SERCO PAY LATEST (1 August 2017)

After refusing Serco’s offer of a 1% rise on basic pay (excluding spine points and London Weighting, thus taking staff away from Agenda for Change) on 14 June, UNISON advised members to reject this in a consultative ballot. By the 2nd week of July, all members who voted have rejected the Serco offer.

After discussions with our stewards (both Trust and Serco employees), UNISON presented Serco our three basic positions (minimum demands which we are not going to retreat from) at our Greater London office on 13 July:

1. Full implementation of the 2017/18 Agenda for Change (AfC) pay award for all who were on Retention of Employment contracts. Future AfC pay awards should also be implemented;
2. The Barts Health Human Resources policies and procedures should remain operative until a proper agreement has been reached between Serco and the unions;
3. A commitment by Serco to move all staff currently on the London Living Wage (LLW) onto AfC.

Why Agenda for Change?
Right from the beginning of this dispute, UNISON’s position has always been that everyone who works in the NHS should be on AfC. It’s much more than the basic pay, here are some key benefits:

The standard working week is 37.5 hours.

Annual leave including public holidays is: 35 days a year for the first 5 years; 37 days a year after 5 years’ service; 41 days a year after 10 years’ service.

When staff work more than 37.5 hours a week, they are entitled to overtime payments of: 1.5 times the hourly rate for every hour of overtime worked and 2 times the hourly rate on bank holidays;

High Cost Area Supplement for inner London from April ’17 is a minimum of £4200 and £3553 for outer London.

Unsocial hours payments for: a) All time on Saturday and weekdays 2000 to 0600 and b) All time on Sundays and public holidays. For Band 1 staff: a) 1.5 times hourly rate, b) double rate; For Band 2 staff: a) 1.44 times hourly rate, b) 1.88 times hourly rate.

Occupational Sick Pay: From 1 month’s full pay to 2 months’ half pay during the first year of service rising to 6 months’ full pay and 6 months’ half pay after five years of service.

Job Evaluation: as we said in our last issue, a joint campaign by trade unions in Scotland (including UNISON and Unite) have resulted in almost all Band 1 workers being lifted into Band 2 (incl. Serco employees), giving our members a £3000-plus pay rise.

A worker on LLW gets none of the above, and way less pay. It is common sense to fight for AfC for all.
Unite pay claim

Instead of engaging in joint trade union action to better the lot of workers on the basis of AfC, Unite unfortunately never approached UNISON to discuss the possibility of submitting a joint pay claim to Serco. Unite has also not shown an interest in working with UNISON to address the root issue: the contract Barts Health and Serco have signed, apparently based on LLW and not AfC—which took more than a thousand staff off AfC.

Nevertheless, UNISON have done all we can to not be in the way of Unite’s strike: We’ve advised members that they are not obliged to cover strikers’ work; our colleagues in Scotland have protested Serco’s attempt to recruit staff there to cover the strike; our stewards’ meetings have been held off-site and we have not been attending meetings with the Trust on Unite’s strike days. Still, we are saddened to report that some of our members have been subjected to verbal abuse by Unite officials.

Unite’s official pay claim and leaflets don’t mention AfC at all. Instead, it’s based on “a bigger share of Serco’s profits”. This is a deeply wrong argument, tying NHS staff’s future to the profit and loss of a private company.

In 2016, Serco’s underlying trading profit was £82m, but they made an overall loss of £1.1m after tax. In 2015, they made a loss of £153m after tax. (p.11, Serco Investor Pack, Spring 2017) Serco’s share price has dropped from about 675p in July 2013 to today’s 110p. Serco’s net cash flow for 2015 and 2016 were about £34m in the negative. We should know while Serco’s 2016 revenue in the world was about £3bn, Barts Health’s turnover was £1.4bn. According to Unite’s logic, wouldn’t it “make sense” to ask for a pay cut?

What is to be done?

On 17 July, Serco responded to UNISON’s three basic positions. They agreed to pay the full 2017/18 AfC pay award and discuss with the unions about the HR policies and procedures. However, as expected, Serco would not pledge paying AfC in the future, nor moving workers on LLW to AfC, saying this is linked to their contract with the Trust.

After a series of stewards’ meetings last week, UNISON decided to communicate the above to all our members. We would like Unite’s leadership to consider settling the dispute on the basis of our proposal, and begin joint work in asking the Trust Board to review their contract with Serco, with the aim of defending and extending AfC coverage. The reader should know that if Unite decides to settle their strike on anything below a 12p rise on the 2016/17 AfC base rate (note: the 30p rise is Unite’s maximum ask), their members will actually be worse off than the full implementation of the 2017/18 AfC pay award. Settling the dispute outside AfC will also mean giving the employer the excuse that future AfC pay awards should no longer apply, and that the staff have agreed that the LLW was good enough.

The trade unions must defend the NHS as a public service, we must fight to break the cap on AfC: forcing the Government and the Trust to pay our members properly, fighting to end all outsourcing.