

DEFENCEEYE

Doubts remain despite Budget commitment on defence spending

THE BUDGET commitment to maintain defence spending at the Nato target of 2% of GDP has been warmly welcomed by Prospect following a campaign by the union and other sector interests.

Representing more than 10,000 defence specialists in the both the public and private sectors, the union has long pressed for government to guarantee to meet its Nato spending obligations, and supported an early day motion calling for this in the last parliament.

The EDM was organised by Sir Peter Luff, a former Conservative defence minister, and garnered influential signatories from across the political spectrum including former Lib Dem leader Sir Menzies Campbell, Labour's Bob Ainsworth and Conservative Rory Stewart, former Commons defence select committee chair.

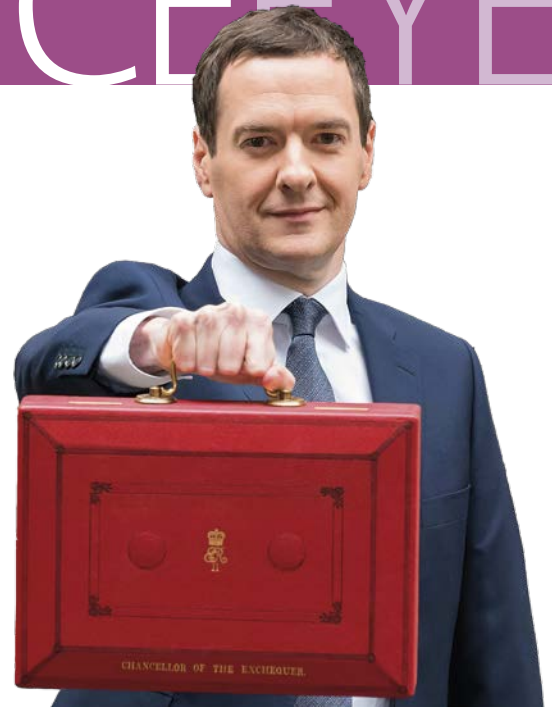
"The announcement is good news for our members and the defence industry, and will provide much needed certainty for the next five years," said Prospect deputy general secretary Garry Graham. "It will go some way towards safeguarding skills and therefore British defence capabilities.

"However, we will be closely examining the composition of future defence spending as we continue to hear reports that the goalposts will be moved so that elements of intelligence and overseas aid – currently paid for by other departments – are included."

Prospect also voiced concerns over the MOD and its trading funds being able to recruit and retain civilian specialist skills following the Budget announcement that public sector pay rises will be held at 1% a year for the next four years.

Graham added: "Beyond the debate about the level of spending, there is a need for the defence budget to support UK manufacturing, engineering, research and development. If we want to be a world leader in defence exports- we need to walk the talk and show faith and confidence in UK businesses."

A report published by the defence and security think-tank Royal United Services Institute at the end of July said the government would meet its 2% spending commitment as a result of an annual real terms spending increase of 0.5% a year, as well as – crucially – significant changes in the



UK's calculation of its defence budget for NATO reporting purposes.

RUSI said that there were a number of new items in the UK's 2015 NATO return including war pensions (£820 million), contributions to UN peacekeeping (£400m) and pensions for retired civilian personnel (around £200m).

The report, titled *Osborne's Summer Surprise for Defence* and authored by research director Prof Malcolm Chalmers, suggests further accounting adjustments will be required in order to maintain the 2% commitment through to 2020. It adds that the summer Budget statement appeared to signal that elements of intelligence work would be one of these.

■ **Chancellor George Osborne before delivering his summer Budget**

■ **RUSI report in full: <http://bit.ly/1esONmq>**

CALL FOR DEFENCE REVIEW TO FOCUS ON FLEXIBILITY

THE ROYAL Aeronautical Society has warned that capability gaps are likely to persist despite promised increases in defence spending unless the government holds an open and honest debate about the UK's position in the world.

Its report – *Building Flexible Capability for a Fast-Changing World* – represents one of industry's first post-Budget set of recommendations for the forthcoming SDSR.

RAeS cautions against the resource-driven approach of the last defence review in 2010, which failed to conduct any detailed assessment of the growing and fast-changing threat landscape and resulted in the withdrawal of some air capabilities.

The report encourages a more balanced approach that identifies clear strategic goals based on a transparent consideration of what UK influence could look like within planned budgets.

Its central recommendation is that the government should focus on developing a military capability that improves the UK's flexibility to adapt to, and deal with, rapidly evolving global security challenges.

Iain McNicoll, chairman of the RAeS Air Power Group, said: "A mere adjustment to the 2010 review to suit pre-determined budgets would be inadequate if the UK is to maintain a strong global role and project power internationally.

"We face a very different, and faster changing geo-political situation than five years ago, so the government is urged to carry out a full, fresh, strategy-led review to help target air power capacity and capability more effectively in the short and longer terms.

"The government should look to invest in the development of an agile and adaptable force structure that can easily and successfully counter shifting threats and situations."

Among other recommendations, the report argues for the SDSR to take account of the potential risk and practical outcomes of a no vote in the referendum on UK membership of the EU.

■ **Report in full: <http://bit.ly/1D627sX>**

Specialist pay tops agenda at two-day MOD conference

STEPH MARSTON (*right*), MOD group secretary, introduced the debate by saying members' take home pay had lost ground since 2010 thanks to public sector pay restraint and increased pensions contributions.

The past year, she said, had been particularly painful and was not going to get easier that quickly.

But, said Marston, "our members are in a unique position. They have specialist skills and employers are already struggling to recruit people with specialist skills."

In the main MOD group, and in DSTL, Prospect had "agreed to disagree" on the pay offer, but there had been no realistic prospect of getting an improvement in terms.

While pay across the civil service had increased by only 1% in the past year, within that, however, there was scope for flexibility to reward specialists, and the union would be seeking a consolidated basic pay increase for members.

Prospect's position, said Marston, was justified on the basis of external market comparisons – in other words the sorts of rewards available in the private sector.

Particular attention needed to be paid to where the MOD were competing for staff. Such benchmarking should also be considered when looking at the wider package of benefits, including bonuses.

Above all pay claims needed to be rational: understanding real constraints, but also asking the employer to face the realities of the wider labour market.

"The current system does not deliver equal pay in the way that it is obliged to do," she said. "We will be seeking meaningful negotiations on future pay strategy ... unless our concerns are addressed, recruitment and retention are only going to get worse."

Marston added: "These are going to be quite complicated, involved negotiations. Both sides – the union and the employer – are going to have to be more sophisticated in their approach."

A lively MOD Group Conference, meeting in Gloucester, passed 22 motions this year at it grappled with the thorny issues of specialist pay, campaigns, performance management, employee relations, and organisation



Conference pictures:
Alexander Caminada

KEY MOTIONS

THREE KEY motions on pay were carried: 3, 5 and 7.

Stepped pay

Motion 3, moved by **Steve Kettlewell** (*right*) of **DE&S**, instructed the group council to press for the "stepped pay" model approach which was "beneficial to the individuals and business".

Kettlewell said the loss of incremental pay progression had not benefited the retention of "suitably qualified and experienced persons" (SQEP).

He said staff now had to chase promotion opportunities to secure better pay and this led to staff being stressed and struggling to cope with higher grade work and responsibilities. Progression "makes perfect sense", the motion said. "As the individual 'grows' and starts to deliver, their reward grows and the business benefits."

Supporting the motion, the MOD group council said: "Loss of progression is an insult to specialist staff who develop their level of capability in post and who actively seek to do so."

Pay constraints

Motion 5, moved by **Tom Smyth** of **MOD Air**, bemoaned the "real pay cuts" experienced by the majority of members, resulting from "restrictive and unreasonable constraints placed on civil service pay."

It said the gap between the bottom and top of pay scales had narrowed to the detriment of skilled workers at the pay scale maximum and instructed the group to continue efforts to secure a better pay deal for core skilled members.

The group council supported the motion but noted that the core membership was not all at the top of the pay scale and that its remit was to get a better deal for all members.

Holiday pay

Motion 7, moved by **Lucy Hibbitt** (*left*) of **MOD Air**, noted the



ruling of a recent Employment Appeal Tribunal, which said that holiday pay should include overtime payments which employees would normally have earned while working and that a failure to pay the usual full pay is incompatible with the European Working Time Directive.

As a result it instructed the MGC to engage with the department to ensure that policy is changed to reflect that regular additional payments are authorised during leave.





Graham challenges 'public sector is best' stereotype

WORKPLACES IN the private sector are stealing a lead on those in the public sector when it comes to best practice in employee relations, **Garry Graham**, Prospect deputy general secretary, told delegates as he delivered the keynote speech at this year's MOD Group conference.

Graham described the experience of members at the recent Prospect Energy Sector conference. "They are all in the private sector: there are no caps on facility time, pay is relatively buoyant, employers want to engage with us, they are more than happy for members to pay by check-off. It's meant to be the other way around, isn't it?"

Despite the challenges faced by civilians employed in the MOD, he said members were passionate about the industry they worked in and that the union had much to offer the department and its related organisations.

"We are a forward thinking, positive, progressive trade union that wants to engage with employers," he added, particularly in key areas of mutual concern such as skills.

Responding to the general election result, he said that it was imperative Prospect, and indeed other unions, continued to engage, no matter what party was in power.

The decision to cut a further £500m from the defence budget in the aftermath of the election and ahead of the SDSR was nevertheless "designed to garner headlines" and "felt ad-hoc and not strategic".

Quoting former TUC general secretary Brendan Barber's valedictory speech, he said it was "the job of the trade unions to reach agreement even in the most difficult of circumstances". Members expect nothing less.

Not being aligned to a political party put Prospect in a good position, he said, but it did not mean that the union was non-political in the



Performance management: 'I have not dealt with a single private sector employer who would seek to apply such a blunt instrument as in the MOD or wider civil service. It is like trying to put down the accelerator on a car that's run out of fuel'

broadest sense.

Graham said there were positive signs of cross-party support for the defence sector as evidenced by the signatories to an early day motion, supported by Prospect, at the end of the last parliament, which called for a commitment to maintain defence spending at 2% of GDP.

But many politicians continued to ignore the polling evidence when dismissing the role of trade unions and the importance of the defence sector. Referring to Philip Hammond he said it was hard to believe that a Conservative foreign secretary had recently been quoted as saying that there were "no votes in defence."

Graham said that annual social attitude surveys going back to the 1970s had consistently shown a widespread belief in the importance of trade unions representing the interests of working people. Some 78% of people in the latest polling currently supported this view.

He again referenced the private sector when picking up on one of the key themes of the conference: performance management as practised in the MOD.

"I have not dealt with a single private sector employer who would seek to apply such a blunt instrument as in the MOD or wider civil service," the deputy general secretary said. It was, he said, "like trying to put down the accelerator on a car that's run out of fuel."

On the wider issue of pay, Graham said that two key provisions needed to be met: "You need progression along the pay scales and you need to protect people's standard of living."

Graham said that working life could be made better for members and called on delegates to focus efforts on organising and recruiting and pursuing an evidenced-based approach in negotiations by marshalling empirical arguments.



How to campaign: Be relevant, focused and choose one you can win

DELEGATES HEARD a presentation on the dos and don'ts of running a successful campaign, delivered by negotiator Freeda Betts and organiser Rob Lauder (*above*), to kick off the second debate on day one of the two-day conference.

The two outlined some successful recent campaign themes including "WorkTime, YourTime" on work/life balance, "women in STEM" and "good work". They also identified DSTL as a branch which had been effective at campaigning, with particular success around the themes of recruitment, and bullying and harassment.

Drawing on the experience of DSTL they said it was important to educate members from the start and to focus on what members would be prepared to do rather than what you necessarily wanted them to do.

Successful campaigns, Betts and Lauder summarised, tended to follow the rules of CROW: Campaigns which are Relevant, focus on One issue, and Winnable.

During the debate it was suggested that there should be more evidence-based campaigns with examples including the use of regular surveys on issues like stress and skills.

Group president Alan Grey suggested meanwhile that Prospect should lead on some campaigns rather than simply responding to a wider agenda set by others and challenged branches to get the "good work" campaign onto negotiating agendas. There was also a call to do more to campaign for greater

diversity in the workplace.

Steph Marston on behalf of the MGC moved the first of two motions on campaigning – Motion 11 – carried by conference. This noted the upcoming SDSR and that previous reviews had resulted in the burden of cuts falling disproportionately on MOD civilian staff due to political sensitivities around cuts to the military. Bearing in mind that civilian staff costs are lower than those for the military in per capita terms, the motion instructed the group council to explore "all available channels" for promoting the role of MOD specialist and professional staff in securing the UK's defence capabilities. Furthermore, it asked the council to highlight the risks associated with treating civilian staff as an easy target in defence funding decisions.

Recruitment campaign



Conference also carried Motion 12, moved by group vice-chair **Brian Lewthwaite** (*left*), which called for a recruitment

campaign to be launched that provided branches with resources to demonstrate the value of Prospect membership to MOD specialists and professionals. This was predicated on the new Employee Relations Framework Agreements which reaffirmed that the MOD and DE&S encourage staff to join their appropriate trade union.

MoD delegates condemn forced distribution performance management as 'deplorable'



GUIDED OR "forced" distribution, and other performance management techniques deemed unfair or inadequate were the subject of Motion 13, moved by **Adrian Perks** (*left*) on behalf of the MGC. It said that the continued MOD adherence to identifying 5% of employees as poor

performers was "deplorable", particularly in light of evidence that the practice results in outcomes that discriminate against disabled, and black and minority ethnic staff.

"Forced distribution was abandoned by the private sector years ago, but MOD thinks it's wonderful because it pits man against man," said Perks, who warned: "We will have members sat at our desks in tears in the months to come."

The motion also noted that the performance management system is focused solely on civil service core competencies and therefore liable to systematically undervalue the contribution of specialist and professional staff.

The motion instructed the MOD Group Council to engage with the department on performance management with the aim of ending forced distribution, promoting a more transparent, equality-proofed moderation process and enabling fair assessment of specialist staff.

Additionally, it asked for a campaign to raise awareness of problems with performance management and to support members in grievances and appeals against unfair performance markings.

Grievances and appeals

Related to this, **Simon Finney** of MOD Navy, moving Motion 18, said that the annual staff report's grievance/appeals system worked too slowly.

Staff are "put onto 'performance improvement plans' unfairly and without justification while grievances or appeals are still ongoing and therefore the results are not known."

The motion, carried by conference, instructed the group council to raise the issue with the MOD with a view to ensuring improvement plans are not implemented while an appeal or grievance is being raised, and then only put in place if unsuccessful.

Employee relations: ‘You can’t impose a joint policy’

A NEW employee relations framework agreement (ERFA) signed by MOD and the joint trade unions was heralded by group president **Alan Grey** (right) as he opened up the debate at the beginning of the second and final day of the conference.

He said he hoped it would help to improve the situation regarding facility time restrictions and that it was formal recognition that “employee relations is a joint function and you can’t impose a joint policy.”

Grey said there was now a suite of policies and processes, largely shaped by Prospect, which “should underpin everything we do”, in terms of “principles and behaviours”.

He said the message should be “you give us the facility time and you will improve as an organisation. You have a problem with an individual and we’ll make sure you treat them fairly.”

However, Grey said that in order to take full advantage of the agreement more succession planning needed to be done with reps and that ideally there would be a Young Professionals Network in every branch. Grey also noted that the new agreement said reps should be recognised for the work they do in performance review.

Motion 19, moved by Grey, noted that, despite the ERFA, line managers were often resistant to agreeing appropriate facility time, even though the facility time budget is substantially under-utilised. It instructed the council to engage with the MOD to ensure reps are able to access sufficient facility time to meet the department’s requirements for consultation and negotiation, and to raise awareness among operational managers at all levels of the importance of trade union representation to the business.

Organisation

Two further motions specifically sought to address the loss of facility time and reps. Motion 22, moved by **Lucy Hibbett** of **MOD Air**, placed facility time restrictions within the context of a wider attack on trade union rights and said it threatened the ability of unions to fully participate in the process of engagement and



representation.

She said some of the union’s best reps had been lost to the review of facility time and that there was a lack of members willing to pick up the roles.

The latter meant that not all the facility time available had been used, even though most of the reps had reached their maximum agreed allocation.

Recognising that improving rep recruitment and training and developing new and existing reps was vital to improving the situation, the motion instructed the council to take three actions: first, review the current programme for identifying, training, developing and mentoring; two, assist branches with succession planning; and three, create a reps directory.

In a similar vein Motion 23, moved by **John Taylor** (below) of **DE&S**, said the wealth of knowledge and expertise would be difficult to replace as long-standing reps stood down.



Taylor said remaining reps were struggling to cope with the loss and had increased member issues across greater geographical areas. However, practices such as the pooling of reps and combined branches would not solve the problems long term.

The motion instructed the MGC to review branch re-organisation and determine initiatives to improve future trade union working.

EMERGENCY MOTIONS

THE FIRST of two emergency motions was raised in response to the in-year £500m cut in the MOD’s budget announced on 4 June. Em1, moved by **Ian Beddow** (right) of **Defence, Training and Education**, highlighted concerns that the cut, amounting to 1.5% of the department’s budget, could impact equipment plans. It spoke of the already severe consequences of past cuts for Prospect members in terms of recruitment and retention.



Seconding the motion, **Tim Day** (left) of **DSTL**, said the public needed to be made more aware of the important work done by civil servants in the MOD and that it was all too easy for the military personnel of the RAF and Royal Navy to avoid the effects of the cuts through media coverage of high-profile activities such as warning off Russian bombers and humanitarian missions.

The motion instructed the MOD group council to write to the defence secretary expressing concern that additional large scale cuts had been agreed by the department before the 2015 SDSR had taken place. Secondly, it asked the council to write to the permanent secretary to seek an urgent meeting over how the department intends to seek further efficiency savings and how any impact on the equipment plans is likely to affect the work of members in DE&S.

The next five years could be even worse than the last five in terms of cuts, following the result of the general election, the second emergency motion suggested. Moved by **Lucy Hibbett** of **MOD Air**, it said it was now more important than ever for the trade union movement to show a united front. Recognising that strong working relationships existed within the trade union groups of the MOD, it instructed the MGC to ensure Prospect MOD reps continue working with trade union colleagues and that whenever possible reps negotiate with management jointly.

Workplace diversity

WORKPLACE DIVERSITY was the subject of another motion (30), moved by **Lucy Hibbett**. “Defence has for many years emphasised the value it places on diversity and inclusivity within the workforce, but the department hasn’t necessarily followed through with its vision on this,” she told conference.

She added that while there were indications the MOD was making progress on identifying its diversity issues, there was concern that the Departmental Defence Diversity and Inclusion Programme (DDIP) was not fit-for-purpose and that mandated targets aren’t thought through.

Hibbett’s motion instructed the group council to engage with the department to ensure that the DDIP process is fit-for-purpose, that statistics aren’t met through incorrect means and that the programme is a whole force concept, and not just a military one.

Separately, it asked the group to address with the department the stigma surrounding mental health and other non-physically noticeable illnesses and ensure that HR did not view people with such conditions as “an easy way for them to exit the department.”

The union that gives you Extra

PROSPECT MEMBERS now have exclusive access to a service that will help them to save money and get great deals on utilities, entertainment and purchases.

Prospect Extra was launched at the end of July and more than 500 members signed up within six hours. The service is a cash-back



and comparison website exclusively for members. After registering, members will be able to:

- Compare prices of household energy, insurance and other products
- Access financial advice from consumer champion Sarah Willingham (above) of Dragons' Den fame



- Get exclusive promotions, bonuses and packages
- Receive cash-back on special deals.
- Sign up at: prospectextra.org.uk/signup

Grey urges focus on branch best practice to improve recruitment and organisation

WE WORK with the employer and want the employer to be successful, Prospect president Alan Grey told July's meeting of the Defence, Maritime and Logistics Group at New Prospect House, as the issues of recruitment and organisation dominated the agenda.



■ Grey – key message

his remarks, saying: "People want their organisations to succeed. They don't want unions just going in there and slagging off employers. They want to learn about the organisation, the role the union plays and the support it provides."

Grey and Graham also said that further progress needed to be made to maintain and improve membership density in the workplace and hence ensure credibility. The latter said that derecognition of unions at QinetiQ needed to serve as a reminder of what can happen when density drops in the face of an aggressive employer.

However, using the end of 2013 as a benchmark, Graham said that there had been marginal overall growth in group membership thanks to some of the private sector branches.

Much of the discussion focused on trying to learn from models of best practice at a branch level. AWE was identified as one of these, having done a lot of local campaign work around pensions.

James Leppard, AWE branch organiser, told attendees that the branch sought to go beyond setting up the "annual recruitment stall" and

publishing "the odd newsletter". It tried to run strong local campaigns, which linked to nationally-run campaigns where possible, and sought to engage by organising guest speakers on relevant topics.

Leppard mentioned that a talk by negotiations officer John Ferrett on the Navy's new Type 26 Global Combat Ship had attracted a large, interested audience. He also emphasised the importance of setting up local YPN groups, and making use of the support of Prospect staff.

Babcock Marine at Devonport and Rosyth was highlighted as other examples of good practice, with Graham saying such workplaces dispelled the myth that unions can't organise in the private sector.

DMLG members heard how Devonport was trying to meet demographic challenges by focusing on graduate recruitment, with a special reduced rate for the first two years after which they tended to continue with their membership.

Some 60 graduates pass through Devonport's doors every year the meeting heard, with a two-week induction kicking off their two-year apprenticeships. Furthermore, there has been a focus on recruiting young women reps and using these to promote Prospect's "women in STEM" campaign. This was "an excellent recruitment tool".

What Prospect needed to formulate was "a vision of what a good campaign looks like at branch level," said Grey, adding: "We need to shout about what we're doing in the workplace more and use that as a recruitment tool."

Furthermore, Prospect needed to be presented as a "union for life", not just connected to a particular employer, but rather a trade.



■ Leppard – local

TELL PUBLIC OF ECONOMIC BENEFITS OF DEFENCE, SAYS PWC

MORE COULD be done across the sector to analyse and communicate the economic benefits of defence, according to PwC, following publication of a wide-ranging survey of public opinion by the professional services group.

The survey found that public support for the armed forces was high, but did not appear to be

driven by perceptions about their contribution to the UK economy.

Some 69% of people rated the armed forces as either trustworthy or very trustworthy – a slightly higher rating than for the NHS.

However, the results were highly skewed towards older people. The lower levels of trust reported by young people could

negatively impact the ability of the defence sector to attract and retain top talent, said PwC's Roland Sonnenberg, commenting on the findings.

The report also found that more than half of respondents wanted to see the UK's military strength increase over the next 20 years.

Asked whether the armed

forces had a positive or negative impact on the economy, 16% answered "don't know", while 29% thought there was no net effect.

Some 37% thought the armed forces strengthened the economy, while 17% thought they weakened it.

■ Report in full:

<http://pwc.to/1l4dzNL>

LACK OF DATA IS HAMPERING SPENDING DECISIONS SAYS REPORT

MILITARY SPENDING decisions are being undermined by the lack of official data on the value of the defence industry to the economy, according to a report from the Policy Institute at King's College London.

Titled *A Benefit, Not a Burden*, the report argues that the domestic defence industry not only underpins the nation's security but also provides significant economic value to the UK in terms of employment, high-technology skills and financial contributions.

While the authors acknowledge that the UK cannot afford to source all equipment domestically, they say that choices about which areas to focus on have been hampered by the 2009 decision to reduce the collection of official data about the industry's economic contribution.

"Without this data, the government is unable to conduct rigorous analysis of the potential benefits of the domestic defence industry on the one hand, nor to exploit them to the advantage of the UK on the other," said one of the authors, Andrew Dorman, professor of international security at King's.

Another author Matthew Uttley added: "Identifying and quantifying the value of the defence industry will be a critical pre-cursor to a considered and evidence-based approach to Britain's forthcoming review of defence and national security strategy."

Existing data rely on information provided by industry, which could be open to challenge, Prof Uttley said.

Using figures from a decade ago, consultancy Oxford Economics estimates that for every £100m invested in the defence industry, a further £130m is generated in the wider economy. It says that for every job created in defence manufacturing, 1.8m jobs are created elsewhere.

Lord Sterling, a former adviser to Margaret Thatcher's government, who co-commissioned the report, said that government should accept that the economic benefits of buying British offset the price tag rather than seeking cheaper off-the-shelf options.

■ **A Benefit, Not a Burden in full:**
<http://bit.ly/1JOWY1R>

Prospect seeks conclusion to QinetiQ recognition talks

PROSPECT HAS renewed efforts to secure a voluntary recognition agreement with QinetiQ following the appointment of new chief executive Steve Wadey, who took up post at the end of April.

"This has presented a renewed opportunity to gain acceptance of Prospect's legitimate role representing a significant number of QinetiQ employees," said Dai Hudd, deputy general secretary.

To this end informal discussions are continuing with QinetiQ's director of capability and Prospect has been liaising at a senior level with conciliation service ACAS to help facilitate a voluntary agreement, as an alternative to pursuing a statutory claim for limited recognition.

"However, the branch is clear that this matter must come to a conclusion in 2015," said Hudd, who added: "QinetiQ is a good company that rightly values its reputation – being labelled anti-union cannot be what many in the company would want."

The union has emphasised common interests and the hard work that Prospect is putting in to promote the interests of QinetiQ, its employees and members in the wider defence sector ahead of this year's SDSR.

This has included Prospect's campaign for defence spending to be maintained at 2% of GDP as well as a meeting between Hudd, Prospect national secretary David Luxton and the CEO of industry body ADS Group to discuss closer working on defence priorities such as investment in R&D to help sustain industrial capability.

"With more than 10,000 specialist members in defence I view Prospect as an important partner to employers and professional bodies engaged in the sector," said Hudd. "We are looking to make a positive contribution and submission to the SDSR."

The branch council has continued to remain active in QinetiQ despite derecognition of unions more than three years ago and Prospect continues to provide advice and personal representation on a range of matters.



SIMON HADLEY

These include performance issues, flexible working requests, grievances and disciplinary issues.

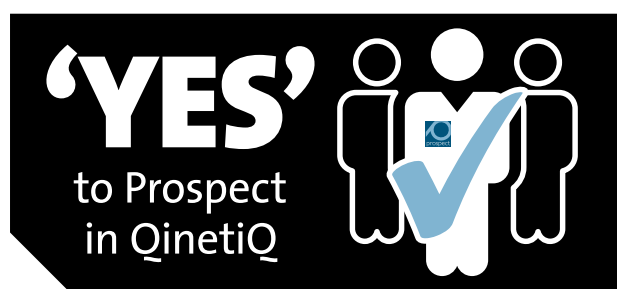
The council also meets every couple of months to discuss both issues affecting members in QinetiQ and the wider defence sector.

Prospect has welcomed Steve Wadey's

remarks on how impressed he had been with the expertise of staff as QinetiQ unveiled strong full year results in May.

The results statement showed orders

had increased by 3% while underlying pre-tax profit rose 7%. Shares are trading 10% higher year-on-year and the board has recommended a 17% increase in the full-year dividend.



AWE job losses ignore concern over shortage of skilled staff

FOLLOWING MONTHS of speculation the Atomic Weapons Establishment has announced approximately 500 redundancies at its Aldermaston and Burghfield sites.

Prospect, the largest of the recognised trade unions at AWE, has raised concerns that this should happen at a time when the company remains under an increased level of scrutiny by the Office for Nuclear Regulation. This stems from its use of "ageing facilities", deteriorating programme performance and a

shortage of skilled staff.

Richard Tabbner, Prospect negotiator, said: "Prospect is both shocked and disappointed that the company has decided to announce job losses at a time when the regulatory body remains concerned about the shortage of skilled personnel within the company.

"Prospect members within AWE are highly skilled and specialised in the work they undertake.

"We will now meet with the company and closely examine the

We will meet the company and closely examine the business and safety cases for redundancies

business and safety cases for these redundancies, ensuring that AWE enters into meaningful consultation, justifying each and every proposed job loss."

In a press release the employer said it was looking to reduce headcount by around 500 as it sought "to ensure long-term efficiencies".

It said it was "committed to avoiding compulsory redundancies where possible."

■ **Read the AWE statement:** <http://bit.ly/1LT4Kjl>

Members vote for nine-day fortnight

ATOMIC WEAPONS Establishment members working at Aldermaston and Burghfield have recently voted in favour of a modified proposal to introduce a nine-day fortnight from mid-August.

A ballot followed full negotiations with the employer after Prospect raised serious concerns when AWE announced its intentions in May.

At the time AWE said that following a review of current working practices it had concluded that the adoption of a nine-day fortnight, to replace the current basic working pattern of five-day week working offered "significant business benefits". These were said to include opportunities to improve productivity, better planning of scheduled maintenance and reduction in operating costs.

However, Prospect identified a number of concerns, including the short notice of such a major change. In addition it questioned how the arrangements would particularly impact members with childcare and other care responsibilities, and those employees working part-time hours that might include Fridays.

Prospect also raised issues around how annual leave should be treated, the treatment of bank holidays falling on a Friday, individual flexible working arrangements, and overtime rates for maintenance engineers.



STEFANO CECCHINI

Prospect national secretary David Luxton on what led to vote for change

Company response

In response the company identified around 100 people who currently worked part-time hours that included a Friday, and agreed to discuss their individual circumstances and offer alternative arrangements.

It was also confirmed that flexible-working arrangements agreed between individuals and their line managers would continue within the nine-day fortnight parameters, and the range of potential flexibilities would continue to be available within site opening hours of 7am to 7pm (which have not changed).

Annual leave would be expressed

in hours so that the minimum annual leave of 28 days would be expressed as 208 hours, and the maximum 32.5 days expressed as 241 hours.

Prospect had raised concerns that this could imply a reduction in the number of days leave but AWE has said annual leave entitlement would remain identical: 5.6 weeks' leave for any full-time person working 37 condition hours, regardless of their actual working pattern. Crucially, the company confirmed that over the full year the total time of work and the total time on leave would remain the same. Carryover of annual leave would continue to a maximum of 72 hours.

The treatment of public holidays has also been addressed, with 62 hours public holidays being added to the total hours of annual leave.

Regardless of the pattern of hours worked, all employees would be entitled to the appropriate percentage of their total condition hours to be taken as public holidays and annual leave, AWE said.

This has been a difficult issue for members. While there are clear advantages in not working every second Friday, there are also real and significant implications for individuals with childcare responsibilities and part-time workers through the requirement to work extended hours. Prospect has fully consulted with members at site meetings and addressed the major concerns in the proposed draft agreement.

PAY BUDGET TO RISE BY 2.5%

THE 2015 pay offer was also accepted by AWE members in a ballot run over the same period as the nine-day fortnight vote. The offer will see the pay budget rise by 2.5%, with the increase being distributed using a "fixed matrix" approach that takes into account individual performance and position in the relevant pay range.

An underpinning minimum increase will be paid in recognition of concerns about the value of a percentage increase for lower paid staff.

As in recent years pay awards for employees with salaries at or above the pay range maximum will not be consolidated. The proposed distribution of the pay offer will result in: 77% receiving an increase of at least 2% base pay, 60% receiving an increase of 2.5% or more and 40% receiving 3% or more.

The offer will be implemented with August salaries and backdated to 1 June.



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