

# DWP briefing

Department for Work & Pensions Group



Public and  
Commercial  
Services Union

To: All members in DWP (cc Branch Secretaries, GEC)

25 February 2016

DWP/MB/007/16

## Update on DWP Pay

DWP/MB/005/16 updated members on the progress of pay talks with DWP. The circular set out the current thinking on proposed changes to contracts and pay flexibility, as part of the "Employee Deal" the Department seeks to reach agreement on with PCS for grades AA-HEO, and which potentially could see significant pay increases for thousands of our members and pay progression being addressed, in return for possible contractual changes for staff on legacy contracts.

In light of this morning's joint communication this further circular seeks to build on those earlier updates and inform members as to the latest position with regard potential changes to opening hours, contracts and pay.

This does not indicate that a deal has been struck on any aspect of the joint communication, whether it be on pay, opening hours or contractual changes. Further negotiations are ongoing to at least the end of March and no aspect of this will be implemented or signed up to before the full package on offer has been considered and our members consulted further.

### Opening Hours

The Department has confirmed its' intention to change its' opening hours to "provide a modern...end-to-end service for the customer" that facilitates a wider coverage throughout the working day by 2019/20. The premise being that some of our customer base will change during that period and the demands on the service our members provide will need to reflect that change.

In the short-term there is no planned significant change to the way DWP currently works, with the operating day remaining 8am – 6pm. The employer does, however, wish to provide a better coverage during these hours and the Department aims to implement team coverage between 7.45am – 6.30pm from October 2016. PCS negotiators continue to press the DWP on the service requirement throughout the day and will look to reach any agreement based on genuine customer demand. Members should note however that the joint communication reaffirms the DWP's core hours as 9am – 5pm and members will no doubt ask why there is a need to change contracts when 9 to 5 coverage is the department's current core concern. Members in WSD, CMG and Debt Management would not be affected by the new coverage in 2017/16.

The Department then seeks to extend the service hours from late 2017, incrementally, with a view to providing a service to customers 8am – 7.30pm Monday to Friday and 9am – 4.30pm on a Saturday by 2019/20. It is with this in mind that the Department seeks to use the flexibility it has on pay to change contracts that would facilitate this service towards the end of any offer. The full detail of what this would mean in practice, for both 2016/17 operating year and the later period, is the subject of ongoing negotiations and this should not be seen as confirmation of a change to opening hours at this stage.

### **Changes to contracts / working patterns**

With the DWP's aim to introduce changes within the above timescales becoming clearer members will understandably be concerned as to what this will mean for them.

PCS are still working through the detail of this and will seek to build in safeguards and assurances for our members, with the ability to respond to customer demand being balanced with members needs. We are clear that the emphasis needs to be on volunteers rather than prescription and individual preferences should be met wherever possible. The communication issued earlier highlights that some progress is being made in this area during negotiations.

The communication also highlights that the employer is aware of the need to build in safeguards for their staff and are prepared to commit to:

- no increases in the contractual hours of staff, while allowing scope for staff to apply for a variation (ie. request part-time working or an increase in hours)
- agreement in advance of the working pattern being worked and for a set period for which that pattern will be worked
- a maximum number of expected lates and, eventually, Saturdays to be prescribed
- the ability to request a change to any agreed pattern for personal reasons and swap with colleagues
- access to Flexible Working Hours to remain during business hours
- individual circumstances to be taken into account when considering working patterns and a clear steer that legislative requirements will be factored in

While these are welcome the detail of how this will operate in reality is still being discussed and the guidance that underpins any of these principles will need to be significantly robust to avoid some of the problems the Department has faced in areas such as Universal Credit and CCD in the past.

The GEC has received a great deal of feedback as a result of the roadshows and leadership briefings that have taken place with senior departmental figures in the last two months, and the negotiators are clear that this area is one of real concern for our members. This feedback continues to be used in our negotiations with the employer and we will pursue the safeguards our members have stressed are important to them in any final offer that is put to us.

We are also aware that some operational managers and team leaders have been keen to place their own spin on what this will mean for their staff. All of this is speculation and conjecture on their part. **No manager has any authority to implement anything at this stage.** Some managers have been speculating, without knowing the detail of the negotiations, along the following lines:

- that they will be opening to 6.30pm within the next few weeks;
- or that staff will be working 1 evening a week and 1 Saturday in four in the coming months;
- or that all part-time staff will be expected to work lates and Saturdays;
- or that everyone will be expected to cover the new on-line day;
- or that managers can guarantee pay increases of at least 1% if staff sign over now;
- or those that have tried to conduct one to one interviews with their staff to discuss changing their contract.

All of this speculation is way too premature given that PCS is still in negotiations where we will seek to guarantee sufficient safeguards that ensure individual managers will not have the autonomy to impose draconian practices and working patterns. PCS have made clear to the Department that this speculation should stop.

We are equally aware that many members have stated they cannot change their working pattern for a variety of reasons; many stating caring commitments for children and/or other relatives, and their own health as genuine obstacles to them volunteering a change. PCS have these members very much in our thinking while we work through the detail of any potential changes and will seek to use our understanding of members' needs, as well as the employer's legal duty, to negotiate a commitment for this significant group of staff.

As with the opening hours, PCS stress that none of the principles or issues covered in the joint communication forms a notice of change in contract for our members or that we have agreed any of the detail such as 1 late per week and 1 Saturday in 4 or a 3 month notice period for changes to working patterns. Negotiations will continue as to what underpins any contractual change and, indeed, whether any change will be implemented, as well as timescales involved. This will be considered in light of the terms of any offer and members will be fully consulted on any proposals with regard to this key issue for them.

## **Pay**

As previously stated, all of the above issues are being explored by the Department as part of a package that has resulted in their ability to agree some flexibility above the Government's Public Sector Pay Cap with the Treasury.

While the exact amounts on offer are still subject to the continuing negotiation process PCS are clear that the proposals, if agreed, would deal with a number of long-standing concerns our members have voiced with us on pay.

The flexibility would allow the vast bulk of our members in grades AA-HEO to receive increases significantly above the 1% that has been imposed in recent years and would go a long way to addressing the pay gap between DWP and some other government departments.

The proposed move towards a single spot rate for each of these grades, with the vast majority of members reaching that rate by 2019, would also address the lack of pay progression our members have suffered for a number of years. The grade maximum salary increasing above 1% each year would also ensure that the significant number of our members who are at the top of the pay scale will also receive pay above the rate they have been used to and towards comparable band maxima in OGDs.

There is still a good deal of work to do in finalising any financial package, not least the effects of the introduction of the National Living Wage, the impact any offer would have on members transferred in on TUPE/CSOP terms, those members with reserved rights for various pay elements, the non-consolidated payments and pay proposals for our members in grades SEO and above.

### **SEO and above grades**

It is disappointing that to date the employer has made clear that the pay flexibility is only available to grades AA-HEO. PCS have made clear our opposition to the two tier approach to these negotiations and will continue to pursue the best possible deal for our members in grades SEO and above, and continue to fight the Treasury imposed 1% cap.

Until all of the issues have been fully discussed, and considered in light of the overall offer, PCS will not be in a position to clarify whether the Pay element is sufficient to recommend to our members.

### **What next?**

We must repeat there is still no agreement in place and no deal done, on any of the issues highlighted to members and staff today, between PCS and the employer.

Talks will continue until at least the end of March with the same regularity as they have been since January 8<sup>th</sup>. While we understand that members are keen to both know the detail and explore what it means for them in practice, we would ask for your patience while we continue negotiating on your behalf.

We are fully aware of the importance of these discussions and the potential significance, both financially and contractually, for our members and we will explore every avenue in talks to get the best outcome, that will allow real progress on pay and proper protection for members working rights.

We will then bring any outcome to the PCS membership and you will have the final say on whether or not the total package is acceptable.

In the meantime please continue to feed any examples of rumour or activity to Group office and remember managers within your location are not privy to the detail as they are not in the negotiations.

**Charles Law**  
**PCS Industrial Officer (on behalf of the DWP Pay Team)**