## **DWP** briefing



Department for Work & Pensions Group

To: All Members and GEC

20 April 2016 DWP/MB/15/16

# DWP Employee Deal: Pay Offer (AA to HEO) 2016 – 2019

### PCS GEC recommends acceptance

#### Introduction

After months of long and intensive negotiations between PCS and DWP the pay offer for 2016-19, and the accompanying contractual changes are being published today. This briefing provides a summary of the main points. The offer was debated at the DWP Group Executive Committee on Wednesday and Thursday this week and The GEC voted to recommend acceptance of the offer. This does not mean that PCS has finally accepted the offer. You will be consulted at members' meetings. Make sure you attend your branch's workplace meeting. That decision will be debated at the DWP Group Conference in May before members have the final say in an all members' ballot in June.

#### **Background**

PCS members in DWP have suffered years of pay restraint imposed by the Treasury. In 2010 and 2011 there was a 0% pay freeze and then for the last 4 years we have had our pay capped at 1%. This has meant there has been no pay progression for many years. As a result members have been stranded at the bottom of the pay scales with no means to move to towards the Max of the scale. This pay restraint also meant DWP pay continued to lag behind other government departments.

In June 2015 the Chancellor announced he intended to continue to cap public sector pay at 1% for a further four years. In response to this the DWP GEC launched a major pay campaign to highlight the problems of pay in DWP and to argue for a new approach. Members took part in the campaign in large numbers.

Thousands of letters were sent by members to the Permanent Secretary, the Secretary of State and their local MPs. This resulted in DWP pay being the subject of a special debate in Parliament. It is this campaigning work on DWP pay that has contributed to the position we are in today, where the Treasury have agreed to allow DWP the flexibility to pay members in DWP more than 1% for the next 4 years. This undoubtedly had a big impact and PCS thanks every member who got involved.

Who does the pay offer cover?

All grades AA to HEO are covered by the Employee Deal pay offer 2016 – 2019. This briefing only covers grades AA to HEO. There is a separate pay offer for members in grades SEO to Grade 6, details of that offer are in a separate briefing.

#### Pay Offer – Main points

- A four year consolidated pay offer, covering 2016, 2017, 2018 and 2019
- The cost of the offer is £46 million consolidated in Year one and similar amounts in the following years
- 79,204 staff are in scope of the offer.
- 36% receive between 15% and 21.6% over four years
- 57% receive between 10% and 21.6% over four years
- 100% can receive more than 1% every year of the offer
- There will just be one single rate of pay for the job (Spot Rate) for each grade
- Over 93% of staff will be on the single rate of pay (Spot Rate) for their grade by July 2019
- New single rate of pay for the grade (Spot Rate) is higher than both the current DWP and HMRC Max.
- There is an online tool on the DWP Intranet that members can use to see what the pay offer means for them individually.

#### **Progression**

Most staff in DWP are not on their current Max, and many of these have been in their grade for many years with no movement up the pay scale.

- AA 53% are not on the Max now
- AO 69% are not on the Max now
- EO 61% are not on the Max now
- HEO 71% are not on the Max now

Over 93 % of all staff in DWP (AA to HEO) will be on the new Max (Spot Rate) of their grade by July 2019, and will move closer to this point in every year of the offer.

#### What is a Spot Rate?

Rather than having a pay scale with a Min and a Max rate of pay per grade and pay zone, a Spot Rate would see everyone in the same grade and pay zone on the same rate of pay. The Spot Rate would therefore be the single rate for the job in the grade and pay zone.

#### Pay Zones

The offer creates two pay zones in DWP. There are currently four. The Inner London and Outer London pay zones are combined to form a single London pay zone. The Specified Location Pay Zones (SLPZ) is aligned with the current National pay zone to create a single National Pay zone.

The Max/Spot Rate for the new London zone will be set above the current DWP Inner London Max. The Max Spot Rate for the National pay zone will be above the current National Max but below the current SLPZ Max.

#### **National Living Wage**

DWP will comply with the new National Living Wage and pay it to all staff regardless of age. As DWP pay scales increase each July, the National Living Wage will be paid 9 months in advance of when it increases the following April. The National Living wage is planned to increase to £9 per hour by 2020,

which is reflected in the AA 2019 National Spot Rate. The 2019 AO National Spot Rate has been set in the anticipation that the 2020 National Living Wage may be £9.35 per hour.

#### Treasury constraints prevent all members reaching the Spot Rate by July 2019

The Treasury have still set some constraints. They are:

- The overall pay bill increase each year is restricted to 2.7%
- Limits on individual annual increases
- Pay flexibility is only available subject to new contractual arrangements on hours and mobility.

The Treasury limit on individual annual increases has meant that it has not been possible to move all members onto the Max/Spot Rate by July 2019. Around 7% of members nationally will therefore not be on the new max/Spot Rate by July 2019. This affects members as follows:

#### National pay zone

All AA, AO and EO staff will be on the Spot Rate by July 2019 52.5% of HEO staff will be on the Spot Rate by July 2019

#### **Outer London**

All AA staff will be on the new London Spot Rate by July 2019. 65% of AO, EO and HEO staff will be on the new London Spot Rate by July 2019

#### **Inner London**

All AA and AO staff will be on the new London Spot Rate by July 2019. 66% of EOs and 65% of HEOs will be on the new London Spot Rate by July 2019

#### Increases to the Max and Min

The table below shows the increase to the Min and Max over the four years of the pay offer

	Grade	Increase to	Increase to	% Increase	% Increase
		Min over 4	Max over 4	to Min over	to Max over
		years	years	4 years	4 years
National	AA	£3,947	£3,872	27%	24%
	AO	£3,739	£1,014	22.3%	5.2%
	EO	£4,692	£1,662	21.1%	6.6%
	HEO	£5,533	£2,418	21.6%	7.8%
SPLZ	AA	£2,057	£1,952	11.6%	10.9%
	AO	£1,649	£970	8.7%	4.47%
	EO	£3,702	£1,234	15.9%	4.47%
	HEO	£3,563	£1,485	12.8%	4.47%
London	AA	£1,519	£1,499	7.8%	7.7%
Inner	AO	£3,698	£2,083	17.8%	9.3%
	EO	£5,373	£1,809	21.6%	6.2%
	HEO	£6,339	£3,135	21.6%	9.0%
London	AA	£2,739	£2,699	15.0%	14.8%
Outer	AO	£4,182	£2,308	21.6%	10.4%
	EO	£5,065	£3039	21.6%	10.8%

HEO	£6,075	£4,360	21.6%	12.9%
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#### Salaries between the Min and the Max

Members between the Min and the Max will receive a fixed cash increase each year, apart from members in the SLPZ who receive a % increase. (see table below)

Annual Increases to Salaries between the Min and Max for each year

	AA	AO	EO	HEO	
National	£403	£589	£794	£1,155	
SLPZ	1.1%	1.1%	1.1%	1.1%	
London	£375	£723	£997	£1,269	
Inner					
London	£675	£873	£1,058	£1,324	
Outer					

These increase are lower than the increases to the Min and higher than the increases to the Max so that each year members get closer to the new Max. During the period of the pay offer members can either be caught up by the Min, and receive the increases to the Min thereafter, or they can catch up with the Max, and then receive the increases to the Max thereafter.

#### Poor performance

Members will not be paid a consolidated increase if they have received a Must Improve end of year performance mark **AND** are undergoing poor performance action.

However PCS has negotiated so that when members' performance improves, and formal poor performance action has ceased on RM, they will then become eligible for the pay increase.

#### Specialist pay

Specialist pay will also move onto National and London pay zones and will move towards the spot rate on the same principles as the generalist pay scales.

Specialist pay scales maxima will maintain the same pay lead in percentage terms, over the equivalent Generalist grades maxima/spot rates in each of the four years.

#### The Opt Out

Members who decide to opt out of the Employee Deal will receive a 0.25% consolidated pay increase for each of the four years. While the GEC is recommending acceptance of the offer as a whole, we have made it clear that we do not accept such a low increase for members who opt out and have insisted that the employer revisits this issue annually.

Members who opt out will also continue to receive any increases to the National Living Wage when the statutory rate changes. Members who opt out will be entitled to the non-consolidated increase in 2015/16.

#### Non- Consolidated Increases

The non-consolidated increase will be negotiated on an annual basis. Therefore this has been negotiated for one year only. The money available for non-consolidated pay reduces over the period of the offer because it is being converted into consolidated pay. By 2019 the non-consolidated pot's value will reduce to 0.4% of the DWP paybill (currently it is 1.9%). However this money has not been lost. It has instead been converted into consolidated pay, thereby meeting a long-standing policy

objective of PCS in DWP. The reduction to the non-consolidated payment pot affects all grades including SEO to Grade 6.

If you have a Must Improve rating you will not receive a non-consolidated payment. Again PCS has succeeded in retaining non-consolidated pay for members in DWP with an Achieved marking. Most other government departments only pay non-consolidated payments to staff with Exceeded markings.

	AA	AO	EO	HEO
Exceeded	£550	£625	£750	£800
Achieved	£450	£500	£500	£500

#### Allowances

Most allowances will increase by 1% in year one. A full list is attached to the pay offer document.

#### **Extended Working Hours Allowance (EWHA)**

EWHA will cease in July 2019. However PCS has negotiated protection for members currently claiming EWHA. Members who hold reserved rights to EWHA, and who have claimed EWHA between 1 October 2014 and 31 March 2016, will be eligible to claim EWHA up to July 2019. This protects members, mainly in CMG, for whom EWHA is currently an important part of their regular take home pay.

#### **SLPZ**

PCS argued in the negotiations for members in SLPZ areas to be moved into the London pay zone but were unable to persuade the employer to do so.

However all SLPZ members will receive a consolidated increase of at least 1.1% each year of the offer, even if their pay is above the new National Max/Spot Rate. In Year 4 the National pay scale max will become the combined Max of the SLPZ zone and the National zone. Members whose pay is then above the National Max/Spot rate will retain their salary on a personal pay point above the Max/Spot Rate.

#### Members not on DWP Terms and Conditions

There are a number of members who have transferred into DWP for other employers under TUPE/COSOP transfers and who have chosen to retain their ex-employers' terms and conditions. They may choose to move onto DWP terms and conditions if they wish. If the decide that they want to retain the ex-employers terms and conditions they will receive a 1% consolidated pay increase for each year of the offer.

#### **HMRC Staff transfers**

Staff transferring into DWP from HMRC in May 2016 will receive the 2016 HMRC pay offer. They will become eligible for future DWP increases in 2017 onwards.

#### **Contractual Changes**

#### Why are contractual changes linked to the pay offer?

As a condition for allowing DWP to increase members pay above 1% for the next 4 years the Treasury insisted on contractual changes in exchange for the additional money. There is no option of members receiving the additional money without accepting contractual changes.

#### What are the contractual changes?

#### **Working Hours**

The contracted working hours will be between 7.45 to 20.00 Monday to Friday and 8.45 to 17.00 on Saturdays. The number of hours worked between these hours by an individual each week will remain as they are now. There is no change to a member's total working hours each week, though when these hours are worked may change. In other words a part time member, working 25 hours per week, will continue to work 25 hours per week, though the time those 25 hours are worked may change.

#### **Mobility**

The new Mobility policy is based on the one introduced on 13 October 2013. It allows for a member of staff to be posted to any location in the UK providing that both the post and the location are reasonable. In all cases the employees personal circumstances must be taken fully into account in the individual application of the policy to ensure decisions are fair, reasonable, lawful, safe and transparent.

Reasonable daily travelling distance from home to office will normally be defined as whichever available and reasonable mode of transport provides an easily achievable real time radius of travel in a range of approximately 60 minutes for all part time and AA and AO staff. For full time staff in EO and HEO grades this is 90 minutes.

We know that DWP is planning a series of, as yet unannounced, office closures as a result of the People and Location Programme and the end of the Prime contract. So that members are not disadvantaged by the new mobility policy in respect of office closures that fall out of this programme, we have built in the following additional protection.

Namely that where a decision is taken to close an office before 1 July 2020 members may choose to have their case dealt with under their legacy mobility policy (i.e. the Mobility policy that applies to them now).

#### Notice of changes to working patterns

Reasonable notice will be given of changes to working patterns. This is defined as a minimum of 3 months.

#### Part year Working

All part year arrangements agreed before January 2014 will need to be given an agreed end date. This will be for a period of up to 5 years from the date of the discussion. After 5 years the arrangements can be continued and a further end date set.

Potentially, after full consideration of the personal circumstances and an over-riding business need DWP may serve 12 months' notice to end a part year working agreement. However DWP has made it clear to PCS that this could be avoided where members are willing and able to change the periods of

part year working from the peak leave season, e.g. if they no longer need part year to match with school holidays.

#### Flexi

There are no contractual changes to flexi but how it will operate in practice will change. Each team (currently undefined) will set a collective resource requirement for the team identifying the numbers to be at work at specific points at either end of the day, e.g. 8am, 9am, 5pm and later.

Each employee will, 3 months in advance, agree a weekly working plan for a 6 month period showing when they will start and finish each day. This will not prevent members requesting variations to this plan nearer the actual time to fit in with changing personal circumstances. DWP insisted on including this. PCS believes it is over-complicated and will not work on the ground.

When all employees have done this the plan will be compared to the team resource requirement. If the two match then there is no need for any further action. If the two do not match then the employer can intervene to change members' preferences.

Each employee will have either a fixed start time each day or a fixed end time, but not both. The other end of the day the start or finish time will be flexible. This is the same type of flexi scheme currently working in Universal Credit.

At the flexible end of the day employees can decide when they arrive or leave on the assumption that consent to do so will be given without having to seek permission. Only exceptionally can a manager override this assumption. This means members can start work up to 3 hours 42 minutes after their flexible start time or leave work 3 hours 42 minutes before their flexible finish time.

At the start of the day members can start work from 08.00 (or 7.30 if they have an 8am fixed start time). At the end of the day members can work up to 18.30.

Members can start late, or finish early when they have a fixed finish or start time providing they can find a colleague willing to cover for them. In an emergency members will be able to leave early without finding a colleague to cover.

There will be a review of the existing flexi arrangements, based on these principles, on a Directorate by Directorate basis in each directorate during 2016/17.

#### **Extending Opening Hours**

Current opening hours will remain as they are until October 2017 at the earliest. This means there will be no working to 20.00 or on Saturdays before October 2017, unless this already happens e.g. CMG. DWP is currently vague as to when it may extend opening hours to 19.30 or to Saturdays. It says that it intends to do so by 2019/20 but gives no further detail of when this may actually happen, or which parts of the department may be affected.

DWP does not intend to be open to the public beyond 19.30 in the future. In recognition of this CMG's opening hours will be reduced from 20.00 to 19.30 from January 2017.

6 months' notice will be given of any extension of operating hours and PCS will be fully consulted before any extension to working hours is implemented.

#### **Promotion**

Upon being promoted all staff, including SEO to Grade 6 staff, and members who decide to opt out of the employee deal, will move onto 7.45 to 20.00, plus Saturday, contract.

Staff in grades AA to Grade 6 accepting a promotion after 1 July 2020 will also adopt the 2013 DWP sick pay policy, the 37 hour week if working in London and the Civil Service Reform Policy to the former 1 and a half days privilege days.

#### 37 hours in London

The standard working week will become 37 hours in London from July 2016 for external recruits and voluntary transfers from other departments. However this will **NOT** apply to people employed by DWP on 1 July 2016.

#### Independent panel

Members can raise grievances in the normal way if they disagree with how changes to their working pattern have been handled. However if a case cannot be resolved through the normal grievance process, and PCS believes the decision is perverse, then the case can be referred to an independent panel, including a trade union representative, as a further point of assurance.

#### The Opt Out

PCS believes that the protections and safeguards built into the Employee Deal should allow the overwhelming majority of members to accept it, and the additional pay that comes with it. However we recognise that there may be some members who will not want to accept the contractual changes in any circumstances. In this case members can choose to opt out.

#### What does Opting out mean?

Legacy contracted hours will still apply.

Legacy mobility policy will also still apply, unless they joined DWP after 13 October 2013.

A 0.25% consolidated pay increase for four years, unless promoted when they would have to join the Employee Deal.

Members will receive the appropriate non-consolidated payment in 2015/16. Future non-consolidated payments will be subject to annual negotiations.

Members can still benefit from the increases to the National Living Wage

Members will still be impacted by the requirement to agree a weekly working plan for 6 months and to the changes to flexi.

Part year arrangement will remain as now

Members will have two months from the end of the ballot in June 2016 to decide if they want to opt out or not.

#### Why the GEC is recommending acceptance of the offer

There is no question that this is an offer in which there will be winners and losers among the membership. There are some measures that we welcome and other that clearly we would prefer not to be in the offer. But when the GEC considered the package as a whole, weighing up the pros and the cons, we concluded that, on balance, the correct decision was to recommend acceptance.

In weighing up the positive elements of the offer the GEC took into account the following key points:

#### **Pay Progression**

The offer delivers real pay progression for members. For years many members have rightly demanded that the GEC address the injustice of members who are stuck at the bottom end of the pay scale despite having been in the grade for years, and with no apparent means of getting from the Min to the Max. Members have justifiably asked how they can be expected to train or mentor staff on their team, who are in the same grade as them, but who could be paid thousands of pounds a year more.

#### Rate for the Job

This offer addresses these long-standing concerns by moving members year on year towards the Max/Spot Rate so that, by July 2019, 93% of staff will be on the new Spot Rate. This will achieve long-standing union policy of getting all members paid the rate for the job that they do.

#### PCS policy achieved

The pay offer addresses PCS long-standing policy that members should reach the Max within 5 years. In fact it gets members there in four years and from July 2019 progression to the Max in most areas will be instantaneous, when all staff are on the same Spot Rate. Also the long-standing policy of converting non-consolidated pay into contractual base pay is achieved ibn this offer.

#### Treasury pay cap

The pay offer means that all can have a consolidated pay increase of more than 1%, and for many considerably more every year for four years. As a result many members will receive increases of several thousand pounds over the four years of the offer. The lowest rate of pay in DWP in July 2019 will be at least £19,732. This is £3,000 p.a. higher than the lowest rate of pay today.

#### Pay into line with other departments

The pay offer will also address that other long running concern about other departments having higher rates of pay than DWP rates of pay. The offer specifically will place DWP pay rates much more into line with other government departments, such as the HMRC. At a time when the rest of the civil service, and the wider public sector, will get just 1% for the next four years, it is very significant to see members in DWP receiving consolidated pay rises above the 1% cap.

#### **Contractual entitlement**

The offer makes clear that once agreed these future pay rises become a contractual entitlement for members. This means that DWP is contractually bound to make the payments in every year of the offer. However, if external factors reduce the value of the offer, e.g. a sudden increase in inflation, then it allows for the payments to be revisited in an annual review.

#### Not all of the pay changes are good

While these are all very welcome improvements to pay in DWP, the GEC also considered other pay related factors that are not so good. The pay increases to members on the Max are not huge and do not provided much financial compensation for the changes to terms and conditions.

Much of the increases to the AA and AO pay will happen anyway in 2020 when the value of the National Living Wage is expected to reach similar levels to the Spot Rate.

Not all members will be on the Spot rate by 2019. 7% of DWP staff will not be on the Spot Rate by 2019. This leaves unresolved how, or if, they will move to the Spot Rate in 2020 and beyond. DWP refused to commit to any pay increases beyond the length of the current parliament.

The impact of the offer on members in the Specified Location Pay Zone is particularly difficult, with most members only receiving annual increases of 1.1% for the period of the offer.

Members will also be concerned that EWHA is to end in 2019.

The GEC has also made clear that it does not accept limiting pay increases to members who opt out to 0.25% p.a. This is a very low annual increase and not one that is acceptable.

#### Unwelcome changes and the protections negotiated by PCS

The pay offer is linked to the introduction of contractual changes for many members, though not all. It is worth noting that evening and Saturday working is not new to DWP and has been worked in CMG for many years. There are also increasing numbers of members, already over 20% of staff, who are already employed on same contracts to the ones DWP is wanting to introduce, even if they may not actually work those hours now.

Clearly the most unwelcome elements of the offer for many members are the changes DWP is wanting to introduce to members' terms and conditions of employment. These changes cover a number of areas but PCS has negotiated safeguards and protections against detriment under a proposed legally binding Collective Agreement.

#### Hours of Work and Working Pattern changes and protections

The main unwelcome change is to contractual hours of work introducing for most members the likelihood of having to work until 20.00 and on Saturdays. Many members will be very concerned at the prospect of evening and Saturday working and new measures for working patterns will plan for six months in advance. Also the new policy of fixing one end of the day will be new to many members.

Members on part year contracts will undoubtedly be concerned about having to agree an end date to their part year working arrangements.

That is why PCS has negotiated detailed protections under the Collective Agreement which will provide specific safeguards for members. These protections are -

- DWP agree to not fix the start and end time on the same day, unless an employee chooses to do so
- Members cannot be made to more than one evening per week beyond 17.00
- Members cannot be made to work more than one Saturday in four
- Members cannot be asked to work more than 5 days in any seven days
- When members do work a Saturday they can choose to take the following Monday as their non-working day to ensure they have a two day continuous break from work
- DWP will comply with the provisions of the Equality Act. This means for example that observant Jews wishing to observe the Sabbath will not be made to work on a Saturday.
- Whether or not members are covered by the Equality Act for various reasons members may be
  unable to work late or on Saturdays. In these cases managers must work constructively to find
  alternative arrangements that enable members to combine meeting their personal and caring
  responsibilities with making a contribution to their team's requirements.
- DWP accepting that not all staff will be able to work late or on Saturdays
- 3 months' notice of a chance to working patterns (12 months for part year working)
- No increase in the total numbers of hours worked each week
- An independent panel will be set up to consider individual cases that have resulted in perverse decisions that cannot be resolved via the grievance process
- Overtime worked on a weekday non working day paid at Saturday rates

There is no fixed date in the future by when evening or Saturday working will be introduced. DWP has also agreed under the proposed Collective Agreement to give 6 months' notice of any extension to evening or Saturday working, along with full TU consultation.

#### Caring responsibilities

Having caring responsibilities should not be a reason to opt out. PCS believes that those with caring responsibilities should be able to opt in and have the protection provided by the safeguards to agree a working pattern which enables them to meet their caring commitments. The independent panel is a further level of protection for members who feel that the decision reached about their working pattern is wrong or unreasonable.

#### New Mobility policy and transitional protection

DWP has three current contractual mobility policies. Members covered by the first two policies may be worried that the specific limits for daily mobility of no more than an hour/hour and a half travel form home to office by public transport, under the first policy, and by reasonable mode of transport under the second policy, will be replaced by a new contractual mobility policy which allows for moves providing both the post and location are reasonable. This change is supported by PCS legal advice which advises against mobility policies with specific travel distance limits. PCS has also negotiated a new contractual protection under the New Mobility Policy which states that: *In all cases the employee's personal circumstances will be taken fully into account in the individual application of the policy to ensure decisions are fair, reasonable, lawful, safe and transparent.* The current third mobility policy will be abolished under the proposed Collective Agreement and members will have a transitional protection up to 1 July 2020 to choose to have their case dealt under their legacy mobility policy or the new mobility policy.

#### Promotion

There are unwelcome changes for members who are permanently promoted to adopt Civil Service Reform Terms but most changes on promotion will not to take effect until 2020.

#### Flexi-time

Flexi-time will be accrued from 08.00 or from 07.30 for those with a 0800 fixed start. Further consultation will take place with PCS to revise DWP Flexi-time policy and procedure and for flexi arrangements in each Directorate. There are important principles under the Collective Agreement which will support further negotiations such as:

- Line management will provide employees with reasonable personal freedom to enable them to maintain work-life balance and meet customer service across the team
- Consent to work flexibly at the opposite non-fixed end of the day will be assumed, with line managers overriding this assumption exceptionally

Given the serious nature of these changes to members' terms and conditions it was essential for PCS to negotiate the best possible protection for members worried about the impact of contractual changes on themselves. PCS has also negotiated the following other additional protections to those listed above:

#### Other protections for members

- EWHA protected for three years for members currently claiming it.
- Members coming out of poor performance action will receive the pay award at that point
- Time for two daily paid 15 minute breaks to apply across all of DWP for the first time

- 30 minutes reading time per week and one hour's reading time following an absence of one week or more, to be taken at the start of the day.
- Ultimately members can choose to opt out of the Employee Deal but members should first carefully consider the safeguards and protections before doing so.

#### Conclusion

Taking all these factors into account the GEC recognised that there are considerable benefits for members from this offer but also, on the other hand, there are considerable unwelcome changes for members in the offer. But by limiting the impact of the unwelcome changes by the safeguards we have negotiated the GEC believes that, taken as a single overall package, the offer is one that could and should be recommended to members.

Once accepted by the members the offer will become a Collective Agreement and if any managers try to ignore the safeguards then members and reps would have the protection of this Collective Agreement to ensure we can stop managers from breaching the Agreement.

In coming to this view the GEC also had to consider what alternative options there were. If the GEC had recommended rejection then the employer told PCS that it would still offer the package to members. However, because it did not have PCS agreement, all of the protections for members would be no more than guidance that PCS would be unable to enforce. Only by having a Collective Agreement do members get real protection in the workplace. That is why PCS agreement is so important.

The GEC believes that there are no more improvements to be gained by attempting to re-enter negotiations. DWP have made it clear that they will not do this. The only way that further improvements could be gained would be for the GEC to launch a massive campaign of industrial action, at a time when many of those members who are set to gain from the offer will have signed up for the offer and will be starting to receive the additional pay. The GEC does not believe that there is the necessary level of membership support for the kind of sustained industrial action required to actually achieve real improvements.

#### The GEC therefore recommend that on balance you vote to accept this offer

#### What happens next?

There will be a period of consultation with branches and members as outlined below.

The final decision to accept or reject the offer will lie with members in the membership ballot in June

w/c 25 April – Consultation with DWP Regional Committees

w/c 2 May onwards – Members meetings held in workplaces. One hour facility time has been agreed for these meetings.

23/24 May – Employee Deal debated at PCS DWP Group Conference

6 -22 June - Ballot of all members

Charles Law Industrial Officer

Fran Heathcote Group President