



prospect  
2011  
annual report

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# annual report 2011

union for  
professionals

# INDEX

	Introduction	
<b>1</b>	Membership, recruitment and organisation	3
<b>2</b>	Managing the union	6
<b>3</b>	Rights at work	10
<b>4</b>	Benefits and services	14
<b>5</b>	Training and skills	16
<b>6</b>	Awards	20
<b>7</b>	Other organisations	21
<b>8</b>	Finance	24
	Financial statement and accounts	28
	Statement of responsibilities of the National Executive Committee	28
	Report of the auditors	28
	Statement to members	40
	Donations and affiliations	41
	Schedule of investments	42
	Prospect Benevolent Fund	44
	Education Trust	47
<b>9</b>	Executive, officers and committees	48
	Prospect branches	52
	Pay settlements 2010	56
	Prospect structure	58

# INTRODUCTION

In this annual report for 2011, we report on the main issues affecting Prospect at national level during the year. By design, Prospect is highly decentralised in respect of industrial relations matters and so this report does not seek to paint a complete picture of all our work in 2011. Details of actions with specific employers can be found in appropriate sector, group and branch annual reports.

This is, however, the principal vehicle through which the General Secretary and the National Executive Committee account for our stewardship of the union during the previous twelve months and so is an important document. Not least, because it contains the audited accounts for the year and these will be formally presented to the 2012 Biennial National Conference in Bournemouth in May. I am pleased to be able to report that in a year full of financial challenges we were able to record an operational surplus, and that the negative position in respect of our General Fund relates entirely to the technical evaluation of our two staff pension schemes. Dealing with the results of the formal triennial valuations of these schemes will be one of the major challenges for the NEC in 2012.

Prospect is not a business, but I firmly believe we have to be business-like in the management of our affairs. Working with the NEC, my senior management team and indeed colleagues at all levels, we have striven to build on an already strong base of operational efficiency to bear down on costs, while seeking to meet the increasing demands from members and representatives who have to deal with the relentless pace of change in the workplace. We are always conscious of the fact that the great majority of our income comes from members' subscriptions and it is our duty to use it

wisely. Thanks also to all the lay treasurers who manage our branch and group accounts so effectively.

Although our Civil Service Sector has clearly and rightly taken the lead in dealing with the impact of the coalition spending cuts and austerity plans, many of the implications were felt by members right across the union and so the NEC has also been involved. Prospect was proud to support the huge TUC 'All together for public services' march and rally on 26 March and it was fantastic to see such an excellent turnout on the day from Prospect. The NEC did everything possible to support individual campaigns on issues involving not only the abolition of members' jobs but also the loss of vital public services. Prospect was more involved than ever on specific campaigns such as the Forensic Science Service, the Audit Commission, defence, science, the need for the roll-out of fast broadband and many other issues in the Parliamentary arena and more widely. Sadly, there is no prospect of this work needing to be scaled down in 2012.

The Government's proposals for detrimental change to public sector pensions affected all our members in the civil service pension scheme, as well as those in the local government and teachers' schemes. I know that it was with a heavy heart that members voted so decisively in favour of strike action. The turnout from Prospect on the TUC day of action on pensions on 30 November was magnificent, both in terms of the numbers on strike and those prepared to picket and demonstrate. We continue to seek a negotiated settlement to this dispute but there is no doubt that the preparedness of members to take action significantly strengthened our hand in negotiations.

Although recruitment held up well for most of the year, and we posted record results in November with more than 1,200 new members in advance of the pensions day of action, it was inevitable that the programme of cuts and closures would begin to impact on our total membership. Progress in the merger discussions with Aspect went well, with an overwhelming vote of their 4,000 members to transfer engagements to Prospect. Final legal details were still being cleared at the end of the year with the date for merger, taking total Prospect membership back to 122,000, set for 1 February 2012.

I would like to take this opportunity to thank all lay reps for the unpaid work you do on behalf of Prospect. It really does make a difference to taking forward our objectives of protecting the individual and collective interests of members, at work and in retirement. Finally, thanks also to all the Prospect staff at every level who work hard and with extraordinary commitment on behalf of Prospect and its members.

**Paul Noon**  
**General Secretary**

# 1

## MEMBERSHIP, RECRUITMENT AND ORGANISATION

**1.** Prospect's total membership fell in 2011 for the first time since 2008. Total membership at the end of 2011 stood at 118,843. The changes on the 2010 figures are shown below:

**2.** Membership

<b>Prospect members</b> as at 31 December <b>2010</b>	<b>121,173</b>
<b>Plus</b> new members	<b>8,211</b>
<b>Less</b> members died, left or written off	<b>10,541</b>
<b>Total</b> at 31 December <b>2011</b>	<b>118,843</b>

**3.** The total of 7,345 new and reinstated members was significantly less than in 2010, although the transfer into retired membership of 866 members of the former Re-Connect organisation, following an extraordinary general meeting of Re-Connect members, meant that Prospect saw a total of 8,211 new members during 2011. Throughout 2011, recruitment of new members was the toughest in many years. However, campaigning around the ballot on strike action over civil service pensions towards the end of the year meant that almost 2,000 members joined up in October and November. November's figure of 1,247 new members was by far the largest single monthly recruitment figure in Prospect's history. In just two days before the strike action on 30 November, over 200 new members joined Prospect. A chart detailing the monthly figures for 2011 is shown below.

**4.** During the year there was a sharp increase in the number of leavers, with over 10,000 leaving the union, an increase of 800 on 2010. Many of these were due to members leaving employment for work elsewhere, retiring or, increasingly, redundancy. The union's retention policy ensured that many

members retained Prospect membership in their new employment or stayed as retired or unemployed members. The number of resignations due to dissatisfaction with Prospect remained very low.

**5.** The challenge for Prospect in 2011 was to maximise recruitment wherever possible while minimising the level of membership losses due to the impact of government policies and the increasingly adverse economic position. Redundancy and closures were a fact of life across both public and private sectors. Nevertheless, Prospect managed to maintain the union's economically active membership (members working or seeking work) at close to 100,000. To give an idea of the scale of this task, more than 10,000 economically active members either left Prospect or moved into retired membership during 2011. Retired members continue to play a valuable role in the union but Prospect's success in realising its mission and fulfilling its strategic objectives depends critically on maintaining and increasing the level of membership among working professionals.

**6.** In line with the decisions of the 2010 conference, Prospect produced a range of new membership material, Your Future at Work, for use by branches across the union. The series includes a national recruitment leaflet, 'Have you ever wondered why people join a trade union?', along with further leaflets targeting potential members with different kinds of employment contracts or work patterns, and existing members who may be changing employer. In addition, the union continues to produce more specialised leaflets which highlight Prospect's work in different industries. All of these materials are available to branches in hard copy format or through the Prospect website.

**7.** At this time of change the union has developed resources for branches looking for innovative ways to generate interest in union membership and for branches facing job cuts. A toolkit was produced showing branches how to combine support for charities with recruitment initiatives, as a way to give potential members a different perspective on the union and its relevance. A Membership Retention Toolkit was made available to help branches to encourage members to retain their membership after redundancy or outsourcing, with tips and templates for identifying and approaching members.

**8.** Recruitment and retention feature significantly in a new series of workshops developed for delivery to branch and section committees. Two issue-based briefings give reps the knowledge to deal with consultation on collective redundancies and TUPE transfers, to recruit new members during consultation and to encourage members who are moving out of their branch to stay in Prospect. A further workshop focuses on creating effective recruitment conversations, demonstrating the value of membership to potential joiners and signing up new members. These workshops are publicised through Report and can be accessed via organisers or negotiators.

**9.** In the drive to build a stronger union, Prospect relies on branches' intelligence about professional employees within their own organisations and their own membership density. Where there is no union recognition, branches aim to build up membership numbers to a point that will enable Prospect to achieve effective collective representation. Branches wanting assistance with the task of building up membership should contact the relevant Prospect organiser or negotiator.

**10.** 2011 was a very challenging year in which the impact of the recruitment freeze in all parts of the public sector and the general downturn across the private sector had a detrimental effect on our ability to recruit new members. Membership losses were compounded by government policy to close or curtail activity in several public sector organisations with high levels of Prospect membership. These included the Audit

Commission, Forensic Science Service and the Central Office of Information. However, the NEC believes that Prospect is taking the right actions to improve the strength of the union. There are challenging times ahead for all trade unions but Prospect will succeed if it can demonstrate its effectiveness in representing professionals throughout the economy, and the continuing relevance and usefulness of union membership in the twenty-first century. A strong branch organisation that enables members to feel part of the wider union is an integral part of that project.

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## NEW AREAS

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**11.** In December 2011, Aspect, the union for professionals in children and education services, announced the result of their ballot on a transfer of engagements to Prospect. The proposition was overwhelmingly endorsed and once the statutory formalities are completed it is anticipated that Aspect will become a group within Prospect on 1 February 2012. The ballot brought to an end over a year of negotiations with Aspect about the prospective transfer and is a very welcome development. It brings into Prospect a compatible union with a long history of representing professionals in children and education services as well as in early years' provision. Aspect has over 3,500 members and will give Prospect a new footprint in this important field.

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## ORGANISATION

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**12.** Prospect strongly encourages branches to work with negotiators and organisers to maximise their ability to represent members effectively, both in collective bargaining and individual cases. In 2011, Prospect was successful in building up the number of specialist reps in branches, providing valuable support to members on issues such as learning, pensions and safety at work, and campaigning around major themes such as equality, international development and the environment.

**13.** In 2011 Prospect held a second specialist course aimed at the development of senior lay representatives. This has proved to be a successful initiative in identifying

development training for more senior representatives and is now integrated into the national programme.

**14.** Special measures can be implemented to target groups of potential members who are difficult to recruit into membership. Branches in organisations that operate graduate trainee schemes may make a business case to the National Executive Committee for permission to reduce subscriptions for a given period to graduate trainees who join the union. The NEC approved such arrangements for graduates in the Ministry of Defence, the Foreign and Commonwealth Office, the Met Office, EDF Energy and Devonport Royal Dockyard, in addition to the Connect sector's long-standing arrangement for graduate trainees in the telecoms industry.

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## PROSPECT NETWORKS

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**15.** Prospect's informal networks bring together active members and reps who have similar interests or backgrounds. This enables reps from different branches to compare experiences and share good practice. There are networks specialising in equality themes, which provide support for members and reps in campaigning against discrimination at work. There are also networks for young professionals and home-based workers, which offer ideas and tips tailored to specific situations at work. These networks demonstrate Prospect's relevance to all kinds of working professionals and help to develop the union's campaigning profile and branches' bargaining agendas.

**16.** The Young Professionals' Network developed a social media presence which has stimulated greater awareness and interest in the network and Prospect generally among younger workers. The 2011 Young Professionals' Convention was held in Nottingham and was successful in bringing together talented and enthusiastic younger members and reps from different parts of the union. At the convention a video was produced, available for use by branches,

in which delegates gave their views on the importance of union membership and participation in Prospect activities for younger workers.

**17.** The Home-based Workers' Network links up home-based workers across Prospect, drawing on the experience of the long-established network in the Connect sector. Home-based working is on the increase and employers often see this arrangement as a way to reduce costs, with little consideration of its impact or implications for employees and their welfare. Further, home-based working constitutes a recruitment and organising challenge for Prospect, as it is more difficult for branches to identify and contact potential members and to engage members in union activities.

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## RETIRED MEMBERS' GROUP

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**18.** During the year the RMG National Committee dealt with a range of issues including a thorough review of the RMG rules, actions taken from the RMG Annual Delegate Conference and the question of the future approach to voting by retired members at Prospect national conference. The government's approach to pension indexation was high on the committee's agenda, and the committee expressed deep concern at the switch from the retail prices index to the consumer prices index for uprating pensions. The impact of cuts in public services on retired people was closely monitored all year.

**19.** The national committee also worked with the various groups to which Prospect affiliates, notably the National Pensioners Convention, and regular reports were received on their activities. RMG areas continued to be the focal point for local activity and supported members as needed in association with full-time Prospect officers. During the year the process of welcoming former Reconnect members was completed and active Reconnect colleagues began to participate in area activity.

# 2 MANAGING THE UNION

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## SUBSCRIPTIONS

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**1.** On 1 January, subscription rates and thresholds for members covered by the Prospect banded structure and for retired members were increased by 2.5%, in line with Resolutions 68 and 69 of the 2010 Biennial National Conference. From 1 July, subscriptions for members in the Connect sector were increased by approximately 3% following a decision of the Connect Sector Executive Committee, and will remain at the revised rates until 31 December 2012.

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## GENERAL SECRETARY

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**2.** Following the decision of the General Secretary to retire at the end of 2012, the National Executive Committee drew up timetabling arrangements for the election of a new Prospect General Secretary by the time of national conference in 2012 and invited applications from members and staff. Scrutineers for the ballot were appointed and details were published to members in Profile in line with the rules.

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## COMMUNICATIONS AND CAMPAIGNS COMMITTEE

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**3.** This new sub-committee of the NEC met for the first time in January 2011. Its role is to oversee Prospect's communications and media strategy; to identify and support union-wide campaigns and build campaigning capacity; to extend the use of electronic communications and develop a new website; to review the range, frequency and format of Prospect publications; and to seek to measure the effectiveness of the various communication products and channels.

**4.** Good progress was made across this agenda. The union's new website was launched in December. It is clearer, simpler, easier to navigate and has a much higher level of functionality and personalisation. The intention is that the website should become the principal communications channel for the union.

**5.** In March, the 'I'm Not a Number' campaign was launched at the House of Commons, designed to engage members across the union in campaigning against government cuts which impact upon both the public and private sectors. Work was also put in hand to build sectoral initiatives, for example the WorkTime/YourTime campaign developed in the Connect Sector, into union-wide campaigns. Alongside this, a pilot was launched to build local campaigning capacity by bringing together Prospect reps in a local area to work together to raise the profile of the union and coordinate campaign activities. The plan is to extend this initiative and where possible work with locally-based TUC campaigns where there is a clear link to Prospect members' concerns.

**6.** A training session for reps on how to use social media as campaigning tools was piloted and will be rolled out in due course. Advice and guidance for reps on issues to consider when using social media was published.

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## PARLIAMENTARY FORUM

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**7.** Prospect's Parliamentary work gathered pace over the past year, following the launch of the Parliamentary forum in 2010. Numerous meetings were held with MPs and peers from all sides of the House, including a breakfast meeting with LibDem MPs to inform them of the impacts of changes to

public sector pensions. In December, a highly successful reception was held in the Commons where Prospect representatives countered some of the government's negative stereotyping of the health and safety sector.

**8.** As mentioned above, Prospect's 'I'm Not a Number' campaign received a great deal of support from MPs through an Early Day Motion and an event organised in the Jubilee room in the Commons. MPs came face-to-face with several Prospect members and discussed the skilled work that they do in the face of mounting cuts to their areas of work and growing job insecurity.

**9.** During the year the union raised many issues with MPs that affect Prospect members, including the Pensions Justice campaign, the sale of Forestry Commission land, the abolition of the Forensic Science Service and Audit Commission, and cuts to Defra veterinary laboratories. These interventions led to numerous appearances by Prospect negotiators and members before Parliamentary select committees and a good level of media exposure was achieved for Prospect.

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## INFORMATION SYSTEMS

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**10.** Early 2011 was taken up with further updates to the Prospect information network. These included a new centralised backup system that covers all Prospect offices and will allow easier integration of additional offices in the future. Work was also done to review and increase internet access speed across Prospect, relocate the Birmingham office facilities, work with the RSS team to set up a CutsWatch database to monitor and report on job cuts in the private and public sectors, and roll out Microsoft Office 2010 to all Prospect staff.

**11.** For the rest of the year, the main activity of the IS team was to provide technical support for the launch of the new Prospect website, and to transfer the content of the Connect Sector website into the new IT & Telecoms industry pages on the new site.

**12.** During 2011 the replacement project for merging the two membership systems in use by Prospect was started. The aims of the project are to have one modern integrated

membership system by the end of 2012 that can be easily used by all Prospect staff, to take advantage of emerging technologies, support the strategic objectives of the union, and reduce the cost of supporting two parallel systems.

**13.** In early December a data breach occurred which accidentally released the personal information of members in a number of branches. This was immediately reported to the NEC and the Information Commissioner's Office, and a letter was sent to members affected by the incident. An investigation was instigated, and the findings will be reported to the NEC in early 2012.

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## PROSPECT HEALTH AND SAFETY

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**14.** During the year the Health and Safety Committee for Prospect staff met on several occasions to discuss issues including an update to the health and safety policy, the development of a safe driver training initiative, and the composition of a stress audit of Prospect staff based upon the HSE Management Standards. A draft lone working policy was also developed which should be completed in early 2012.

**15.** As part of the committee's work programme, risk assessments were conducted on the Bristol, Liverpool and Edinburgh offices, and five-year periodic electrical tests were carried out in all freehold offices. These offices were also subject to water-risk assessments and the recommendations are now being implemented. Improvements were made to the print room at Chertsey to ensure compliance with regulations, and to the fire evacuation procedure in New Prospect House.

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## STAFF DEVELOPMENT

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**16.** 2011 was another busy year in relation to staffing issues. The focus was upon the harmonisation project, which is intended to introduce an integrated staff agreement covering all Prospect staff, including the Connect sector. A major job evaluation project commenced during 2011 with the full cooperation of GMB, the recognised union for Prospect staff, and by the end of the year the evaluation phase of that project had been

completed. A successful all-staff seminar was also held which addressed a range of communications and operational issues, and which is driving several initiatives through the Prospect Senior Management Team.

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## ENVIRONMENT

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**17.** Work continued during the year to take forward Prospect's Environmental Policy Action Plan. Some of the achievements include:

- Further increase in the use of electronic methods of publication and distribution and a consequent reduction in the printing of hard copies and distribution by post. Specifically, this included a 40% increase in the take-up of eProfiles in the last year and downloading an average 20,000 PDF copies of each Profile.
- Significantly enhanced recycling facilities in New Prospect House and good practice in recycling at all Prospect offices. The improvements in New Prospect House reduced the general waste going to landfill by two-thirds, with associated financial savings. Recyclable crockery and cutlery, made of vegetable materials, was introduced to replace plastic products.
- Enhanced use of Fair Trade products. All tea, coffee, juice, chocolate and sugar provided in the café and for meetings at New Prospect House are now Fair Trade.
- Much greater use of teleconferencing (and some video-conferencing) across the union.
- Introduction of centralised procurement for supplies, facilitating more efficient and systematic monitoring of use.
- Closer monitoring of energy consumption combined with energy-saving measures helped to reduce energy consumption in most Prospect offices, although this proved more difficult where the buildings are not owned and controlled by Prospect.

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## PROPERTY

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**18.** The office in Bagshot previously occupied by the Association of Licensed Aircraft Engineers was vacated on the expiry of the lease in April. Operations were transferred to the Prospect office in Chertsey.

**19.** The lease on the Connect office on Broad Street, Birmingham, also came to an end in 2011. Attempts to extend the lease proved unsuccessful so another office was located in the Old Jewellery Quarter in Birmingham to which staff transferred on 1 October. This office was taken on a short lease pending a review of Prospect's operations and the location of staff in the Midlands region.

**20.** Some of the vacant office space on the first floor of the Chertsey office was let to tenants in January. The remaining space is still on the market.

**21.** At the end of 2011 negotiations were under way with prospective tenants for office space in the Wimbledon office. This is in addition to the tenants who rented space in December 2009.

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## OFFICER CHANGES

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**22.** During 2011 the following internal appointments were made:

- Ben Bellamy, Senior Organising Project Leader (temporary promotion)
- Donna Fielder, Assistant Finance Officer
- Jenny Tingle, Organising Project Leader (temporary promotion)

**23.** 2011 saw the retirement of:

- Frank Allen, National Secretary

**24.** Other leavers from Prospect during 2011 were:

- Phillip Bickerstaffe, National Officer

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## APPEALS COMMITTEE

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**25.** The committee was not called on to consider any cases in 2011. The committee's five members are: Gwyneth Marsden, Tod Burns, Richard Grant, Robin Morris and Terry Anne Boxshall.

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## BIENNIAL NATIONAL CONFERENCE

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**26.** Prospect's Biennial National Conference 2012 will be held at the Bournemouth International Centre from 22-24 May.

**27.** Prospect's Biennial National Conference 2014 will be held at the Scottish Exhibition and Conference Centre, Glasgow from 20-22 May.

# 3 RIGHTS AT WORK

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## EMPLOYMENT LAW

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- 1.** 2011 saw many difficult challenges for Prospect in defending members' rights because of the impact of Government job cuts and the worsening economic climate hitting both the public and private sectors, causing redundancies and pay freezes.
- 2.** Developments in the law, through statutory changes and case law, meant that 2011 was a demanding year. New rights were introduced for agency workers and on additional paternity leave; both were explained in Prospect briefings. A new Members' Guide to Working Time was produced in recognition of the significant demands on members.
- 3.** During 2011, Prospect responded to several Government consultations on potential changes to the law, including new procedures for bringing employment tribunal cases, an increase in the qualifying period for unfair dismissal, equal pay, flexible parental leave and working time. In many areas extremely detrimental provisions are being introduced, which will have a severe impact on the rights of workers. Copies of these submissions are available from Research and Specialist Services and on the website.

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## LEGAL CASES

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- 4.** Two major issues dominated the union's casework during 2011 and resulted in a number of multiple claims at employment tribunals. First, a number of equal pay cases were taken based on the discriminatory impact of length of service. Second, we saw a number of claims for groups of public sector members seeking to resist the pay freeze and argue that they had contractual rights to an increase in pay. Many of these cases

are ongoing. Multiple claims like these are a good example of using the law and collective bargaining together in order to make significant improvements to members' terms and conditions. In many cases the results of litigation meant significant improvements in pay for all workers in the same employment, not just members who brought claims.

- 5.** Some notable results in respect of casework during 2011 were:
- 6. Equal pay.** In December, Prospect took cases to the Court of Appeal in respect of nine members at the Audit Commission who were claiming for like work with their male comparators. The decision of the court is awaited.
- 7.** In February Prospect won a preliminary case at the employment tribunal for a group of members in the Animal Health Veterinary Laboratories Agency which established that there was serious doubt over the appropriateness of AHVLA's pay system, which disproportionately disadvantaged women. The case was eventually settled before the final hearing due in early 2012.
- 8.** Prospect lost a preliminary hearing in an equal pay claim against the Valuation Office Agency in March, but lodged an appeal to the Employment Appeal Tribunal. The cases were eventually settled before the EAT hearing took place.
- 9. Contractual pay claims.** Prospect took a large number of claims against the Home Office, arguing that despite the Government pay freeze, members were entitled to pay increases in line with the incremental pay system. When the case settled, an increase was paid to all employees, as well as the claimants.

**10. Unfair dismissal.** Prospect successfully represented a member before the employment tribunal in a claim of unfair dismissal in a redundancy situation. The employers lodged an appeal to the EAT but eventually settled the claim.

**11. Disability discrimination.** In a claim of failure to make a number of reasonable adjustments for a member, the employer totally conceded her claims on the first day of the tribunal hearing and judgment was entered on her behalf.

**12. Judicial mediation.** Prospect successfully represented two members at judicial mediation in cases of disability discrimination, which resulted in reasonable adjustments being made by the employer and compensation for the members.

**13.** Prospect provided advice and assistance to members on a wide range of other employment law issues, including unfair dismissal, race discrimination, reasonable adjustments for disability and contractual disputes. Several individual tribunal cases were taken, including a number of cases for members in the Connect Sector, where claims arose from BT's aggressive use of its performance management system. Claims were also taken by Prospect against a failure to consult in TUPE situations.

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## HEALTH & SAFETY

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**14.** The Government carried forward its reform agenda for health and safety into 2011 with employment minister Chris Grayling's statement in March 'Good health and safety, good for everyone', published in response to the 2010 review by the Prime Minister's appointee, Lord Young. Lord Young's report 'Common sense, common safety' had shown a limited analysis of genuine health and safety problems, did nothing to tackle the media's negative reporting despite acknowledging its damaging effects, and continued the dogma that health and safety is 'red tape' that damages innovation.

**15.** The minister made clear the government's deregulatory intentions when he introduced, without consultation, a 'new health and safety framework', removing broad sectors of industry from the Health

and Safety Executive's preventive inspection regime. He also compelled HSE to extend its cost recovery charges through a 'fee for intervention' approach which is scheduled to commence in April 2012. Other measures will deregulate aspects of RIDDOR reporting, establish a health and safety consultants' register and are intended to make health and safety simpler. The legislation itself was put under scrutiny by yet another 'independent' review, carried out by Professor Ragnar Löfstedt. In fact it was far from independent, given that its terms of reference were to explore the scope for "reducing the burden of health and safety regulation on business."

**16.** Prospect submitted evidence to the review and its findings gave HSE a clean bill of health. Professor Löfstedt concluded: "I have neither seen nor heard any evidence to suggest that there is a case for radically altering or stripping back current health and safety regulation." Yet changes at HSE have led to the loss of Infoline, which took an average of 16,000 calls for help a week, the termination and/or suspension of some of HSE's acclaimed safety campaigns, and a 33% reduction in proactive inspections.

**17.** At the end of the year Prospect awaited the outcome of the 'Red Tape Challenge' on health and safety being carried out by the Department for Business, Innovation and Skills. Prospect stated its concerns about the exercise in letters to the Deputy Prime Minister and at a Parliamentary reception at the House of Commons in December, sponsored by Jim Sheridan MP (Chair of the All-Party Parliamentary Health and Safety Group) and addressed by shadow health and safety minister, Stephen Timms. With stakeholders from government, industry, professional bodies and fellow unions, Prospect promoted the newly-published evidence that for every £1 spent on health and safety regulation, the UK benefits by £2.35.

**18.** As the voice of HSE inspectors, Prospect's lobbying and campaign activity attracted wide media interest during the year, with good coverage across the professional, trade union and national press.

**19.** In addition to political activity, Prospect continued to lead trade union work on health and safety within the energy sector and worked closely with sister unions in the civil service and telecommunications sectors.

**20.** In the energy sector, work included making key contributions to the industry's national health and safety committee (HESAC) and acting as the union lead on the Powering Improvement Steering Group and its associated occupational health committee. This gave Prospect a major voice in how evidence is gathered and communications are promoted. The 2011 Powering Improvement theme was health. Prospect raised the bar by openly stating its intention to monitor energy company annual reports to check that coverage of both occupational health performance and the involvement of trade union health and safety reps is included.

**21.** In the telecommunications sector, Prospect continued to promote the 'good work' agenda, highlighting the benefits of engaging in 'mental health first aid' training. In addition, Prospect's resources for campaigns around work-life balance and flexible working were strengthened.

**22.** Nationally, health and safety issues within the civil service were subsumed within the Next Generation HR programme. Cabinet Office restructuring impacted on its capacity to maintain strong relationships with unions, inevitably resulting in more reactive, rather than proactive, working. Not surprisingly, the 2011 People Survey measured a decrease in the benchmark score for pay and benefits. Nevertheless, the 60% response rate was admirable, as was the evidence of staff professionalism; 9 out of 10 civil servants still say they remain interested in their work despite the unwarranted attacks on their pensions, pay, attendance, security and working conditions.

**23.** Because change and uncertainty have become such a large part of working life, Prospect is developing new, innovative materials to support reps and members. In 2011 the union promoted 'body mapping', a particularly helpful technique for dealing

with stress. A new factcard and podcast were produced as convenient and accessible learning aids.

**24.** Work continued to maintain the capacity and competence of the union's health and safety representatives. In 2011, six national health and safety courses and two branch courses were delivered. Prospect's biennial health and safety conference, held in March, was very well attended and included keynote contributions from Lynda Armstrong OBE, Chair of the British Safety Council, and Dr Paul Litchfield, Chief Medical Officer at BT. The conference sought to demonstrate the importance of reps working together across the health and safety, equalities, skills and industrial relations strands to ensure a coherent and effective force for our members.

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## EQUALITIES

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**25.** Work continued to focus on the need to ensure a clear link between equalities issues and Prospect's bargaining agenda in order to promote greater equality in the workplace. We also sought to support and enable equality reps to take forward this work via a survey to identify their needs and by developing the union's training programme.

**26.** In 2011, Prospect successfully piloted a new course on 'Tackling Discrimination at Work'; expanded training opportunities by using knowledge calls to brief reps on the Single Equality Act; and streamlined and updated the advice and guidance on the union website. Alongside these steps, a new system of weekly Equality Digests was introduced to provide information to equality reps and others directly involved in negotiations.

**27.** The decision by the 2010 Biennial National Conference to prioritise issues around disability was progressed in several ways. Focus groups of disabled members are being held to hear their concerns at first-hand and the findings will be used to inform our guidance for negotiators. These issues were raised in Profile and a programme of knowledge calls for reps was initiated on issues around disability discrimination.

**28.** The issue of equal pay is being progressed via a project-based approach with individual employers. Successful cases will be used to build a wider policy for approaching employers across the union.

**29.** During 2011 Prospect collaborated with sister union, the FDA, on two leadership events for women and black and minority ethnic members. The union continued to play an active role in TUC equality conferences and other forums.

# 4 BENEFITS AND SERVICES

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## PERSONAL INJURY SCHEME

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- 1.** Almost £3 million pounds was recovered in compensation for 114 Prospect members who brought personal injury claims in 2011. The amounts secured in individual cases varied widely depending on the nature of the injury and claim.
- 2.** 2011 saw a large increase in the number of applications for assistance. There were 390 new applications for advice, compared to 265 in 2010. This increase is partly explained by a significant number of cases of occupational deafness submitted by members in the Connect sector. Other types of cases included asbestos-related illnesses, stress, repetitive strain injuries, occupational diseases and accidents at work.

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## LEGAL SERVICES

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- 3.** In addition to the union's key legal services on employment rights and personal injury, other general legal services are available to members, including advice on defamation, clinical negligence and wills. The Prospect guide to legal services, 'On Your Side' describes the full range of advice and assistance available and the conditions on which the service is provided.
- 4.** One of the most popular Prospect services is LegalLine. This is a 24-hour advice line service run by Prospect's solicitors Russell Jones & Walker to advise members on any non-work related legal issue, such as consumer, family or housing queries. The line is available to members and financially dependent members of their immediate families. During 2011 the LegalLine dealt with over 1,800 queries from Prospect members.

**5.** Prospect continued to work with our main firm of solicitors, RJW, to ensure that our members continue to receive a high quality, efficient and responsive service.

**6.** During 2011 we made new arrangements to provide a wills service for members in Northern Ireland with our solicitors there, Edwards & Co. This service is now advertised on both the Prospect and Edwards & Co websites.

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## ASBESTOS REGISTER

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**7.** The importance of the Prospect asbestos register continued to be publicised. Members were reminded that whether they have entered their details on the register or not, they can still access the Prospect Personal Injury Scheme should they be the subject of a latent occupational health issue. At the year-end there were 1,198 members on the asbestos register.

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## RADIATION-LINKED DISEASES

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**8.** Prospect continues to play a prominent role in the work of the compensation scheme for radiation-linked diseases, which is a joint initiative between 16 of the UK's nuclear sector employers, other related companies and their trade unions. The scheme provides an alternative to legal action for past and present employees who were exposed to radiation during their work and are subsequently diagnosed as suffering from cancer or cataracts. Cases are assessed by the application of technical criteria jointly agreed between management and trade unions.

**9.** Four claims qualified for payment in 2011 and 39 new eligible applications were received. There have been 1,540 cases since

the scheme began in 1982 and compensation totalling £7.34 million has been paid in respect of 134 successful claims.

**10.** The scheme is committed to employ the most up-to-date science available to assess claims. After detailed consideration the scheme decided to adopt the latest scientific knowledge available from the US National Research Council BEIRVII report and supportive data from the UNSCEAR report published in 2009. These reports constituted a major review of the health effects of ionising radiation.

**11.** The scheme is currently undertaking a retrospective exercise to consider past claims in the light of the new science and new schedules. It is expected that payments to a small number of past claimants previously calculated under the superseded technical basis will be made.

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## SERVICES TO MEMBERS

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**12.** Prospect launched a range of new services to members during 2011. These services were regularly promoted in Profile and Report magazines, and included: CSMA Club membership, with discounts on breakdown cover, car and home insurance, UK leisure retreats and holidays; travel insurance for hard-to-cover conditions;

several specialist insurance services; and dental and healthcare plans. These services were in addition to the other members' services provided by Prospect, and will all be included in a new Members' Services leaflet to be circulated in early 2012.

**13.** Prospect continued to work closely with all its service providers, holding frequent meetings throughout the year. In 2011 activities from Prospect's Members' Services portfolio yielded income for the union of £62,771. It should be noted that this figure does not include the last quarter payments.

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## CREDIT CARD

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**14.** Lloyds Banking Group ceased marketing the Prospect credit card but will continue to provide a service to existing credit card holders until the end of our contract in early 2012.

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## BENEVOLENT FUND

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**15.** During the year, 24 grants were made to the beneficiaries of members in financial need, to a total value of £33,763.

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## DEATH BENEFIT

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**16.** Death in service benefit was paid to the beneficiaries of 86 members during the year, to a total value of £83,095.

# 5 TRAINING AND SKILLS

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## PROSPECT LEARNING

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- 1.** Following the merger with Connect, Prospect's new national education programme was formally launched on January 11-12 with a successful Essential Skills for Union Volunteers course at New Prospect House, London. This course is part of a suite of seven new courses that were specially customised to meet the needs of Prospect's diverse representative base. The courses focus on giving reps the skills needed to be effective in their roles, especially in recruiting new members, strengthening branch organisation and representing members collectively and individually.
- 2.** Each new course was formally observed by a member of Learning Services personnel, who carried out random informal interviews with course participants. This addition to the normal quality assurance process was enormously helpful in ensuring that Prospect courses are fit for purpose.
- 3.** In total, Prospect scheduled more than 50 national courses across the UK in 2011. Stirling and Blackpool were added to our venue options and three new workshops were introduced. These flexible, user-friendly units are designed to be delivered in half a day or less by either Prospect officers or experienced lay reps. Subjects currently covered include TUPE, Redundancy, Recruitment and the entry-level Understanding Prospect module.
- 4.** Prospect's new training route map, published in the summer, helps members and reps to navigate through our new training and development offer and provides a vehicle for reps to make sound choices about which training opportunities are right for them and the structures in which they operate.

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## MEMBERSHIP PARTICIPATION

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- 5.** Participation in the union's learning and development activities continued to grow in 2011 with 5,159 Prospect-run or Prospect-sponsored learning and development interventions. Externally-funded skills projects were included in this headline figure and numbered 4,113 learning events. Learning activities included participation on Prospect's national, branch, regional and other bespoke education programmes, Prospect reps enrolled on TUC and other external training courses, learning from Prospect's CD/DVD lending library and participation in workshops, seminars and other activities.
- 6.** During 2011, 523 participants attended Prospect's branch and regional training programme. Prospect continued to deliver courses across the length and breadth of the UK, including the Channel Islands and the Isle of Man, to ensure that reps from all branches can benefit from union training.

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## FORMAL ACCREDITATION

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- 7.** Prospect entered into a formal partnership arrangement with the CPD Certification Service for the accreditation of the Prospect reps' training programme. All new continuous professional development courses and some existing ones now carry the CPD tick-mark logo. CPD certification allows reps to count their Prospect training towards their continuing professional development, in discussion with their employer and/or professional association.
- 8.** The objective is to accredit all Prospect national courses through the CPD Certification Service. Until this goal is

reached some courses continue to benefit from validation through the National Open College Network.

**9.** In recognition of their learning achievement, all course participants on CPD Certification Service-accredited courses now receive an attractive course certificate signed by Prospect's General Secretary; 293 certificates were issued in 2011.

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## PARTNERSHIP WORKING

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**10.** Prospect ran several courses on job evaluation in government departments and agencies. In the spirit of inter-union partnership these were opened up to reps from the Public and Commercial Services Union (PCS).

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## TRAINING OUR TRAINERS

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**11.** The training programme for Prospect reps is delivered primarily by full-time staff, enabling reps to benefit from the experience and know-how of seasoned negotiators and organisers. The vast majority of full-time Prospect officers have now undertaken formal 'train the trainer' training. Two courses were run for Prospect in 2011, specially developed and delivered by our learning partners at South Thames College, London.

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## VALUE FOR MONEY

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**12.** Thanks to Prospect's new travel and subsistence policy, the learning services budget has been managed more smartly so as to deliver enhanced value for members' money. Course applicants are asked to take full advantage of early booking discounts on rail and air travel and to avoid using private cars and taxis wherever possible.

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## SKILLS AGENDA

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**13.** There was a major and continuing focus on green jobs and skills throughout the year. Prospect worked with the TUC to press the importance of green skills as part of the Government's Green Economy roadmap. However the Government's report, eventually published in August as 'Enabling the Transition to a Green Economy', was rejected as a wholly inadequate substitute for the promised vision of moving the UK to

cleaner technologies and taking advantage of new environmental markets. Prospect therefore continued to argue through the Green Economy Council for a workstream aimed at securing ministerial commitment to a green skills strategy that is integral to the development of a proactive industrial strategy. At the time of writing this work continues.

**14.** Separate presentations on the importance of green skills were made to Lord Henley, then Environment Minister, in July and to Charles Hendry, Energy Minister, in November. Prospect also sought to influence opposition policy on these issues, including interventions in a panel debate on green jobs and skills as part of a TUC climate change conference held in July.

**15.** Prospect continued to lobby strongly for investment in STEM skills. All MPs received a Prospect briefing in advance of the autumn statement on the theme 'Science skills for growth.' This was followed up with a meeting in November, as part of the TUC Science Alliance Group, with Science Minister David Willetts. This meeting provided an opportunity to raise concerns about the failure to invest in science skills, the lack of a long-term strategy for public science, and continuing concerns about the under-representation of women in SET. Prospect continued to hold regular useful meetings with the Government's Chief Scientific Adviser which, among a range of other issues, provided the opportunity to highlight concerns about skills shortages and the potential loss of key specialist skills. At the time of writing it is hoped that there will be opportunities in 2012 to engage with the Government Office for Science in a review of the science and engineering profession in government.

**16.** Prospect's Union Learning Fund (ULF) project continued to support members at risk of redundancy through skills-focused CareerPlus workshops and workshops for members considering a move into self-employment. In addition, podcasts were developed and posted on the website to enable a wider group of members to access

advice on writing effective CVs, selling one's skills and strengths, and preparation for interview.

**17.** Prospect actively seeks to promote and support good quality apprenticeships. An initial workshop was organised through the ULF project in September, with contributions from unionlearn, Cogent Sector Skills Council, the Apprenticeships Ambassadors Network and two apprentices working in the energy sector. A Prospect delegation contributed to a TUC event, held in November, on the 'Voice of Apprentices'. A further Prospect workshop will be held in early 2012.

**18.** The current ULF project will cease at the end of March 2012. A further bid was submitted in 2011 on the theme 'Digital Cohesion: a union's approach to investment in skills'. This bid has five main aims, which include provision of mentoring training and support frameworks for women in STEM and young workers, and union support for apprenticeships.

**19.** Prospect's work on the World Skills UK environmental science competition progressed successfully, and was the only union-led competition to feature at World Skills London - the skills Olympics held in October. Six teams competed over three days in the competition final, five from the UK and one from the Netherlands. The teams were tasked to design a sustainable energy solution for an island community; to build a renewable energy generator; and to present a report to judges justifying their solution and winning over members of the local community to their project. Newcastle College fielded the winning team. The competition was supported by the British Geological Survey, World Skills UK, the Tec Trust Fund, National Skills Academy for Power, EAL Ltd, Green Collar Academy, Summit Skills, National Nuclear Laboratory, Energy Solutions, SEMTA and unionlearn.

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## SECTOR SKILLS COUNCILS

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**20.** Prospect continued to work with Sector Skills Councils (SSCs) operating in the union's core membership areas in order to maximise opportunities for involvement and

influence over the strategic direction of skills development in the UK. These are Cogent, Creative and Cultural Skills, E Skills, Energy and Utility Skills, Lantra, SEMTA and Skills for Justice. Prospect is also represented at board level on the National Skills Academy for Power and National Skills Academy for Nuclear. Our representation at board level is as follows:

**Lantra** – Nigel Titchen

**E-Skills** – Leslie Manasseh

**Cogent** – Sue Ferns

**National Skills Academy for Power** – Mike Clancy

**National Skills Academy for Nuclear** – Mike Graham.

**21.** Government Skills, the former SSC for central government, ceased to exist from April 2011 but, after some delay due to civil service restructuring, working relationships have been established with the successor body, Civil Service Learning. Joint working is at an early stage.

**22.** Prospect worked closely with SEMTA and the National Skills Academy for Power on the World Skills environmental science competition, and with Cogent on apprenticeships. Prospect also liaised with SEMTA on the Talent Retention Solution, a joint initiative with the Department for Business, Innovation and Skills, launched in July. The Talent Retention Solution is a web-based recruitment clearing-house that allows staff from participating organisations – including defence employers affected by cuts arising from the Strategic Defence and Security Review – to access the site and search for vacancies posted by participating employers across the wider manufacturing sector.

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## CSR AND INTERNATIONAL DEVELOPMENT

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**23.** The outcomes and impact of Prospect's three-year Bargaining for International Development project were published in a booklet titled 'A World of Difference: a contribution to the Millennium Development Goals'. The book contains case studies that reflect the commitment of Prospect

development advocates to undertake work on issues ranging from ethical procurement to raising money for charity. This work broke new ground for recognising trade union members as official stakeholders in organisational corporate social responsibility (CSR) programmes, sustainability forums, introducing Fairtrade and working with procurement practitioners on labour standards in supply chains.

**24.** During the year Prospect showed solidarity in various forms to trade unionists in Japan affected by the earthquake and tsunami and to those oppressed/imprisoned in Swaziland, Zimbabwe, Colombia and the Philippines.

**25.** In 2011 Prospect was proud to complete a body of work in partnership with a sister union in Kenya (Kenya Electrical Trades and Allied Workers Union) whereby they substantially increased their membership, and formulated policies and activities to address issues such as corruption, climate change and the needs of young workers.

**26.** In 2011, Corporate Social Responsibility was included in Prospect's strategic objectives and work commenced on developing a policy and action plan.

# 6 AWARDS

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## LONG SERVICE AWARDS

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The following members were granted a Long Service Award by the National Executive Committee during 2011:

**Jerry Greenhalgh**  
Scottish & Southern Energy

**Jane Redshaw**  
Biotechnology and Biological Sciences  
Research Council

**Basil Clarke**  
MOD Central

**Dr Richard Shannon**  
ATOS Healthcare

**Dr Anne Hicks**  
ATOS Healthcare

**Irene Danks**  
National Library of Scotland

**Malcolm Andrew**  
UK Atomic Energy Authority

**Bryan Wakely**  
HM Prison Service

**John Burton**  
Defence Acquisition & Maritime (South)

**Mike Chambers**  
British Library



# OTHER ORGANISATIONS

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## TUC

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**1.** Prospect was well-represented in September by a delegation of eight at the first of the smaller, streamlined Congresses to be held in London in alternate years. Delegates made contributions and intervened on a wide range of issues, including the low-carbon economy, public services, deregulation, health and safety, maritime safety, Playfair 2012 and economic policy. In a question and answer session, Prospect's President, Nigel Titchen, challenged Labour leader, Ed Miliband, on whether he would commit to reversing the government's decision to switch from the RPI index to CPI for uprating state and public sector pensions.

**2.** Paul Noon was re-appointed to the TUC General Council and Executive Committee; both Sue Ferns and Leslie Manasseh were re-elected to the General Council.

**3.** In Scotland, Anne Douglas and Satnam Ner maintained their positions on the STUC General Council. In Wales, Gareth Howells continued to sit on the General Council of the Wales TUC. Prospect also continued to support events organised by the Irish Congress of Trade Unions and to take advantage of ICTU training opportunities.

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## INTERNATIONAL BODIES

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**4.** In 2011, Prospect worked with Justice for Colombia to campaign for the release of Liliyany Obando and other political prisoners in Colombia. Meetings were also held with union leaders and labour campaigners from Egypt, Haiti, Brazil, Colombia, Bangladesh and Zimbabwe. The union continued its support for War on Want and ACTSA campaigns and projects, and participated in the TUC's 2012 PlayFair campaign for a fair

and just London Olympics. Prospect also supported the TUC's advocacy of a 'Robin Hood' financial transactions tax.

**5.** Prospect participates in numerous bodies that have a shared approach to international development, including the TUC International Development Group, ministerial forums at the Department for International Development, TUC Aid, the Ethical Trading Initiative trade union committee and the Sustainability Forum within the Cabinet Office. Prospect also represents the labour voice on the CSR, ethics and sustainability committee at the British Standards Institution.

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## OXFAM

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**6.** Members continued to give generously to the Oxfam Third World Trust fund established by our predecessor union, IPCS, in 1986. The fund supported a water and irrigation project in Zimbabwe and, with an additional contribution from the Prospect disaster fund, the union was able to donate £25,000 to the appeal for the humanitarian crises in the Horn of Africa.

**7.** By the end of 2011 Prospect had completed 25 years of support for the Oxfam Appeal. In that time, members have raised £837,283 for a series of projects which provided either emergency relief or long-term development aid in countries as varied as Haiti, Zimbabwe, Nicaragua, Colombia, Eritrea, Ethiopia, Cambodia and Kenya. The union's work with Oxfam was celebrated in a Prospect booklet published at the end of the year, 'A World of Difference', highlighting the growth of Prospect's work in aid of the UN Millennium Development Goals and the achievement of the union's Bargaining for International Development project.

## UNION FEDERATIONS

**8.** Prospect maintained its affiliations to three global union federations in 2011 – Public Services International (PSI), International Transport Workers Federation (ITWF) and Union Network International (UNI) Global Union. Prospect is also affiliated to the European arms of these bodies.

**9.** Deputy General Secretary, Leslie Manasseh, attended the inaugural world conference of the UNI ICTS Global Union (IT and Telecoms) in October in Mexico City and various Union Network International meetings. Deputy Vice-President, Denise McGuire, was re-elected unopposed as the World Women's President of UNI Global Union at the world conference in November 2010. In 2011 Denise arranged for the World Women's Committee to meet in Colombia – the most dangerous place on earth to be a trade unionist – with a programme of solidarity and practical support to women union reps who are at risk just because they are trade unionists.

**10.** General Secretary Paul Noon attended the Congress of the Austrian local authority federation (GdG-KMSfB) in Vienna in September and also represented Prospect at the PSI Executive Board Meeting in Geneva in November. Full reports of all these activities were provided for the National Executive Committee.

## AFFILIATED ORGANISATIONS

**11.** Prospect maintains contact and is involved with a significant number of external organisations. Some of these are the result of conference decisions for direct affiliation, others are subscriptions for information or to exchange information and views. A list of these bodies is set out below together with the current headquarters contact for each organisation. It should be noted that the list is not exhaustive.

ORGANISATION	NEC/HQ CONTACT
Action for Southern Africa	Mike Sparham
Amnesty International	Alan Leighton
British Association for the Advancement of Science	Sue Ferns
Campaign for Press and Broadcasting Freedom	Leslie Manasseh
Chartered Institute of Personnel and Development	David Pelly
Compass	Leslie Manasseh
Confederation of Shipbuilding and Engineering Unions	Mike Clancy
Disability Alliance	Leslie Manasseh/ Sandie Maile
Engineering Technology Board	Mike Clancy
European Transport Federation (ETF)	Garry Graham
Eurocadres	Mike Clancy
European Public Service Unions	Dai Hudd
General Federation of Trade Unions (Connect Sector)	Ben Marshall
International Federation of Air Traffic Safety Electronics Associations (IFATSEA)	Garry Graham
International Transport Workers Federation	Paul Noon
Irish Congress of Trade Unions	Paul Noon
Justice for Colombia	Paul Noon
Labour Research Department	Sue Ferns
Liberty	Aveen McHugh
Love Music Hate Racism	Aveen McHugh
Mechanics Centre Trust	Mike Graham

<b>ORGANISATION</b>	<b>NEC/HQ CONTACT</b>
National Assembly Against Racism	Aveen McHugh
National Association of Pension Funds	Neil Walsh
National Campaign for the Arts	Alan Leighton
National Pensioners' Convention	Mike Clancy
National Trade Union Committee	Dai Hudd
Parliamentary and Scientific Committee	Sue Ferns Nigel Titchen
Public Services Pensioners' Council	Neil Walsh
Royal Institute of International Affairs	Paul Noon
Ruskin College Trade Union Research Unit	Sue Ferns
Searchlight	Paul Noon
The Work Foundation	Sue Ferns
Trades Union Congress and related bodies	Paul Noon Leslie Manasseh Sue Ferns
Trade Union International Research and Education Group	Sue Ferns
UNI Global Union (Worldwide)	Paul Noon
UNI Global Union Europa	Leslie Manasseh
Unions 21	Sue Ferns
Unite Against Fascism	Paul Noon
War on Want	Beverley Hall

## OTHER BODIES TO WHICH PROSPECT IS LINKED:

<b>ORGANISATION</b>	<b>NEC/HQ CONTACT</b>
APESMA	Paul Noon
BMA/Joint Committee	Geraldine O'Connell
British Veterinary Association	Geraldine O'Connell
Institute of Employment Rights	Mike Clancy
Labour Research Department	Sue Ferns
Museums Association	Alan Leighton
National Inspection Council for the Electrical Installation Contracting Board	Mike Clancy
Parity	Neil Walsh
Penal Affairs Consortium	Alan Leighton
Trade Unions for Safe Nuclear Energy (TUSNE)	Paul Noon
Workers' Educational Association	Sue Ferns

# 8 FINANCE

**1.** Total income for the year was £17,026,000, of which subscription income was £16,291,000, including income from investments and other non-operating income (net of losses and provisions) which was £735,000.

**2.** Total expenditure in 2011 was £16,687,000. The difference between total income and total expenditure resulted in a net surplus for the year of £339,000, before taking into account changes in pension scheme liabilities. There was an operating deficit (before investment operations) for 2011 of £396,000.

**3.** Prospect operates two defined benefit pension schemes for its staff, the Prospect Pension Scheme (PPS) and the Connect Pension Scheme (CPS). To comply with the FRS17 standard, we are required to show the position of the schemes within Prospect's accounts each year. The pension schemes at the end of 2011 showed an aggregate deficit calculated on the FRS17 basis of £3,979,000. This resulted in a negative movement in the pension scheme liability of £4,180,000 which was transferred to the general fund. It should also be noted that the valuation on an FRS17 basis is not the same as a full actuarial valuation. The last full valuation for the PPS at 31 December 2008 showed a deficit of £12,500,000; and for the CPS on 1 July 2008 the deficit was £1,341,000 (see also paragraph 14 of the accounts).

**4.** The National Executive Committee is grateful for the assistance of all members, representatives and staff for their hard work, support and co-operation in securing the most economical and effective use of the union's financial resources.

**5.** The detailed report on income and expenditure for the year and balances as at 31 December 2011 is set out below.

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## INCOME

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**6.** Income from subscriptions was £16,291,000 after the transfer of £47,000 to the Prospect Political Fund and £47,000 to the Connect Sector Political Fund.

**7.** Income from investment operations and other sources – total income from investment operations was £856,000 (excluding sale of investments and movement in provisions). This included: dividends and interest received amounting to £358,000, rental income of £249,000 and other income of £249,000, which mainly consisted of £27,000 from credit card royalties, £80,000 from Membership Services, £50,000 net from VAT refunds for 2010-11 and £29,000 net from journal income. Total investment income included an increase in the provision against investments of £150,000 reflecting the change in the market value of investments in the past year and a net profit from sales of investments of £29,000, leaving a net income figure for investment operations of £735,000.

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## EXPENDITURE

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**8. Total expenditure (excluding other non-operating income/[expenditure])** was £16,687,000. Additional pension contributions of £1,320,000 (included under employment costs) were made in the year to address the pension scheme deficits.

**9. Committees and conferences** – £239,000. For 2011 this comprised the cost of Prospect's national committees £113,000 and £126,000 for Prospect's sector conferences. There was no national conference in 2011.

**10. Local democratic organisation and education** – £1,316,000. The figure includes expenditure for professional, departmental and other groups of £120,000; branch and section expenditure of £979,000 and £217,000 for the members' education and training programme.

**11. Employment costs** – £11,284,000. The figure mainly comprises £8,929,000 for the cost of staff salaries, employer's national insurance and normal contributions to the staff pension scheme. It also includes £1,320,000 for additional employer's contributions to the staff pension schemes; £658,000 for the cost of staff travel, subsistence and mobile phones; and £377,000 for other staffing costs.

**12. Property costs** – £1,145,000. These are incurred in the general upkeep of all Prospect properties, running costs including rents and the provision of property depreciation.

**13. Administration and other supplies** – £1,050,000. This includes equipment, printing, stationery and telephones; computer services, research publications and subscriptions; editorial publishing and publicity; general legal and professional fees.

**14. Benefits to members** – £1,653,000. Costs include affiliation fees of £479,000 and donations of £25,000; £521,000 being the cost of Prospect's journals including the Connect sector magazine; £82,000 being death benefit; £314,000 being costs associated with the running of the members' legal, medical and professional aid scheme; £133,000 being costs associated with Prospect's website and intranet; and £66,000 being recruitment/organisational expenditure.

**15. Surplus for the period** – £339,000. This is the surplus for the year. After taking into account the pension movement of £4,180,000, the net deficit for the year of £3,841,000 has been set against the general fund.

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## BALANCE SHEET

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**16. Tangible fixed assets** – £15,885,000. This includes £15,247,000 for land and buildings (including Flaxman House in

Chertsey, the Wimbledon office and New Prospect House in Waterloo, London); £315,000 for office equipment; and £323,000 for motor vehicles.

**17. Investments (net book value)** – £15,354,000. The historical cost of investments is £15,814,000, but after provision for the diminution in value of investments (since purchase), the net book value is £15,354,000. A schedule of investments is set out on pages 42 to 43 of the financial statement.

**18. Current assets** – £3,087,000. The main items contained in this figure are debtors and prepayments (£1,856,000). These are monies due for members' subscriptions deducted from December salaries and the amount collected by direct debit for December subscriptions. Both are received by Prospect in January. The bulk of the cash at bank and in hand (£1,231,000) is held in a deposit account and earns interest. This includes monies for the Disaster Fund (£35,000) and the Prospect Political Fund bank balances (£653,000).

**19. Current liabilities** – £838,000. The main items contained in this figure are creditors and accruals (£762,000). This mainly comprises the amount due to various suppliers at the end of December 2011.

**20. General fund** – £28,900,000. The general fund is the general reserve fund of the union which receives a transfer of the surplus (deficit) for the year. The net surplus of £339,000 transferred from the income and expenditure account and the negative pension scheme movements of £4,180,000 have resulted in an overall decrease in the general fund from £32,741,000 to £28,900,000.

**21. Political funds** – these are separate funds which receive income from members who opt to contribute to them. A total of 842 members did not contribute in 2011 (Prospect) and 3,767 members (Connect). A total of £47,000 was transferred to the Prospect fund and £47,000 to the Connect Sector fund, being income for 2011 from 78,941 members (Prospect), and 12,406 members (Connect) who contribute to it.

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## PROSPECT BENEVOLENT FUND

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**22.** The Prospect Benevolent Fund is not included in the Prospect balance sheet and has its own bank account.

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## IPMS (PROSPECT) EDUCATIONAL TRUST

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**23.** This was established by the 1990 IPMS Annual Delegate Conference. No grants were made from the fund during the year.

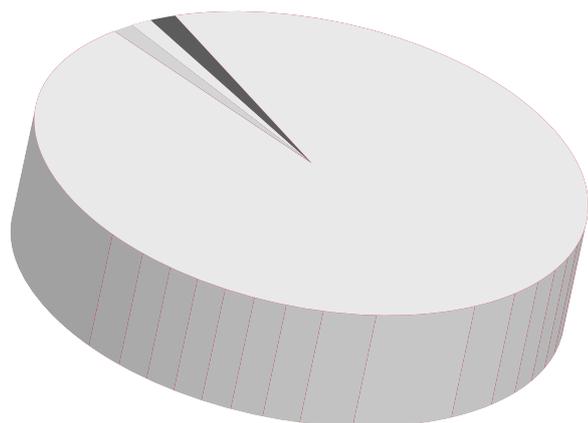
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## PROSPECT DISASTER FUND

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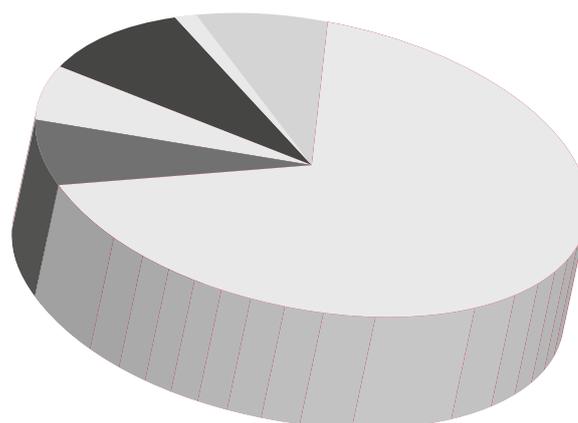
**24.** This was established by the NEC in 1992. A payment for one grant was made from the fund during the year.

## INCOME



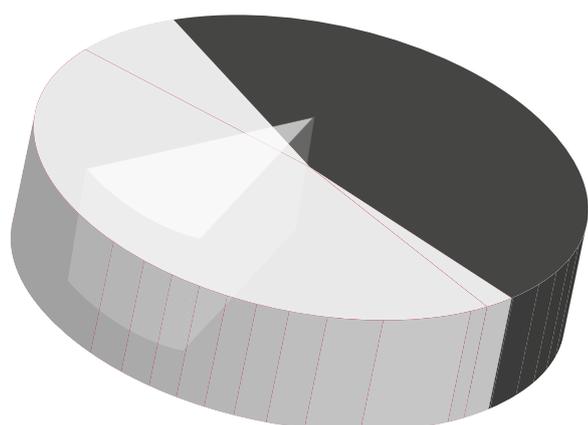
■ Subscriptions	£16,291,000
■ Investments	£237,000
■ Rental income	£249,000
■ Other income	£249,000
<b>TOTAL INCOME</b>	<b>£17,026,000</b>

## EXPENDITURE



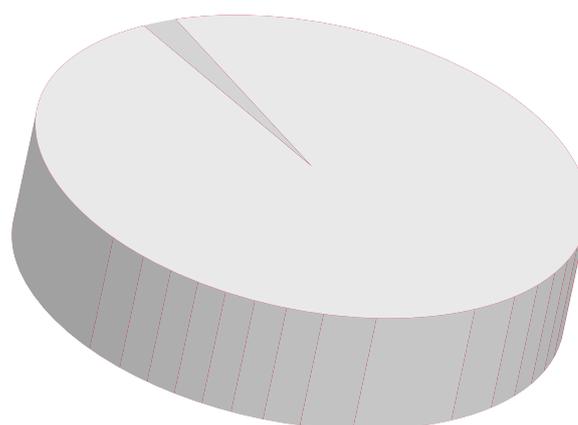
■ Committees and conferences	£239,000
■ Local democratic organisation and education	£1,316,000
■ Employment costs	£11,284,000
■ Property costs	£1,145,000
■ Admin and other supplies	£1,050,000
■ Benefits to members	£1,653,000
<b>TOTAL EXPENDITURE</b>	<b>£16,687,000</b>

## ASSETS



■ Land and buildings	£15,247,000
■ Office equipment, fixtures and fittings, motor vehicles	£638,000
■ Investments	£15,354,000
■ Net current assets	£2,249,000
■ Pension scheme liability	(£3,979,000)
<b>TOTAL ASSETS</b>	<b>£29,509,000</b>

## RESERVES



■ General Fund	£28,900,000
■ Political Fund	£609,000
<b>TOTAL RESERVES</b>	<b>£29,509,000</b>

# ACCOUNTS

## Statement of Responsibilities of the National Executive Committee

The legislation relating to trade unions requires the union to submit a return for each calendar year to the Certification Officer. This return contains accounts that must give a true and fair view of the state of affairs of the union at the year end and of its transactions for the year then ended. The accounts set out on the following pages have been prepared on the same basis and are used to complete the return to the Certification Officer.

In relation to Prospect, the requirement to prepare accounts that give a true and fair view is the responsibility of the National Executive

Committee. The National Executive Committee is responsible for preparing accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In so doing, the National Executive Committee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed.
- prepare the accounts on the going

concern basis unless it is inappropriate to do so.

The National Executive Committee is responsible for keeping proper accounting records and establishing and maintaining a satisfactory system of control over its records and transactions in order to comply with the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended). It is also responsible for safeguarding the assets of the union and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Report of the Independent Auditors to the Members of Prospect

We have audited the financial statements of Prospect for the year ended 31 December 2011, set out on pages 28-43. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards (United Kingdom generally accepted accounting practice).

This report is made solely to the union's members, as a body. Our audit work has been undertaken so that we might state to the union's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the union and the union's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of the union's National Executive Committee and auditors

As explained more fully in the Statement of Responsibilities of the National Executive Committee, the union's National Executive Committee

is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and international standards on auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's ethical standards for auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the union's National Executive Committee; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements give a true and fair view of the state of the union's affairs as at 31 December 2011 and of its income and expenditure for the year then ended.

### Matters on which we are required to report by exception

We are required by the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) to report to you by exception in respect of the following matters if, in our opinion:

- a satisfactory system of control over transactions has not been maintained
- the union has not kept proper accounting records
- the financial statements are not in agreement with the books of account
- we have not received all the information and explanations we need for our audit.

We have nothing to report to you in respect of the above matters.

**H W FISHER & COMPANY**  
Chartered Accountants  
Statutory Auditor  
Acre House, 11/15 William Road  
London NW1 3ER  
8 March 2012

# PROSPECT INCOME AND EXPENDITURE ACCOUNT GENERAL FUND – Year Ended 31 December 2011

		2011		2010	
	Note	£'000	£'000	£'000	£'000
<b>INCOME</b>					
Subscriptions			16,291		16,378
<b>EXPENDITURE</b>					
Committees and conferences	1	239		548	
Local democratic organisation and education	2	1,316		1,295	
Employment costs	3	11,284		11,383	
Property costs	4	1,145		1,092	
Administration and other supplies	5	1,050		1,223	
Benefits to members	6	<u>1,653</u>		<u>1,917</u>	
			<u>(16,687)</u>		<u>(17,458)</u>
<b>OPERATING DEFICIT BEFORE INVESTMENT OPERATIONS</b>			(396)		(1,080)
<b>INCOME FROM INVESTMENT OPERATIONS</b>					
Investment income		358		347	
Rental income		249		224	
Other income	7	249		265	
Surplus on sale of investments		29		129	
(Increase)/decrease in provision against investments	9	<u>(150)</u>		<u>297</u>	
			<u>735</u>		<u>1,262</u>
<b>SURPLUS FOR THE YEAR</b>			<b>339</b>		<b>182</b>
<b>PENSION SCHEME (LIABILITY)/ASSET</b>					
FRS17 movement	15		1,540		1,143
Actuarial (loss)/gain			(5,720)		3,935
<b>GENERAL FUND AT 1 JANUARY 2011</b>			32,741		25,907
Transfer of Engagements (Connect)			<u>—</u>		<u>1,574</u>
<b>GENERAL FUND AT 31 DECEMBER 2011</b>			<b><u>28,900</u></b>		<b><u>32,741</u></b>

The income and expenditure account has been prepared on the basis that all operations are continuing operations. There are no recognised gains and losses other than those passing through the income and expenditure account.

## PROSPECT INCOME AND EXPENDITURE ACCOUNT – (PROSPECT) POLITICAL FUND Year Ended 31 December 2011

	<b>2011</b> <b>£'000</b>	<b>2010</b> <b>£'000</b>
<b>INCOME</b>		
<b>SUBSCRIPTIONS</b>	<u>47</u>	<u>49</u>
	47	49
<b>EXPENDITURE</b>	<u>(130)</u>	<u>(41)</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>	(83)	8
<b>POLITICAL FUND AT 1 JANUARY 2011</b>	<u>512</u>	<u>504</u>
<b>POLITICAL FUND AT 31 DECEMBER 2011</b>	<b><u>429</u></b> =====	<b><u>512</u></b> =====

## PROSPECT INCOME AND EXPENDITURE ACCOUNT – (CONNECT SECTOR) Political Fund Year Ended 31 December 2011

	<b>2010</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>
<b>INCOME</b>		
<b>SUBSCRIPTIONS</b>	<u>47</u>	<u>48</u>
	47	48
<b>EXPENDITURE</b>	<u>(7)</u>	<u>(23)</u>
<b>SURPLUS FOR THE YEAR</b>	40	25
<b>POLITICAL FUND AT 1 JANUARY 2011</b>	<u>140</u>	<u>115</u>
<b>POLITICAL FUND AT 31 DECEMBER 2011</b>	<b><u>180</u></b> =====	<b><u>140</u></b> =====

# PROSPECT BALANCE SHEET at 31 December 2011

	Note	2011		2010	
		£'000	£'000	£'000	£'000
<b>FIXED ASSETS</b>					
Tangible Fixed Assets	8		15,885		16,171
Investments	9		<u>15,354</u>		<u>15,047</u>
			31,239		31,218
<b>CURRENT ASSETS</b>					
DEBTORS AND PREPAYMENTS		1,856		1,960	
CASH IN BANK AND IN HAND		<u>1,231</u>		<u>1,187</u>	
		<u>3,087</u>		<u>3,147</u>	
<b>CURRENT LIABILITIES</b>					
CREDITORS AND ACCRUALS		<u>838</u>		<u>1,173</u>	
<b>NET CURRENT ASSETS</b>			<u>2,249</u>		<u>1,974</u>
<b>NET ASSETS EXCLUDING PENSION (LIABILITY)/ASSET</b>			33,488		33,192
Net pension scheme (liability)/asset	15		<u>(3,979)</u>		<u>201</u>
			<b><u>29,509</u></b>		<b><u>33,393</u></b>
Represented by:					
<b>GENERAL FUND</b>	10		28,900		32,741
<b>POLITICAL FUNDS</b>			<u>609</u>		<u>652</u>
			<b><u>29,509</u></b>		<b><u>33,393</u></b>

Approved for issue to members on 7 March 2012

**Paul Noon**  
General Secretary

**Nigel Titchen**  
President

# PROSPECT CASH FLOW STATEMENT

## Year Ended 31 December 2011

	Note	2011		2010	
		£'000	£'000	£'000	£'000
<b>NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES</b>	11		97		(316)
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>					
Investment income		358		345	
Rent receivable		<u>249</u>		<u>224</u>	
Net cash inflow from returns on investments and servicing of finance			607		569
<b>CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT</b>					
Payments to acquire tangible fixed assets		(268)		(237)	
Payments to acquire fixed asset investments		(3,579)		(2,340)	
Receipts from sale of tangible fixed assets		36		53	
Receipts from sale of fixed asset investments		<u>3,151</u>		<u>2,341</u>	
Net cash outflow from capital expenditure and financial investments			(660)		(183)
<b>ACQUISITIONS AND DISPOSALS</b>					
Cash acquired on transfer of engagements		<u>0</u>		<u>169</u>	
Net cash inflow for acquisition and disposal			<u>0</u>		<u>169</u>
<b>INCREASE IN CASH</b>	12		<b><u>44</u></b>		<b><u>239</u></b>

# PROSPECT ACCOUNTING POLICIES

## Year Ended 31 December 2011

The accounts have been prepared in accordance with applicable accounting standards. The specific accounting policies adopted are set out below.

### **Accounting convention**

The accounts are prepared under the historical cost convention.

### **Subscriptions**

Subscriptions are accounted for on an accruals basis.

### **Expenditure**

All expenditure in the accounts is inclusive of VAT where applicable.

### **Tangible fixed assets**

Tangible fixed assets are stated at cost and depreciated as set out below.

### **Depreciation**

Depreciation is provided on all tangible fixed assets, except freehold land, to write off the cost less estimated residual value in equal annual instalments over the estimated useful economic lives of the assets. The estimated useful economic lives are as follows:

Freehold buildings	–	50 years
Furniture and fittings	–	10 years
Office equipment	–	4 years

Motor vehicles are depreciated to reduce the book value of the vehicles to their realisable value at the balance sheet date.

### **Pension costs**

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using the Projected Unit Method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. The net movements in the pension funds are transferred to the general fund and are made up of the following: the increase in the present values of the union's defined benefit pension schemes expected to arise from employee service in the period; finance charges which include the expected return on the schemes' assets and the increase during the period in the present value of the schemes' liabilities arising from the passage of time and the actuarial gains and losses are recognised.

### **Corporation tax**

Corporation tax is payable on interest income, rental income and chargeable gains arising on the disposal of properties and investments but only to the extent that these exceed expenditure on provident benefits.

### **Branches**

The transactions of the branches during the period are included in these accounts as are the net assets held directly by them at the balance sheet date.

### **Investments**

Investments are stated at cost less any provision for impairment.

### **Leases**

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over the shorter period of the lease and the estimated useful economic lives of the assets. The finance charges are allocated over the period of the lease in proportion to the capital outstanding and are charged to the income and expenditure account. Operating lease rentals are charged to the income and expenditure account in equal instalments over the period of the lease.

# PROSPECT NOTES TO THE ACCOUNTS

## Year Ended 31 December 2011

	2011 £'000	2010 £'000
<b>1 COMMITTEES AND CONFERENCES</b>		
National committees	113	135
National and sector conferences	126	413
	<u>239</u>	<u>548</u>
<b>2 LOCAL DEMOCRATIC ORGANISATION AND EDUCATION</b>		
Professional, departmental and other groups	120	134
Branches and sections	979	911
Education and training	217	250
	<u>1,316</u>	<u>1,295</u>
<b>3 EMPLOYMENT COSTS</b>		
Staff salary costs	8,929	8,926
Additional pension contributions	1,320	1,562
Travel, subsistence and mobile phones	658	595
Other staffing costs	377	300
	<u>11,284</u>	<u>11,383</u>
<b>4 PROPERTY COSTS</b>		
Rent, rates and service charges	484	374
Light and heat	57	97
Decoration, repairs and maintenance	126	97
Cleaning and security	162	176
Property depreciation	247	273
Insurance and health and safety	69	75
	<u>1,145</u>	<u>1,092</u>
<b>5 ADMINISTRATION &amp; OTHER SUPPLIES</b>		
Equipment maintenance and repairs	70	49
Printing, stationery and postage	355	393
Telephone	78	71
Computer services	245	329
Other office services	83	83
Bank charges and collection of subscriptions	12	12
Research, publications and subscriptions	38	45
Editorial publishing and publicity	100	105
Legal, professional and audit fees	69	136
	<u>1,050</u>	<u>1,223</u>
<b>6 BENEFITS TO MEMBERS</b>		
Affiliations and donations	504	522
Members' benefits	1,083	1,317
Recruitment and organisation	66	78
	<u>1,653</u>	<u>1,917</u>
<b>7 OTHER INCOME</b>		
Membership services/net VAT recovered	157	208
Net journal income	29	49
Other income	63	8
	<u>249</u>	<u>265</u>

# PROSPECT NOTES TO THE ACCOUNTS

## Year Ended 31 December 2011

<b>8 TANGIBLE FIXED ASSETS</b>	<b>Land and buildings £'000</b>	<b>Office equipment £'000</b>	<b>Motor vehicles £'000</b>	<b>Total £'000</b>
<b>Cost</b>				
At 1 January 2011	16,485	1,289	695	18,469
Additions	—	125	143	268
Disposals	—	(128)	(150)	(278)
<b>At 31 December 2011</b>	<u>16,485</u>	<u>1,286</u>	<u>688</u>	<u>18,459</u>
<b>Depreciation</b>				
At 1 January 2011	991	963	344	2,298
Charge for the year	247	134	124	505
Disposals	—	(126)	(103)	(229)
<b>At 31 December 2011</b>	<u>1,238</u>	<u>971</u>	<u>365</u>	<u>2,574</u>
<b>Net book value at 31 December 2011</b>	<u><b>15,247</b></u>	<u><b>315</b></u>	<u><b>323</b></u>	<u><b>15,885</b></u>
At 31 December 2010	15,494	326	351	16,171

### 9 INVESTMENTS

	<b>2011 £'000</b>
<b>Cost</b>	
At 1 January 2011	15,357
Additions	3,579
Disposals	(3,122)
<b>At 31 December 2011</b>	<u><b>15,814</b></u>
<b>Provision for diminution in value</b>	
At 1 January 2011	310
Increase in provision	150
<b>At 31 December 2011</b>	<u><b>460</b></u>
<b>Net book value</b>	
At 31 December 2011	<u><b>15,354</b></u>
At 31 December 2010	15,047

	<b>2011 Net book value £'000</b>	<b>2011 Cost value £'000</b>	<b>2011 Market value £'000</b>
Quoted equities and gilts	4,218	4,614	4,718
Unit trusts	4,863	4,927	7,054
Bank deposits	6,153	6,153	6,153
Unquoted shares	120	120	120
	<u><b>15,354</b></u>	<u><b>15,814</b></u>	<u><b>18,045</b></u>

# PROSPECT NOTES TO THE ACCOUNTS

## Year Ended 31 December 2011

### 10 GENERAL FUND

	<b>2011</b> <b>£'000</b>	<b>2010</b> <b>£'000</b>
Balance at 1 January	32,741	25,907
Surplus for the year	339	182
FRS17 movement	1,540	1,143
Actuarial (loss)/gain	(5,720)	3,935
Transfer of engagements (Connect)	—	1,574
Balance at 31 December	<u>28,900</u>	<u>32,741</u>
<b>Represented by:</b> Prospect general fund	32,879	32,540
Pension scheme (deficit)/surplus	<u>(3,979)</u>	<u>201</u>
	<b><u>28,900</u></b>	<b><u>32,741</u></b>

### 11 NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	<b>2011</b> <b>£'000</b>	<b>2010</b> <b>£'000</b>
Surplus for the year:		
General fund	339	182
Political fund	(43)	33
Investment income	(358)	(345)
Rent receivable	(249)	(224)
Depreciation	505	479
Increase/(decrease) in provision on investments	150	(297)
Loss/(profit) on disposal of fixed assets	13	(2)
Profit on disposal of investments	(29)	(129)
Movements in:		
Sundry debtors and prepayments	104	(547)
Sundry creditors and accrued expenses	<u>(335)</u>	<u>534</u>
Net cash inflow/(outflow) from operating activities	<u>97</u>	<u>(316)</u>

### 12 INCREASE IN CASH

	<b>At 1 January</b> <b>2011</b> <b>£'000</b>	<b>Cashflow</b> <b>£'000</b>	<b>At 31</b> <b>December</b> <b>2011</b> <b>£'000</b>
Cash at bank	<u>1,187</u>	<u>44</u>	<u>1,231</u>

### 13 CONTINGENT LIABILITIES

The union is involved in numerous ongoing legal cases on behalf of its members, the outcome of which is inevitably uncertain. Provision has been made for the estimated unbilled costs where the union considers that they may not be totally recovered.

### 14 POST BALANCE SHEET EVENTS

1 February 2012 merger by transfer of engagements of Aspect to Prospect.

# PROSPECT NOTES TO THE ACCOUNTS

## Year Ended 31 December 2011

### 15 STAFF PENSION SCHEMES

The union currently operates two defined benefit pension schemes (Prospect and Connect) for its employees and officials. The assets for both are held in trustee administered funds separate from the union's finances. This note sets out the pension cost information required for Prospect to meet its pension obligations as specified under Financial Reporting Standard 17 (Retirement Benefits). The accounting date to which these disclosures relate is 31 December 2011.

The Prospect Pension Scheme (PPS) employs a building block approach in determining the long-term rate of return on pension plan assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed long-term rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the scheme at 31 December 2011.

The Connect Pension Scheme (CPS) assets are all invested in a policy of insurance, ie 100% 'Other'. The expected return on assets is obtained by considering the expected return on risk-free investments (primarily government bonds), the historic level of the risk premium associated with other asset classes and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the underlying distribution of assets with the policy at the valuation date.

The last full actuarial valuation of the pension schemes was carried out using the projected unit method on 1 July 2008 for the Connect scheme (showing an actuarial deficit of £1,341,000) and 31 December 2008 for the Prospect scheme (showing an actuarial deficit of £12,500,000). The next full valuation is scheduled for 30 June 2011 for the Connect scheme and 31 December 2011 for the Prospect scheme.

Regular employer contributions to the Prospect scheme in 2012 are estimated to be £1.9m including deficit contributions and £351,000 to the Connect scheme.

The pension charge for the year was as follows:

	PPS		CPS	
	2011	2010	2011	2010
	£'000	£'000	£'000	£'000
	2,170	2,392	316	328

There were no contributions outstanding at the year end.

The main financial assumptions used were:

	PPS		CPS	
	2011	2010	2011	2010
	%	%	%	%
Rate of increase in pensionable salaries	3.8	4.0	3.8	4.0
Rate of increase in pensions in payment	3.3	3.5	5.0	5.0
Discount rate for scheme liabilities	5.1	5.8	5.1	5.8
Rate of inflation	3.3	3.5	3.3	3.5

#### Mortality assumption

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member currently age 65 will live on average for a further 22.1 years if they are male and for a further 24.2 years if they are female. For a member who retires in 2020 at age 60 the assumptions are that they will live on average for a further 23.8 years after retirement in the Connect pension scheme if they are male and for a further 26.2 years after retirement if they are female.

# PROSPECT NOTES TO THE ACCOUNTS

## Year Ended 31 December 2011

### 15 STAFF PENSION SCHEMES (continued)

#### Net assets of the scheme

The net pension assets recognised in the union's balance sheet as at 31 December 2011 are as follows:

	PPS		CPS	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Equities	20,300	26,300	—	—
Government bonds	32,500	25,600	—	—
Property	5,000	—	—	—
Cash/other	<u>3,600</u>	<u>4,700</u>	<u>7,991</u>	<u>7,979</u>
Total market value of assets	61,400	56,600	7,991	7,979
Present value of liabilities	(60,800)	(53,500)	(12,570)	(10,878)
Scheme surplus/(deficit)	<u>== 600</u>	<u>== 3,100</u>	<u>== (4,579)</u>	<u>== (2,899)</u>

The expected long-term rate of return was:

	PPS		CPS	
	2011 %	2010 %	2011 %	2010 %
	4.6	6.15	4.8	5.7

#### Analysis of FRS17 movement:

	PPS		CPS	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Current service cost	(1,000)	(700)	(222)	(216)
Past service cost	—	—	—	—
Contributions	2,200	2,400	335	328
Return on scheme assets	3,500	2,600	461	421
Interest on scheme liabilities	<u>(3,100)</u>	<u>(3,100)</u>	<u>(634)</u>	<u>(590)</u>
Net finance cost	<u>400</u>	<u>(500)</u>	<u>(173)</u>	<u>(169)</u>
FRS17 movement	1,600	1,200	(60)	(57)
Actuarial gain/(loss)	<u>(4,100)</u>	<u>4,600</u>	<u>(1,620)</u>	<u>(665)</u>
FRS17 asset/(liability) brought forward	<u>3,100</u>	<u>(2,700)</u>	<u>(2,899)</u>	<u>(2,177)</u>
FRS17 asset/(liability) carried forward	<u>== 600</u>	<u>== 3,100</u>	<u>== (4,579)</u>	<u>== (2,899)</u>

# PROSPECT NOTES TO THE ACCOUNTS

## Year Ended 31 December 2011

### 15 STAFF PENSION SCHEMES (continued)

Analysis of the amount that is recognised on the statement of total recognised gains and losses:

	PPS		CPS	
	2011 £'000	2010 £'000	2011 £'000	2010 £'000
Actual return less expected return on pension scheme assets	1,600	2,900	(665)	(32)
<i>As percentage of year-end scheme assets</i>	2.61%	5.42%	(8.32%)	(0.40%)
Experience gains and (losses) arising on the scheme liabilities	0	0	0	0
<i>As percentage of present value of year-end scheme liabilities</i>	(0%)	(0%)	(0%)	(0%)
Changes in assumptions underlying the present value of the scheme liabilities	<u>2,800</u>	<u>1,700</u>	<u>(955)</u>	<u>(633)</u>
ACTUARIAL GAIN/(LOSS) RECOGNISED	<u><u>4,400</u></u>	<u><u>4,600</u></u>	<u><u>(1,620)</u></u>	<u><u>(665)</u></u>
<i>As percentage of present value of year-end scheme liabilities</i>	7.23%	8.59%	(12.89%)	(6.11%)

#### Changes to the present value of the defined benefit obligation during the year

	PPS		CPS	
	Year ended 31/12/11 £'000	Year ended 31/12/10 £'000	Year ended 31/12/11 £'000	Year ended 31/12/10 £'000
Opening defined benefit obligation	53,500	52,800	10,878	9,364
Current service cost	1,000	700	222	216
Interest cost	3,100	3,100	634	590
Contributions by scheme participants	300	300	89	88
Actuarial losses/(gains) on scheme liabilities	<u>(2,800)</u>	<u>(1,700)</u>	<u>955</u>	<u>633</u>
Net benefits paid out	5,700	(1,700)	(208)	(13)
Past service cost	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Closing defined benefit obligation	<u><u>60,800</u></u>	<u><u>53,500</u></u>	<u><u>12,570</u></u>	<u><u>10,878</u></u>

#### Changes to the fair value of scheme assets during the year

	PPS		CPS	
	Year ended 31/12/11 £'000	Year ended 31/12/10 £'000	Year ended 31/12/11 £'000	Year ended 31/12/10 £'000
Opening fair value of scheme assets	56,600	50,100	7,979	7,187
Expected return on scheme assets	3,500	2,600	461	421
Actuarial gains/(losses) on scheme assets	1,600	2,900	(665)	(32)
Contributions by the employer	2,200	2,400	335	328
Contributions by scheme participants	300	300	89	88
Net benefits paid out	<u>(2,800)</u>	<u>(1,700)</u>	<u>(208)</u>	<u>(13)</u>
Closing fair value of scheme assets	<u><u>61,400</u></u>	<u><u>56,600</u></u>	<u><u>7,991</u></u>	<u><u>7,979</u></u>

# PROSPECT NOTES TO THE ACCOUNTS

## Year Ended 31 December 2011

### 15 STAFF PENSION SCHEMES (continued)

#### History of experience gains and losses

	Year ended 31/12/11 £'000	Year ended 31/12/10 £'000	Year ended 31/12/09 £'000	Year ended 31/12/08 £'000	Year ended 31/12/07 £'000
Experience Gains/(losses) on scheme assets – PPS	1,600	2,900	2,800	(8,200)	1,900
Experience Gains/(losses) on scheme assets – CPS	(665)	(32)	720	(1,932)	(505)
Experience Gains/(losses) scheme liabilities – PPS	—	1,600	(2,800)	100	(300)
Experience Gains/(losses) scheme liabilities – CPS	423	175	51	(91)	(78)

### 16 COMMITMENTS UNDER OPERATING LEASES

At 31 December 2011, Prospect had annual commitments under non-cancellable operating leases/hire agreements as follows:

	Land & buildings		Other	
	2011 £	2010 £	2011 £	2010 £
Expiry date:				
Within one year	7,862	—	—	—
Between one and two years	—	—	65,495	—
Between two and five years	93,603	38,004	—	—
More than five years	7,290	35,784	—	—

### INFORMATION TO BE PROVIDED TO MEMBERS UNDER THE TRADE UNION AND LABOUR RELATIONS (CONSOLIDATION) ACT 1992 (AMENDED)

Under the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended), the union is required to circulate all members with details of the salary and benefits provided to the General Secretary, the President and members of the National Executive Committee. The President and members of the National Executive Committee do not receive any salary from the union or any benefits. All members of the National Executive Committee and the President are reimbursed for any out of pocket expenditure incurred by them in the performance of their duties on behalf of the union, as are the General Secretary.

Name	Position	Details	Amount
P Noon	General Secretary	Salary	£104,525
		Pension contributions	£19,245
		Taxable benefit (car)	£3,217

### DECLARATION TO MEMBERS

We are also required by the Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) to include the following declaration in this statement to all members. The wording is as prescribed by the Act.

“A member who is concerned that some irregularity may be occurring, or have occurred, in the conduct of the financial affairs of the union may take steps with a view to investigating further, obtaining clarification and, if necessary, securing regularisation of that conduct.

The member may raise any such concerns with such one or more of the following as it seems appropriate to raise it with: the officials of the union, the trustees of the property of the union, the auditor or auditors of the union, the Certification Officer (who is an independent officer appointed by the Secretary of State) and the police.

Where a member believes that the financial affairs of the union have been or are being conducted in breach of the law or in breach of rules of the union and contemplates bringing civil proceedings against the union or responsible officials or trustees, he should consider obtaining independent legal advice.”

# PROSPECT SCHEDULE OF SUBSCRIPTIONS, DONATIONS AND AFFILIATION FEES Year Ended 31 December 2011

<b>AFFILIATION AND MEMBERSHIP FEES</b>	<b>£</b>	<b>DONATIONS AND APPEALS</b>	<b>£</b>
Aircraft Engineers International (AEI)	4,723	Civil Service Benevolent Fund	6,850
CCSU Departmental	1,972	Cogent-UK Nuclear Skills Aware	2,675
CCSU National	3,067	Electrical and Electronics Industries Benevolent Fund	6,850
Confederation of Shipbuilding & Engineering Unions (CSEU)	1,950	Show Racism the Red Card	2,500
European Federation of Public Service Unions (EPSU)	17,567	TUC Pride	1,400
European Transport Federation (ETF)	3,021	Unions 21	2,250
General Federation of Trade Unions	15,626	Other donations under £1,000 (22)	2,465
IFATSEA	1,500		<b>24,990</b>
International Transport Workers Federation	6,753		=====
Irish Congress of Trade Unions	6,358		
National Pensioners Convention	1,250		
Public Services International (PSI)	43,300		
Scottish TUC	14,550		
Trades Union Congress	302,076		
Uni Europa	8,957		
Union Network International	39,902		
Work Foundation	1,778		
Other affiliation and membership fees under £1,000 (16)	4,182		
	<b>478,532</b>		
	=====		

# PROSPECT SCHEDULE OF INVESTMENTS

## at 31 December 2011

<b>SCHEDULE OF INVESTMENTS AT COST</b>		<b>Cost</b>			
<b>(A) EQUITIES AND GILTS</b>		<b>£'000</b>			
<b>Managed by Sarasin &amp; Partners</b>					
439,507	Sarasin Sterling Bond CLS 'B' Inc	425	3,190	Pennon Grp plc	18
350	Muzinich Enhances Yield Short Duration Fund	36	3,000	Petrofac Ltd	8
30,000	Investec EM LC Debt Inc	34	5,800	Premier Oil plc	13
2,090	Admiral Group plc	20	3,750	Prudential plc	18
1,744	Aggreko plc	9	8,862	PSION plc	14
2,880	Arm Holdings plc	3	885	Rotork plc	7
1,460	Astrazeneca plc	43	1,530	Royal Dutch Shell plc – B shares	26
14,700	Barclays plc	53	980	Sabmiller plc	21
1,800	Betfair Group plc	16	1,670	Smiths Grp plc	17
5,200	BG group plc	48	2,400	St James Place plc	6
2,600	BH Macro Ltd	45	8,650	Tesco plc	32
2,880	BHP Billiton plc	48	1,300	Travis Perkins plc	14
3,770	Blinkx plc	4	3,700	3i Group plc	10
47,600	Bluecrest Allblue Fund Ltd	81	26,700	3i Infrastructure plc	26
17,540	BP plc	78	2,050	Ultra Electronics Hldgs plc	22
21,660	BT Group plc	33	900	Unilever plc	18
5,150	BTG plc	20	25,400	Vodafone Group plc	44
3,430	Cairn Energy plc	13	1,370	Whitbread plc	22
86,060	Central Rand Gold Ltd	11	7,600	WM Morrison Supermarkets	22
8,750	Centrica plc	22	4,930	Xstrata plc	41
9,700	Ceres Power Holdings plc	18			1920
5,100	Drax Group plc	31	<b>Managed by Rathbones</b>		
1,100	Experian plc	9	40,000	2.5% IL Treasury Stock 26/07/2016	111
4,000	Firstgroup plc	16	100,000	6.0% Barclays Bank plc Var Pref 2017	98
20,000	F&C Asset Management plc	15	3,400	ABB Ltd	50
6,315	Fenner plc	7	2,351	Amec plc	19
140	Gold Bullion Securities Ltd	15	75,000	Artemis Fund Managers	58
3,770	GlaxoSmithKline plc	45	3,098	BG Group plc	36
4,860	HSBC Holdings plc	28	9,000	BH Global Ltd	100
6,050	ICAP plc	25	1,150	BHP Billiton plc	22
990	IMI plc	8	25,655	Bilfinger Berger Global Infra NPV	26
27,000	International Public Partnership Ltd	30	57,400	Bluecrest Allblue Fund	100
11,700	Invesco Perp UK Smaller Cos	9	5,000	BP plc	25
5,050	Invensys plc	15	40,000	BNY Mellon Asset Mgmt	57
4,522	Jupiter Fund Management plc	9	12,486	Centrica plc	27
2,200	Lancashire Holdings Ltd	15	20,000	Cobham plc	50
78,000	Lloyds Banking Group plc	88	1,050	Ferox Salarl Mgmt	119
650	Lonmin plc	18	85,000	Fidelity Investment Instl UK Corporate Bond	88
9,300	Marks & Spencer Group plc	34	16,500	First State Investments	41
1,400	Millennium & Copthorne Hotel	8	2,000	GlaxoSmithKline plc	37
3,150	Misys plc	9	635	GLG Partners Investment Funds	49
1,500	Mothercare plc	7	6,000	Henderson Europe Focus Tst plc	12
2,500	Pearson plc	20	130,000	Henderson Global Investors	129
			5,700	Henderson Global Investors Technology	32
			30,000	HICL Infrastructure Co Ltd	35

# PROSPECT SCHEDULE OF INVESTMENTS

## at 31 December 2011

60,000	HSBC Bank plc	60
3,500	HSBC Holdings plc	24
4,500	Inmarsat plc	29
8,607	International Power plc	21
25,200	Legal & General Group plc	34
200,000	Legal & General Unit Trust Mgrs UK Index	132
70,500	London & Stamford Property Ltd	77
3,000	Mercantile Investment Trust	15
61,000	M&G Securities Ltd	76
6,850	M&G Securities Ltd American Sterling A Acc	76
10,000	M&G Securities Ltd Global Basics Sterling A Inc	64
60,000	Morgan Stanley	60
7,000	Morrison (WM) Supermarkets plc	20
5,784	National Grid plc	23
6,850	Prudential plc	51
550	Rio Tinto plc	25
365	Roche Holdings AG	35
15,000	Schroder Oriental Income Fund	15
2,700	Scottish & Southern Energy plc	33
100,000	Standard Life Investments	131
11,200	Templeton Emerg Mkts Inv Trust	76
6,250	Tesco plc	25
200,000	Threadneedle Investments UK Corp Bond	95
28,846	3I Infrastructure plc	29
27,524	UK Commercial Property Trust	28
2,025	Unilever plc	25
29,000	Vodafone Group plc	42
6,600	WPP plc	51
<b>Sub Total</b>		<u>2,693</u>

### SCHEDULE OF INVESTMENTS AT COST (B) UNIT TRUSTS

Managed by Sarasin & Partners		Cost £'000
9,000	First State Inv Asia Pacific B Acc	19
13,300	Henderson Euro Sel OP-A-Acc	58
14,000	Henderson Tr Pacific Inv Tr	9
5,500	IGNIS Pacific Growth Fund-Inc	9
17,486	Lazard European Alpha Fund Inst	39
18,000	Martin Currie Japan-B-Inc	30
5,330	Polar Cap Japan Growth Fund	42
49,325	Sarasin Agrisar Fund CLS X Inc	47
275	Sarasin Emergingsar Fund (USD) Dist	25
61,009	Sarasin Equisar-UK-Thematic-B Inc	63
8,189	Sarasin IE Real Estate Equity (GBP) Inc	84
9,185	Sarasin IE Equisar-Global Thematic (GBP)-Inc	193
120,612	Sarasin International Equity Income-B Inc	133
56,050	Sarasin Global Equity Inc Fd (Sterling Hedged)-B Inc	63
30,000	Threadneedle Amer-GBP	29
110,884	UBS US Equity Fund B Accum	82
		<u>925</u>

### Managed by TU Fund Managers

146,696	Trade union British Trust	726
1,775,728	Trade union European Trust	1,229
		<u>1,955</u>
<b>Total</b>		<u>7,493</u>

### SCHEDULE OF INVESTMENTS AT COST (C) BANK DEPOSITS

	Sarasin & Partners	4,356
	Sarasin & Partners Reserve	1,004
	Rathbones	1,151
	Insight Liquidity Funds plc	646
	SWIP	1,044
<b>Total</b>		<u>8,201</u>

### SCHEDULE OF INVESTMENTS AT COST (D) UNQUOTED SHARES

	Unity Trust Bank plc	100
	Other	20
<b>Total</b>		<u>120</u>

**TOTAL COST** 15,814

# PROSPECT BENEVOLENT FUND

## Statement of Financial Activities for the Year Ended 31 December 2011

	Unrestricted funds 31.12.2011 £	Unrestricted funds 31.12.2010 £
<b><u>Incoming resources from generated funds</u></b>		
Voluntary income	556	21,274
Investment income	<u>14,051</u>	<u>13,072</u>
<b>Total incoming resources</b>	<u>14,607</u>	<u>34,346</u>
<b><u>Resources expended</u></b>		
<b>Costs of generating funds</b>		
Investment management costs	<u>3,054</u>	<u>2,836</u>
<b>Net incoming resources available</b>	<u>11,553</u>	<u>31,510</u>
<b>Charitable activities</b>		
Welfare	<u>33,802</u>	<u>18,993</u>
<b>Total resources expended</b>	<u>36,856</u>	<u>21,829</u>
<b>Net (outgoing)/incoming resources</b>	(22,249)	12,517
<b>Other recognised gains and losses</b>		
(Losses)/gains on investment assets	<u>(29,287)</u>	<u>37,641</u>
<b>Net movement in funds</b>	(51,536)	50,158
Fund balances at 1 January 2011	<u>471,665</u>	<u>421,507</u>
<b>Fund balances at 31 December 2011</b>	<b>420,129</b> =====	<b>471,665</b> =====

### BALANCE SHEET AS AT 31 DECEMBER 2011

	2011		2010	
	£	£	£	£
Investments		401,541		430,297
Current assets	19,314		42,746	
Creditors: amounts falling due within one year	<u>(726)</u>		<u>(1,378)</u>	
NET CURRENT ASSETS		<u>18,588</u>		<u>41,368</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<b>420,129</b> =====		<b>471,665</b> =====
Represented by:				
<b>FUNDS</b>				
Unrestricted funds		<u>420,129</u>		<u>471,665</u>
		<b>420,129</b> =====		<b>471,665</b> =====

# PROSPECT BENEVOLENT FUND

## Statement of Financial Activities for the Year Ended 31 December 2011

### **TRUSTEES' STATEMENT ON THE SUMMARISED ACCOUNTS**

These summarised accounts are extracted from the full unqualified audited accounts which will be approved by the Trustees at their next meeting. The accounts will then be submitted to the Charity Commission. The summarised accounts may not contain a full understanding of the financial affairs of the charity. For further information, the full accounts, the auditors' report on those accounts and the Trustees' Annual Report should be consulted; copies of these can be obtained from New Prospect House, 8 Leake Street, London SE1 7NN.

Signed on behalf of Trustees

7 March 2012

N Titchen

A Grey

C Marshall

R Arrowsmith

P Kemball

### **Auditors' report on the summarised accounts**

#### **Auditors' statement to the trustees of the Prospect Benevolent Fund**

We have examined the summarised financial statements set out on page 44.

#### **Respective responsibilities of trustees and auditors**

You are responsible as trustees for the preparation of the summarised financial statements. We have agreed to report to you our opinion on the summarised statements' consistency with the full financial statements, on which we reported to you on 7 March 2012.

#### **Basis of opinion**

We have carried out the procedures we consider necessary to ascertain whether the summarised financial statements are consistent with the full financial statements from which they have been prepared.

#### **Opinion**

In our opinion the summarised financial statements are consistent with the full financial statements for the Year Ended 31 December 2011.

H W Fisher & Company

Chartered Accountants

Registered Auditor

8 March 2012

# Prospect Benevolent Fund

## Schedule of Investments At 31 December 2011

		<b>HISTORIC MARKET £</b>	<b>COST VALUE £</b>
<b>Managed by Sarasin &amp; Partners Associates</b>			
30,500	5% Treasury Stock 2012	30,567	31,231
82	AEA Technology plc	374	0
17,940	City of London Investment Tr	42,940	49,025
12,400	Fidelity UK Growth-ACC	25,182	29,983
43,900	HSBC Inv OEIC UK G & I-Inc	27,385	24,575
9,600	JPM UK Equity Fund-A-ACC	30,936	28,474
3,500	JPMorgan Overseas Investment	17,822	24,990
1948.45	M & G UK Growth-GBP-A-Inc	3,164	37,771
246.66	Sarasin CI Equisar Sterling Global Acc Units	4,962	5,246
		<u>183,332</u>	<u>231,295</u>
<b>Managed by Rathbones</b>			
30,000	Artemis Fund Managers High Income Fund	20,895	20,013
200	Astrazeneca plc	7,175	5,950
600	BG Group plc	6,710	8,259
3,700	BNY Mellon Asset Mgmt	3,802	5,971
1,200	BP	6,641	5,526
2,200	Carillion plc	5,563	6,618
850	Close Bros Group plc	6,689	5,266
2,150	Cobham plc	5,403	3,943
500	ENI Spa	8,524	6,686
1,600	First State Investments (UK)	3,965	5,628
10,000	GlaxoSmithKline Capital 5.25% 19/12/2033	10,295	11,918
500	Glaxo SmithKline plc	9,133	7,358
500	HSBC Holdings plc	3,707	2,455
700	Inmarsat plc	4,508	2,833
2,000	Invista European Real Estate	4,265	485
3,000	Legal & General Group plc	4,422	3,084
14,733	Legal & General Unit Tst	9,927	8,928
1,000	M&G Securities Ltd	5,642	6,243
1,965	National Grid plc	9,389	12,281
450	Scottish & Southern Energy plc	5,838	5,810
1,800	Tesco plc	4,724	7,262
5,769	3I Infrastructure Ltd	5,864	6,923
7,864	UK Commercial Property Trust	7,901	5,438
450	Unilever plc	5,225	9,734
2,625	Vodafone Group plc	8,923	4,696
1,500	Wincanton plc	4,113	938
		<u>179,243</u>	<u>170,246</u>
<b>TOTALS</b>		<b><u><u>362,575</u></u></b>	<b><u><u>401,541</u></u></b>

## IPMS (PROSPECT) EDUCATIONAL TRUST Balance Sheet For Year Ended 31 December 2011

	2011 £	2010 £
Balance brought forward 1 January 2011	12,221	12,221
<b>INCOME</b>		
Interest	—	—
<b>EXPENDITURE</b>		
Grants	—	—
Balance carried forward 31 December 2011	<b>12,221</b> =====	<b>12,221</b> =====
<b>Represented by:</b>		
Balance at bank	<b>12,221</b> =====	<b>12,221</b> =====

## PROSPECT DISASTER FUND Balance Sheet For Year Ended 31 December 2011

	2011 £	2010 £
Balance brought forward 1 January 2011	45,996	45,996
<b>INCOME</b>		
Donations	—	—
<b>EXPENDITURE</b>		
Grants	(10,826)	—
Balance carried forward 31 December 2011	<b>35,170</b> =====	<b>45,996</b> =====
<b>Represented by:</b> Due from Prospect	35,170 =====	45,996 =====

# 9 EXECUTIVE, OFFICERS AND COMMITTEES

## NATIONAL EXECUTIVE COMMITTEE

1. 1 January-31 December 2011  
NEC meetings held: 7

Name	Meetings attended
F Brown	5
V Butler	6
D Carty	6
I Clark	3
P Clements	5
J Colclough	6
M Collins	7
C Donaldson	6
G Fletcher	5
J Halliday	6
A Grey	7
N Hope-Collins	7
G Henderson	7
C Marshall	7
H Kenny	4
D McGuire	6
S Ner	3
A Mooney	6
P O'Rawe	7
D Northcott	2
D Simpson	6
K Trapp	5
H Phillips	5
M Upfield	6
A Uppington	6
N Titchen	7
B Worth	7
T Zodiates	6

## Retired Members' Group Representatives

G Perks	7
M Wastall	4

## PRESIDENTIAL TEAM

1 January-31 December 2011

### President

N Titchen

### Vice-President

A Grey

### Deputy Vice-Presidents

C Marshall

D McGuire

## OFFICERS

### General Secretary

P Noon

### Deputy General Secretary

M Clancy

### Deputy General Secretary

D Hudd

### Deputy General Secretary

L Manasseh

### Resource Director

D Pelly

## TRUSTEES

1 January-31 December 2011

### J Longworth (*chair*)

### R Humphreys

### P Kemball

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## AUDITORS

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H W Fisher

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## NEC ADVISORY SUB-COMMITTEES

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The presidential team are ex-officio members of all sub-committees, groups and panels. The following sub-committees report to the National Executive Committee. NEC members and lay representatives were elected to the various committees as follows:

### Finance and Audit

A Grey (*chair*)  
C Donaldson  
G Henderson  
N Hope-Collins  
C Marshall  
D McGuire  
A Mooney  
H Phillips  
D Simpson  
T Zodiates

### Committee for Organisation, Recruitment and Education (CORE)

C Donaldson (*chair*)  
S Marston (*secretary*)  
I Clark  
P Clements  
J Colclough  
G Fletcher  
J Halliday  
D Northcott

### Lay representatives

D Charman (Environment, Food and Rural Affairs)  
C Collins (HSE Nuclear)  
J Davis (Ordnance Survey)  
J Henderson (Department for Transport)  
A Lawson (Advantage West Midlands)

J Lines (Ordnance Survey)  
S Roberts (O2 North West)  
B Wakely (Prison Service)

### Communications and Campaigns

C Marshall (*chair*)  
L Manasseh (*secretary*)  
F Brown  
N Hope-Collins  
A Mooney  
S Ner  
H Phillips  
B Worth

### Equal Opportunities

F Brown (*chair*)  
L Manasseh (*secretary*)  
M Collins  
H Kenny  
S Ner  
P O'Rawe  
H Phillips  
B Worth

### Lay representatives

S Forde (Environment, Food and Rural Affairs)  
L Hibbitt (Ministry of Defence Air)  
A Hossain (Valuation Office Agency)  
J McGrother (Health and Safety Executive)  
S Stelfox (United Utilities)  
J Swaney (Scottish Agricultural College)

### Health and Safety

V Butler (*chair*)  
M Clancy (*secretary*)  
C Donaldson  
N Hope-Collins  
K Trapp

### Lay representatives

K Evans (Department for Transport)

A Foster (BT Milton Keynes)  
C Gourlay (Rosyth Royal Dockyard)  
T Mosley (British Energy)  
B Pye (Environment, Food and Rural Affairs)  
C Richards (Atomic Weapons Establishment)  
L Taylor (Ordnance Survey)  
T Yates (Joint Nature Conservation Council)

### **Pensions**

D Simpson (*chair*)  
N Walsh (*secretary*)  
F Brown  
D McGuire  
M Moriarty (Retired Members Group)  
S Ner  
A Uppington

### **Lay representatives**

B Bennett (Scottish Regional)  
G Cairns (NATS)  
A Cassy (BT Adastral Park A)  
V Fielding (Department for Work and Pensions)  
P Mercer (Ordnance Survey)  
J Rowlinson (Scottish and Southern Energy)

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## **NUCLEAR DECOMMISSIONING GROUP**

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I Clark (*chair*)  
A Uppington (*vice-chair*)  
M Clancy (*secretary*)  
D Addison  
F Butler  
C Collins  
C Cummings  
G Ennevor  
C Fisher  
D Gregory  
R Hill  
C Holt

D Hughes  
D Illing  
J Jones  
R Knight  
D Lamb  
S Laycock  
G McAlpine  
S Nicholson  
S Norris  
R Pascoe  
A Rigby  
B Shepherd  
R Taylor  
C Turnbull  
A Wickett  
C Wilkins

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## **DEFENCE, MARITIME AND LOGISTICS GROUP**

---

A Grey (*chair*)  
D Northcott (*vice-chair*)  
M Clancy (*secretary*)  
S Barber  
W Bennett  
R Brown  
A Clarke  
G Clarke  
T Day  
J Dockery  
R Edwards  
D Farrell  
S Finney  
N Forgham  
S Higgins  
T James  
S Jenkins  
M Jordan  
B Lewthwaite

J Lush  
G Mallalieu  
M McKibbens  
S Ner  
D Pollard  
F Pote  
M Reading  
J Riglar  
G Ritchie  
G Robinson  
N Sadler  
D Smith  
J Streeter  
A Talmage  
R Taylor  
E Turney  
N Wadge  
J Warner  
I Williams

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## BRANCH RULES WORKING PARTY

---

D McGuire (*chair*)  
R Smith (*secretary*)  
N Hope-Collins  
H Kenny  
A Mooney

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## SCIENCE, ENGINEERING AND SUSTAINABILITY ADVISORY COMMITTEE

---

N Titchen (*chair*)  
S Ferns (*secretary*)  
A Barnham  
P Brown  
C Donaldson  
H Kenny  
D Laing  
J Leppard

S Owens  
D Roberts  
S Robertson  
H Snaith  
M Swift  
C Walmsley

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## RETIRED MEMBERS' GROUP

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### **National Committee**

M Wastall (*president*)  
G Perks (*vice-president*)  
M Clancy (*secretary*)  
J Attree  
A Bavister  
G Betke  
R Borthwick  
D Forrester  
P M Gilroy  
J A Gilthorpe  
D Halstead  
D Harding  
E Hayes  
A Hedgecock  
L Holly  
D Jackson  
S Kordys  
P Lomasney  
M Moriarty  
R Morris  
A Ruffhead  
H Sharrock  
P J Welbank  
A B S Welch

# PROSPECT BRANCHES

As at 31 December 2011

Code	Name
M187	ADAS
M235	Advantage West Midlands
J180	AEA Technology
J024	Agriculture and Horticulture Development Board
A011	Air Traffic Systems Specialists
K405	Alstom
K026	AMEC Power & Process Europe (UK)
K167	Aqumen Services
F181	Archaeologists
A233	Aspentech
C258	Association of Guernsey Civil Servants
A286	Association of Licensed Aircraft Engineers
J285	Atlas Elektronik UK
J124	Atomic Weapons Establishment
E217	Atos Origin
M061	Audit Commission Staff
A204	Aviation
A182	BAA
M176	Babcock HCS
K283	Babcock Nuclear Services
S219	Babcock Marine
A276	BAE Surface Ships
K133	BAE Systems - Global Combat Systems
M198	Big Lottery Fund (NOF)
H002	Biotechnology and Biological Sciences Research Council
E042	British Board of Agrément
F006	British Library
A043	British Maritime Technology
F192	British Museum
E214	British Veterinary Association
E200	Building Research Establishment
J015	CAB International
E069	Cabinet Office/Treasury
S454	Cable and Wireless
J191	Canberra UK

Code	Name
H086	Cangen Treftadaeth Cymru/Wales Heritage
A166	Carillion Services
M455	Central Networks
E044	Central Office of Information
K410	Centrica
A012	Civil Aviation Authority
J249	Civil Nuclear Police Authority
K275	Cobham Defence
J045	Commonwealth War Graves Commission
K250	Computer Sciences Corporation
H160	Countryside Council for Wales
A242	Debut Services
C264	Defence Acquisition and Maritime (South)
C202	Defence Science and Technology Laboratory
C236	Defence Support Group
C112	Defence Training and Education
E064	Dental Reference Service
E018	Department for Business, Innovation and Skills (BIS)
E017	Department for Education
E188	Department for Transport
E145	Department for Work and Pensions
E274	Department of Communities and Local Government
E063	Department of Health
E279	Department for Energy and Climate Change
H132	Devonport Royal Dockyard
H254	Diamond Light Source
S282	Dounreay
K404	Drax Power
K414	EA Technology
F457	EDF Energy
K463	Eggborough Power
K459	Electricity North West
H174	Engineering and Physical Sciences Research Council

Code	Name
F194	English Heritage (RCHME)
H164	Environment Agency
E001	Environment, Food and Rural Affairs
M436	E.On UK
K262	ESR Technology - Hyder Consulting
E278	Food Standards Agency
A243	Flagship Training
C128	Foreign and Commonwealth Office (HQ)
M185	Forensic Science Service
S019	Forestry Commission
K417	Freedom
J004	Fusion Energy
B130	GCHQ
E003	GE Healthcare Biosciences
A294	GIP Gatwick
S162	Glasgow Prestwick International Airport
E062	Government Actuary's Department
K291	Government Procurement Services
C419	Guernsey Electricity
K050	Health and Safety Executive
A027	Health Protection Agency
S227	Highlands and Islands Airports
S226	Historic Scotland
F065	Home Office
M462	HP Enterprise Services
J022	HR Wallingford
H111	Hydrographic Office
K255	Iggesund Paperboard
F221	Imperial War Museum
E078	Insolvency Service
K458	Intergen (UK)
K423	International Power
A165	Interserve
J259	Inutec
K272	Isle of Man General
K137	Isle of Man Government Officers Association
K298	Isle of Man Whitley
C290	Jersey Civil Service Association
C425	Jersey Electricity
E238	Joint Nature Conservation Committee
J173	Johnson Controls
F203	Justices' Clerks/Chief Executives
A153	LGC
K268	Land Instruments
A240	Landmarc Support Systems
P271	London Fire and Emergency Planning Authority
F068	London Magistrates' Clerks Association
E428	London Waste
K281	Low Level Waste Repository – Drigg

Code	Name
K408	Magnox Nuclear
K424	Manx Electricity Authority
K251	Menter Mon
H115	Met Office
F070	Metropolitan Police
C104	MOD Air
C263	MOD Central
C143	MOD Defence Estates
C105	MOD Fire Service Officers
C092	MOD Information Systems and Services
C239	MOD Land
C094	MOD (Military Support) Scotland
F025	Museum of London
M197	Museums Libraries and Archives Council
F241	National Archives
S230	National Galleries of Scotland
F260	National Gallery
M429	National Grid
A430	National Inspection Council
S232	National Library of Scotland
F212	National Maritime Museum
E156	National Measurement Office
F189	National Museum for Science and Industry
K158	National Museums Liverpool
S231	National Museums Scotland
K008	National Nuclear Laboratory
J155	National Physical Laboratory
H220	National Trust
S205	National Trust for Scotland
M151	National Unilever Managers Association
A009	NATS Air Traffic Control Officers
H028	Natural Environment Research Council
F007	Natural History Museum
K273	Nord Anglia
S225	Northern Lighthouse Board
K431	Northern Powergrid
M245	Nottingham East Midlands Airport
K257	Nuclear Decommissioning Authority
J211	Nuvia
E077	Ofcom
H072	Office for National Statistics
K046	Office for Nuclear Regulation
K267	Office of Rail Regulation
A073	Ordnance Survey
H150	Ortho-Clinical Diagnostics
E074	Parliamentary
K256	Peel Holdings Airport
A437	Premier Power
F186	Prison Service

Code	Name
J172	QinetiQ
H292	Quotient Bioresearch
E041	RAGT (formerly Plant Breeding Institute)
E195	Regional Development Agencies
A456	Rolls Royce
S131	Rosyth Royal Dockyard
K248	Royal Armouries
E032	Royal Botanic Gardens
S229	Royal Botanic Gardens Edinburgh
S224	Royal Commission on the Ancient and Historical Monuments of Scotland
H033	Royal Mint
J289	RSRL
H422	RWE npower
H035	Science and Technology Facilities Council
S409	Science Applications International Corporation
S177	Scottish Agricultural College
S438	Scottish and Southern Energy
S037	Scottish Government
S161	Scottish Natural Heritage
S206	Scottish Parliament
S440	Scottish Power
S228	Scottish Prison Service
S036	Scottish Research Establishments
K280	Sellafield
J293	Serco FSE/PME
J261	Serco General
K210	Serco Technical Consulting Services
J099	Serco/Denholm Marine Staffs
F208	Serious Fraud Office
C088	Services Sound and Vision Corporation
A460	SONI
F247	Tate Gallery
F021	The Stationery Office
E297	The Work Foundation
E201	Transport for London
J234	Transport Research Laboratory
J296	Trescal
E039	Trinity House
F040	Trustee Museums and Galleries
S154	TUV NEL
A190	UK Accreditation Service
H079	UK Intellectual Property Office
F416	UK Power Networks
A196	Unicorn/Babcock
K447	United Utilities
F269	Universities UK
A031	University of Greenwich
K178	Urenco Chemplants
E067	Valuation Office Agency

Code	Name
S277	Vector Aerospace
K434	Veolia
F213	Victoria and Albert Museum
A449	Viridian
A199	Vosper Thornycroft
A450	Vosper Thornycroft (ex-EMA members)
H246	Wales Audit Office
H087	Welsh Government
H451	Western Power Distribution
K284	Westinghouse
A085	WRc
A169	WS Atkins
K218	Yorkshire Forward
<b>REGIONAL BRANCHES</b>	
R306	London and South-East
R301	Midlands
R302	North-East
R303	North-West/North Wales
R304	Northern Ireland
R305	Scotland
R307	South-West/South Wales
R308	Virtual
<b>RETIRED MEMBERS GROUP AREAS</b>	
D330	AGCS Retired Members
D326	Avon Valley
D321	Central Southern
D316	Cheshire, Manchester, Merseyside, Deeside
D317	East Anglia
D318	East Midlands
D331	Isle of Man
D323	London Central
D314	North-East
D313	North-West
D312	Northern Ireland
D329	Overseas
D309	Scotland North
D310	Scotland South
D325	South-East England
D322	South-East Midlands
D327	Southern
D328	South-West
D320	South-West Midlands
D324	Thames Valley
D311	Wales
D319	West Midlands
D315	Yorkshire
<b>CONNECT SECTOR</b>	
	Accenture
	Airwave
	APsolve
	Asidua
	AT&T

Code	Name
T501	BT MOD Contract
	BT Adastral Park A
	BT Adastral Park B
	BT Adastral Park C
	BT Birmingham
	BT Brentwood
	BT Brighton
	BT Central London HQ
	BT Cornwall & Plymouth
	BT Coventry
	BT Development Belfast
	BT Devon & Somerset
	BT Doncaster
	BT DP Cardiff
	BT DP Harmondsworth
	BT East Essex
	BT East of Scotland
	BT Leavesden
	BT Leicester
	BT Liverpool
	BT London Central East & South
	BT London East
	BT London North-East
	BT London North-West
	BT London Southern
	BT London West
	BT London West Central
	BT Manchester & District
	BT Mid-Wales
	BT Mid-Yorkshire
	BT Milton Keynes
	BT Newcastle & Middlesbrough
	BT North Anglia
	BT North Downs
	BT North of Scotland
	BT Northern Ireland
	BT Nottingham
	BT Oswestry
	BT Overseas
	BT Peterborough
	BT Radianz
	BT Senior Managers
	BT Severn
	BT Sheffield
	BT South Wales
	BT Stoke
	BT Suffolk
	BT Surrey Computing
	BT Swindon
	BT Thames & Wey Valleys
	BT Wessex
	BT West Midlands

Code	Name
	BT West of Scotland
	BT West Pennines
	C&W Channel Islands
	Computacentre
	Ericsson
	Ericsson Managed Services
	Ericsson MBNL
	Everything Everywhere
	Fujitsu
	HCL
	Hewlett Packard
	Inmarsat
	KCom
	Manx Telecom
	Steria
	Tech Mahindra
	TATA Consultancy Services
	Téléfonica UK North-East
	Téléfonica UK North-West
	Téléfonica UK Scotland & Northern Ireland
	Téléfonica UK South
	Telereal
	Vodafone
	Yell

#### CONNECT SECTOR REGIONAL

Connect Gtr London East & Essex  
Connect Gtr London West  
Connect Gtr London Central  
Connect Midlands, Wales & West  
Connect North of England  
Connect Scotland & N Ireland  
Connect South

# 2011 PAY SETTLEMENTS NEGOTIATED BY PROSPECT

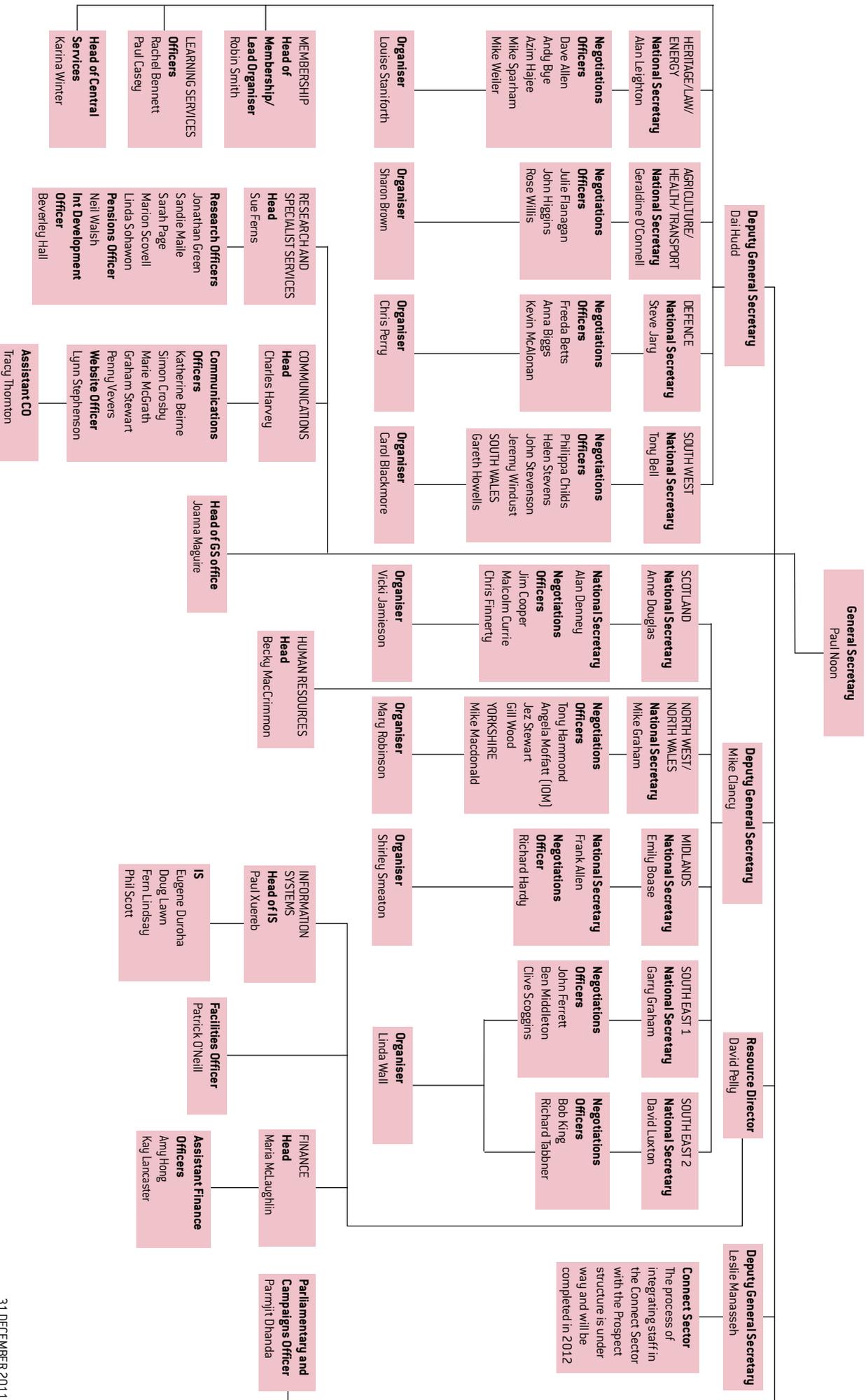
SETTLEMENT		
Employer	Date	Amount (%)
Accenture Business Support Services	1/9/11	2.86
Accenture HR Services	1/9/11	2.86
Accenture Learning	1/9/11	2.86
ADAS	1/4/11	1.00*
AES Ballylumford	1/4/11	4.60
Amey plc	1/4/11	2.00
Arista	1/7/11	3.00
Aspentech	1/7/11	2.50
Atomic Weapons Establishment	1/4/11	3.00
Atos Healthcare	1/4/11	3.03
Audit Commission	1/4/11	0.00*
BAA	1/1/11	4.00
Babcock BES (Rosyth Royal Dockyard)	1/4/11	0.00
Babcock REME Training (Bordon and Arborfield)	1/4/11	2.00
BAE Land Systems Munitions	1/1/11	3.00
BAE Land Systems Weapons	1/1/11	3.00
BMI	1/4/11	4.57
British Energy – Eggborough Power Station	1/4/11	4.50
British Veterinary Association	1/7/11	3.00
BT Reward Framework	1/6/11	3.30
Building Research Establishment	1/7/11	3.00
CABI	1/7/11	4.00
Cabinet Office	1/8/11	0.00*
Cable and Wireless Channel Islands	1/7/11	3.10
CE Electric UK	1/1/11	5.00
Centre for Environment, Fisheries, Aquaculture Science	1/4/11	0.00*
Centrica Energy Operations	1/4/11	3.00*
Chatham House	1/10/11	2.70
Cobham Aviation	1/11/11	1.50*
Cobham Defence	1/1/11	1.50*
Defence Science & Technology Laboratory	1/6/11	0.00*
Dental Reference Service	1/4/11	0.00

SETTLEMENT		
Employer	Date	Amount (%)
Department for Business, Innovation and Skills	1/8/11	0.00
Department for Education	1/4/11	0.00*
Department for Environment, Food and Rural Affairs	1/7/11	0.00*
Department for Transport	1/8/11	0.00*
Department for Work and Pensions	1/7/11	2.50
Department of Health	1/8/11	0.00*
Devonport Royal Dockyard	1/10/11	0.00
Diamond Light Source	1/10/11	0.00
Drax Power	1/4/11	4.90
Energy Solutions Magnox Electric North	1/7/11	1.50
Energy Solutions Magnox Electric South	1/7/11	1.50
Environment Agency	1/7/11	0.00
E.On Central Networks (East)	1/7/11	5.19
FCO Services	1/4/11	0.00*
First Hydro Company	1/4/11	5.10
Flagship Training Ltd	1/4/11	2.00
Food and Environment Research Agency	1/8/11	0.00*
Forensic Science Service	1/4/11	0.00*
Forestry Commission	1/10/11	0.30*
GE Healthcare Biosciences (Amersham plc)	1/4/11	3.20
Government Officers' Association	1/4/11	1.20
Health and Safety Executive	30/9/11	0.00*
Highways Agency	1/8/11	0.00
Historic Scotland	1/8/11	3.45*
House of Commons	1/4/11	0.00*
House of Lords	1/4/11	0.00*
Health Protection Agency CRCE	1/4/11	2.20
IBM	31/7/11	1.50
Intellectual Property Office	1/8/11	0.00*
International Power (Rugeley)	31/3/11	3.00
Joint Nature Conservation Committee	1/8/11	0.00*

SETTLEMENT		
Employer	Date	Amount (%)
KCOM Group	1/1/11	4.50
Killroot Power Station	1/1/11	4.60
Landmarc Support Services	1/4/11	2.00
LGC	1/4/11	2.00*
London Waste plc	1/4/11	3.20
Low Level Waste Repository	1/4/11	2.00
Manx Electricity Authority	1/4/11	1.50
Maritime and Coastguard Agency	1/8/11	2.00*
Ministry of Defence	1/8/11	0.00*
National Grid	1/7/11	3.00
National Library of Scotland	1/8/11	1.50*
National Museum of Scotland	1/8/11	0.00*
National Trust for Scotland	1/3/11	2.00
Natural England	1/7/11	0.00*
Natural Environment Research Council	1/7/11	0.00
Northern Ireland Electricity	1/4/11	5.30
Norwich International Airport	1/6/11	0.00*
OFCOM	1/7/11	2.50
Office of Rail Regulation	1/10/11	0.00
ONS Interviewers	1/8/11	0.00*
Ortho Clinical Diagnostics	1/4/11	3.17
O2	1/3/11	2.75*
Planning Inspectorate	1/8/11	1.39*
Plymouth Marine Laboratory	1/4/11	2.40
Prestwick Airport	1/4/11	0.00*
Research Councils	1/7/11	0.00
Rheidol Power Station	1/6/11	5.00
Rolls Royce MES	1/4/11	5.00
Royal Botanic Gardens (Edinburgh)	1/8/11	1.42
Royal Household	1/4/11	0.00*
Royal Parks	1/9/11	0.00*
Scottish Government	1/8/11	0.00*
Scottish Natural Heritage	1/8/11	0.00
Scottish Parliament	1/8/11	0.00
Scottish Prison Service	1/10/11	1.43*
Sellafield Ltd	1/4/11	2.00
Serco DSTL FM Services	1/4/11	2.00
SONI	1/4/11	5.30
Telereal Trillium	1/7/11	3.00
Transport for London	1/4/11	6.00
Trinity House	1/8/11	0.00*
The Stationery Office	1/1/11	0.00*
Universities UK	1/8/11	1.50
Vehicle Certification Agency	1/8/11	0.00*
VOSA	1/8/11	0.00*
Western Power Distribution	1/4/11	5.19

SETTLEMENT		
Employer	Date	Amount (%)
<i>* imposed pay settlement</i>		
† <i>multi-year deal</i>		
AVERAGE INCREASES (%)		
Overall average		1.88
Public sector		0.58
Private sector		3.00

# PROSPECT STRUCTURE





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