save money by reducing what they spend with the voluntary and community sector – either by ceasing to renew contracts or entering into new and cheaper contracts.

What can you do?

- consult UNISON representatives from the voluntary and community sector and involve them in developing branch strategy
- seek budget provision to achieve parity with NJC pay and conditions
- ensure local authorities review their policies and take a 'fully funded' approach to the voluntary and community sector
- funding strategies recognise that voluntary and community sector organisations are increasingly reliant on short-term funding arrangements – to sustain the voluntary and community sector, the local authority needs a strategy for sustainability
- where redundancies are proposed, ensure all staff are treated the same, whether or not they are directly employed.

### Redundancies

Some community and voluntary sector employers are themselves proposing to make people redundant. In these circumstances, branches will want to:

- lobby funders (usually the local authority or primary care trust) to fund services better so as to avoid job losses
- find out what cash reserves the voluntary sector organisation has – can some of this be used to avoid redundancies without threatening the stability of organisation?
- talk to members – they often have a much better idea than management about the best way to restructure. Maybe they can make counter-proposals?
- recruit and organise.