



 **prospect**  **bectu**

Annual Report 2019

Support. Grow. Succeed.

Annual Report 2019

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“We can look ahead positively, undaunted by our challenges, but knowing we must adapt to flourish”

Mike Clancy
Prospect general secretary



Introduction

In 2019, we continued the pattern of growing our membership. Prospect increased its working membership by 2,292, which is an excellent performance.

We are now around 145,510 strong and we represent an impressive array of occupations and workspaces.

This is the result of hard work by representatives and staff – and the fact that our political stability, borne out of our independence, means we do not dissipate energy on factionalism.

We stay focused on what members are asking us to achieve for them individually and collectively.

As I said last year: “Increasing membership not only supports financial stability, but conveys a

sense to staff, representatives and commentators that we are doing something right, in a context where most unions continue to struggle to promote their value.”

One union, two brands

In the past year, we successfully rebranded the union while cherishing its heritage. We are starting to live ‘one union, two brands’ – promoting Prospect and Bectu, but striving for a single culture among staff, representatives and members.

I also said last year that we must build a union that is resilient and capable of navigating the waters ahead.

“We will need to bring together the strengths of Prospect and Bectu, interpret and adapt them for the

future, and ensure we build a new generation of workplace activists capable of supporting members.”


In 2019 we continued to make that a factor in all our work.

Continual improvement

Unions must change as the experiences and needs of members change. But they must also preserve their core values of fairness, diversity and the capacity to speak truth to power.

We continued to think through how the union adapts and we have a programme of continual improvement underway based on investment in systems and people.

Our contact centre is now a key hub; we have looked carefully



at the member journey through the union and started work on a significant investment in a new integrated database and relationship management system.

I make no apologies that such work is continual. Members face constant change so their union must also adapt what it provides.

General election

Brexit framed the national mood and discourse and our fears about a hard Brexit are well documented.

December's election was a watershed moment and has delivered a government that has historic antagonism to trade unions.

While we will continue to lobby on the consequences of the government's stance on the forthcoming trade negotiations – and the impact on employment rights and economic output – our main challenge lies in influencing the government, not just railing against it.

We are now one of the largest unions affiliated to the Trades Union Congress and we have to make our voice heard on the big issues.

Those are:

- climate change, where we have recognised the climate emergency and we will seek to define and shape the Just Transition to a low-carbon future
- the future of public services, where the consequences of austerity are really showing
- public service broadcasting, and responding to the attacks on the BBC
- regulation
- employment rights
- the future of capitalism
- delivering diverse and fair workspaces.

Our work has been, and will be, pivotal.

Fighting for fairness

I strongly believe our message of being the union for 'ambition' makes us distinct, but is also backed up by a willingness to fight where employer behaviour justifies it.

Although we promote collaboration and problem solving, we will oppose employers and we have the financial capacity and the will to do it.

I cite the work in the heritage sector as an example of how targeted and sensible industrial action brought some gains for members. These campaigns also highlighted the professionalism, but low pay, of these members.

This is an ongoing campaign but one that we are committed to. I can cite many others but it reinforces my belief that we can 'help members get on, but we can also help them get even'.

So as usual, I finish by thanking my colleagues for all their hard work in the past year. I thank representatives for their incredible work as volunteers. I have met many relatively new and younger representatives of late and this gives me confidence about our future.

We can look ahead positively, undaunted by our challenges, but knowing we must adapt in order to flourish.

Mike Clancy

Prospect General Secretary

Follow Mike on Twitter – [@mikeclancy1](https://twitter.com/mikeclancy1)



Highlights of the year

Prospect's campaigning work in 2019 encompassed a full range of topics, from major national issues to branch-level work and everything in between.

Brexit continued to dominate the year politically and Prospect was active in campaigning:

- for a migration system that works for our members and the economy
- for access to vital EU programmes like Horizon and Creative Europe
- and to maintain essential standards on the environment, regulation and workers' rights.

Beyond Brexit, the union continued to campaign on the environment, arguing for an expansion of low-carbon energy generation, a Just Transition for workers to new green jobs, and supporting our Natural



Speakers at the Natural England Parliamentary event, l-r: Caroline Lucas MP, Garry Graham (Prospect DGS), Sue Hayman MP, Kate Jennings (RSPB) and David Heaver (Prospect Natural England section chair)

England branch's campaign for better funding and conditions for public sector environmental workers.

We took this campaign to parliament where MPs from all parties were

impressed by the dedication and expertise of our members and reps, see <https://members.prospect.org.uk/news/id/2019/00489>.

Prospect's work on technology and

the future of work stepped up again in 2019, with a special appearance at the CogX AI festival in London and a wide range of research, media work and political engagement to make the argument for a greater voice for workers in shaping the impact that new tech will have on their work.

All of this continued alongside ongoing campaign work on public sector pay, for new Fleet Solid Support ships to be built in UK shipyards, or the fantastic work being done to improve pay and conditions in the heritage sector.

The design of the logo symbolises a worker's journey as it unfolds. In a world of portfolio careers, people face many twists and turns throughout their working lives.

Both qualitative and quantitative research was undertaken with prospective members, current members, representatives and staff.

The decision to roll out the new brand was made by the national executive committee, but was supported by a group which included senior Prospect and Bectu representatives.



Prospect presidential team join senior staff to celebrate a successful rebrand – l-r: Ele Wade, vice-president; Neil Hope-Collins, deputy vice-president; Mike Clancy, general secretary; Ann Jones, deputy vice president; Andrew Pakes, director of communications and research; Nicola Duffy, head of organisational development; Craig Marshall, president; and Sue Ferns, senior deputy general secretary

Rebranding

Prospect rolled out a comprehensive rebrand during the second half of 2019. This project aimed to give the union a fresh and vibrant identity. This was prompted by the need for a common visual identity following the merger with Bectu in 2017.

The new brand reflects the idea that ambition is not the enemy of solidarity, but rather solidarity is the platform on which ambitions can be built and fulfilled. This is reflected in the new strapline 'The union for ambition'.

Expert advice and support came from both the Prospect communications department and brand consultancy Engine.

The new brand encompasses new logos for Prospect and Bectu as well as a range of rebranded items and templates which can be found at <https://prospect.org.uk/ambition/>

In addition to the new visual identity, making sure the union's language is as clear, straightforward and inclusive as possible was part of the project, and is an area we will continue to work on in 2020.

Websites

In October, we launched new public-facing websites for Prospect and Bectu. The new sites were launched as part of the rebrand process, and brought the Prospect and Bectu sites closer together, as per the rebrand.

The sites were built on Wordpress – the most popular content management system on the web, which is more flexible and easier to use than the custom systems on which both sites were previously built.

The new sites aim to improve key user journeys, and further development will follow. Currently, the old sites remain as "members' areas" with key functionality and database integration for now remaining untouched.

Over time, that functionality will be developed and improved as part of the new Wordpress sites. Data shows the new sites are performing better than their predecessors.

Brexit

Impact of Brexit survey

In January 2019, the union released the results of a survey which included the views of non-UK EU workers in the UK.

The survey showed that two thirds of our EU members had considered leaving the UK because of Brexit – mainly because of uncertainty as to their status, coupled with feeling unwelcome.

Members in industries and sectors like science and research, nuclear, heritage, aviation, and broadcasting and the arts, also expressed worry about funding, losing membership of EU agencies, and huge uncertainty about their ability to collaborate outside the UK post-Brexit.

The science and research sector is particularly at risk from Brexit. The Office for National Statistics suggests that around 175,000 non-UK EEA nationals work in this area.



Heritage workers at the Science Museum (left) and the Museum of London (below) take action



Even if a fraction of the 66% of respondents who said they had considered leaving the UK do so, we will still have a significant shortfall in this sector.

Prospect said the findings suggested that the government had not done enough to reassure business, research institutions and EU nationals that Brexit could be made to work for them.

The survey was carried out by email. 6,203 members responded and 547 of those were EU citizens from outside the UK.

Settled status guide

Prospect and Thompsons launched a legal guide to help EU citizens working in the UK navigate the process of applying for settled status.

Prospect and Bectu supported their EU members by calling on the government to stop the £65 settled status fee, which was subsequently cancelled. However, the process for applying for settled status remains complicated and is a barrier to EU workers feeling welcome and remaining in the UK.

The legal guide set out who had to apply, who was eligible, what to do about family members and dependents, provided clarity on the meaning of certain terms and also about what would happen in the event of a No Deal Brexit.

Heritage workers campaign for fair pay

Prospect members across the heritage sector took industrial action over pay in 2019.

At the Science Museum Group, members took action short of strike including work-to-rule and the withdrawal of goodwill from 24-29 August. They subsequently went on strike on 30 August and 23 October.

The action took place after SMG failed to come up with an improved offer after imposing a below-inflation pay rise of 1.5% for most staff earlier in the year – the latest in a series of below-inflation pay rises which have left workers across the sector with a 13% real terms pay cut since 2010.

At the lowest end of the scale, SMG still did not pay the real living wage, in London or elsewhere. Other national museums do, including the Natural History Museum and the Victoria and Albert.

It was not members' intention to close the museums, rather to highlight the concerns of staff and the valuable contribution that they make.

Museum of London

Members at the Museum of London undertook a half day strike on 24 October – again part of ongoing pay action after the museum imposed a 1.5% pay rise.

Workers in the Museum of London had reported difficulty paying for rent, mortgages, childcare, travel and even food. Their pay had been cut by 6% in real terms since 2013.

The Museum claimed that by using performance pay (bonus scheme), the pay increase would equal inflation.

Prospect said employees shouldn't have to qualify for a bonus just to keep up with the cost of living.



Museum of London Archaeology

Prospect members at Museum of London Archaeology (MOLA) took strike action on 11 December in the first of a series of one-day strikes in a dispute over pay.

Action short of a strike including work to rule also started on 11 December.

MOLA executive managers imposed a 2.5% pay award in June even though it had been rejected by union members.

The dispute also concerns a pay structure that MOLA executive management promised would be in place by April 2019.

An undertaking was given by management to settle a pay dispute in 2018 but they have broken this promise. Had the pay structure been in place as promised then staff would have expected to receive a progression rise in addition to a cost-of-living award.

Women at ENO break equal pay barrier

Fifteen Bectu sector members at the English National Opera (ENO) benefited from a negotiated pay review to remedy an equal pay problem.

Union members had raised concerns about unequal pay among the technical staff employed by the ENO.

The predominantly female workers in the costume, wardrobe and wigs departments found they were being paid less than colleagues in other technical roles like props, sound and lighting departments.

A detailed job evaluation study and pay audit showed that many jobs, mostly undertaken by women, had been historically undervalued. The union said this was a classic case of equal pay for work of equal value.

As a result, all salaries in costume, wardrobes and wigs were brought into line with those in other technical departments.



Museum of London Archaeology branch at their one-day strike in a dispute over pay

Legal wins/successes

Prospect won several legal cases for members in 2019. Three of them are highlighted here, others are covered in chapter three.

Sex discrimination case against the Office for National Statistics

Prospect member, Olwen Renowden, won her tribunal claim of sex discrimination after she was denied promotion.

Olwen worked as a Grade 7 economist for the Office for National Statistics (ONS).

In February 2017, two senior jobs were advertised at the higher Grade 6. Olwen had previously worked at this level and had an impressive career history. However, she was rejected for both posts without even being interviewed. The two successful candidates were male. ONS then appointed a third man to another Grade 6 economist job without advertising the post.

Olwen noted that there were more than 114 economists in Grade 6, but there were no women.

Her case was heard at the Cardiff employment tribunal in January 2019. By the time the tribunal took place

Olwen had resigned from the ONS.

The tribunal upheld Olwen's claims of direct and indirect sex discrimination and found she had not been promoted for reasons related to her gender. ONS was ordered to pay compensation.

The tribunal found that it was "reasonable to infer that the culture of the respondent is one where advantage and favouritism to males is not recognised as potentially discriminatory".

Member unfairly dismissed for a minor issue

A security officer employed by Interserve and based at BBC New Broadcasting House won his unfair dismissal claim.

Bectu sector member Oluwagbemi Ogundolie, had worked for Interserve for 12 years when he was dismissed for failing to report an incident. He was covering for a colleague at the front desk, when an unauthorised individual was escorted out of the building by a member of staff.

Oluwagbemi assumed that the incident would be reported by one of his colleagues for whom this was their main role and so did not report it himself. It later transpired that it had indeed been reported.

During the investigation process, Oluwagbemi apologised and said he would handle things differently should such a situation arise again. Despite this, Interserve decided to dismiss him for gross misconduct.

The case was heard at the London Central Employment Tribunal in October 2019. The employment judge found that the dismissal was unfair. He said the nature of the allegation was minor and that there was no requirement for every security officer to report the breach. Therefore, the judge found Oluwagbemi's actions did not constitute gross misconduct and the dismissal was unfair.

Successful challenge to discriminatory performance marks

Six Prospect members successfully settled discrimination claims against the MOD, through Judicial Mediation. The cases arose from unfair performance assessments.

The members all believed that they had been marked unfairly in their 2017/18 performance appraisals and that this had a detrimental effect on their pay. Part time, disabled, and older workers were disproportionately receiving lower marks. They sought advice from Prospect, who presented claims of indirect discrimination to the Employment Tribunal.

After the tribunal claims were lodged the members, supported by Prospect, won their internal appeals against their markings. They all received improved markings and performance pay.

The six tribunal claims were then considered at a Judicial Mediation hearing, which is offered by the tribunal service as a means of resolving claims. The members all received additional compensation for injury to feelings.

Tech survey

Exclusive polling carried out for Prospect by YouGov showed that just 34% of employees are confident that their employer will consult them



Prospect staff at New Prospect House collected food for their nearest food bank in Lambeth. The donations were delivered by Member Contact Centre staff – (l-r) Aiden Gilbert, Gordon Calliste, Chloe Hawkrigde and Jessica Crowhurst

or involve them in decisions about the introduction of new tech in the workplace.

Almost one in six (58%) were not confident they would be involved (24% were not very confident, 34% were not at all confident).

Prospect called on the government to involve unions and worker representatives in its work around Artificial Intelligence and new technology.

The union believes that ministers have overlooked workers in a range of national initiatives set up to ensure that the development of new technology and automation helps at work.

There are no union or worker representatives on the board of the Centre for Data Ethics and Innovation or the recently announced AI Council.

Mike Clancy, Prospect general secretary, talked about the role of unions and workers in tech when he was the first trade union leader to address AI conference CogX in June.

He talked about:

- the opportunities for tech companies in involving unions in their planning

- the opportunities for tech workers in being a member of a union
- and the importance of involving workers in the implementation of tech and AI within the workplace. Taking your workforce with you will be of significant mutual benefit.

Charity partnerships

Prospect set up partnerships with two charities in 2019 – the Trussell Trust and War Child. See chapter 11 for more information.

Gender pension gap

Prospect continued its work on the gender pension gap in 2019, including an updated report and a leaflet with information and guidance for members to help improve outcomes and awareness of the need for action.

Other activity included:

Research on the gender pension gap broken down by nations and regions which led to further press coverage.

Motions to the TUC and the Women's TUC.

- A letter to the Equality and Human Rights Commission asking them

to investigate the Department for Work and Pension's failure to meet its public sector duty to promote equality in relation to pension income.

- In August, the union produced a second report with an updated estimate of the gender pension gap for 2017/18.
- The union also launched a petition alongside the updated report calling on government to report to Parliament annually about the level of the gender pension gap and its plans for tackling it. This reached 4,169 signatures before closing due to the December 2019 general election.

Environment

Climate emergency

Prospect's national executive committee recognised the climate emergency and committed to an action plan to raise awareness among members, support workplace change and reduce the union's own carbon footprint.

Prospect has a unique insight because we represent members across the science, engineering and the environmental workforces, alongside members in the energy and transport sectors.

Members in public services are among the world's leading climate scientists and conservationists. Our members in renewables, nuclear and the energy supply networks understand both the need for investment in low-carbon energy and a Just Transition, so that no workers or communities are left behind by the switch to a new green economy.

Our Bectu sector members in the creative industries have worked on Blue Planet and other film, TV and theatre productions which illustrate what is at stake.

The union actively encouraged members to get involved and take action together to tackle the climate crisis.

It asked branches and members to consider:

- organising a branch discussion or event – for instance a lunch and learn or a talk
- using Prospect materials to support a debate about what members can do locally or at work
- supporting local community events
- sharing our social media posts highlighting the work our members carry out and our support for action on climate change
- electing an environmental rep for their branch and getting involved in the Prospect Environment Network.

Visit <https://prospect.org.uk/get-involved/climate-crisis/>

Natural England campaign

Prospect members in Natural England launched a campaign to highlight the threats facing their organisation and the valuable work it does.

They called for Natural England's wide and important remit for people and nature to be properly recognised and funded. This is the only way to:

- restore and enhance the wider countryside and the marine environment
- help species to recover
- achieve favourable condition of protected sites
- improve access to, and enjoyment of, our wonderful natural environment
- ensure that the government's 25-year environment plan has a chance of success.



Members called for:

- Natural England's wide and important remit for people and nature to be properly recognised and funded
- its autonomy as a non-departmental public body to be meaningfully restored
- the damage caused by pay restraint to be reversed and pay progression, based on skills and competency, to be restored
- pay parity with the rest of the Department for the Environment, Food and Rural Affairs, to no longer be covered by the civil service pay guidance and to be subject to an independent pay review body.

Download the campaign report and find out more at <https://prospect.org.uk/natural-england-c2019/>

Keep Britain afloat campaign

Engineering and shipbuilding unions launched a campaign to save 40,000 shipbuilding jobs being put at risk by the government's decision to put naval contracts out to international competition.

The campaign, called Keep Britain Afloat, called on the government to build three new auxiliary Fleet Solid Support ships (FSS) worth £1.5bn in the UK.

The government says EU rules mean the ships, which are intended to support British aircraft carriers at sea, must be put out to international

tender.

A consortium of commercial British shipbuilders is being forced to compete with shipyards from South Korea, Japan, Spain and Italy.

However, the French Navy recently announced a €1.7bn contract to build four support ships in France without competition.



2

Sector round-ups

Bectu sector

2019 was a period of transition for the Bectu sector following the retirement of the deputy general secretary (and previous general secretary) Gerry Morrissey. Philippa Childs replaced him as deputy general secretary at the turn of the year.

Bectu's sector conference took place in May 2019 in Brighton and Ann Jones was returned as the sector president for a further two-year term.

Dignity at Work campaign

In November, the sector launched its flagship 'Dignity at Work' campaign designed to set the standards expected for employers and engagers across the creative industries.



The campaign involves five strands of work:

- bullying and harassment
- quality of working life
- equality and diversity
- talking terms, and
- sticking together.

Dignity at Work is a Bectu sector-wide campaign that is relevant for employees, workers and freelancers.

Work is ongoing to develop the strands of the campaign and provide resources for representatives and members.

Arts and Entertainment

Throughout 2019, the Arts and Entertainment (A&E) division secured pay claims underpinned by the Real Living Wage for a number of independent theatres across the UK.

The renegotiation of the UK Theatres/ Bectu agreement stalled due to the National Living Wage overtaking the minimum rates in the agreement. However, discussions are back on track with a proposal for a minimum terms

template house agreement being considered.

The Live Events network was launched which raised our profile across this part of the industry and has resulted in a surge of new members and activists in this division of the sector.

Bectu launched a survey of games workers which generated good publicity and interest and the results were published along with key statistics.

This is now being followed up by a broadcast piece on 5 Live and a story will be published on the BBC news website.

Following the launch of the theatre diversity action plan, Bectu has been working with the Department for Work and Pensions to try to encourage more ethnic minority and diverse applicants for theatre vacancies.

The unfair dismissal cases against Picturehouse were successful. A reinstatement order was granted and a financial settlement was reached.

In October 2019, Picturehouse reps agreed to suspend the Living Staff, Living Wage campaign and call off the public boycott.

BBC

Work was largely dominated by implementation of the new terms and conditions for BBC staff which were agreed at the conciliation service, ACAS in the summer of 2018.

In addition to a multi-year pay deal, improved sick pay and increasing the minimum salary, these negotiations produced a raft of new policies and scheduling arrangements.

As a result, reps' and officials' time and energy were taken up by the implementation work. The bulk of this work has now been completed, which will hopefully allow reps and officials to focus on recruitment and retention.

We are also encouraging reps to think of Bectu as a community in the workplace, showing how we can

BECTU negotiates terms, conditions and pay for employees and is the voice for freelancers working for the BBC. Together with our strong network of reps we protect your interests and campaign on political matters and workplace issues. BECTU is a union for life, operating right across film, TV and broadcasting, in the BBC and beyond...

WORKING FOR THE BBC?

JOIN BECTU FOR £10* PER MONTH AND GET:

- Help and advice**
BECTU provides guidance on pay, terms and conditions and dealing with workplace issues. For freelancers we provide business advice (tax, contracts, self-promotion) and guidance on avoiding exploitation.
- Community**
Connect with like-minded people from day one of your career at Branch Meetings, workshops and other union events.
- Training discounts**
Whichever direction your career takes you, BECTU can help with exciting training opportunities and career support.
- Campaigning**
Follow our industry-wide campaign for BBC Funding, Dignity At Work, and many others. We influence where it matters.

*membership for BBC employees is £10 a month for 2 years then 1% of salary. Freelancers should contact BECTU for the latest deals

JOIN TODAY AT BECTU.ORG.UK/JOIN

achieve results if we act together. We are looking at engaging with members and non-members to carry out local activity around this idea.

For example, branches in W12 are planning to collect for the local food bank. Branches will be encouraged to campaign for local initiatives to tackle the climate crisis.

Following the merger with Worldwide and a period of finding their feet, BBC Studios seem to be emerging now as a cohesive organisation.

A new BBC Studios London branch has been agreed which, while recognising different contracts, will bring together production and distribution under one umbrella. Meetings have also been held with Studios to review working practices for freelancers and rates of pay at the BBC.

Independent broadcasting

Broadcasters such as ITV and STV, which rely to varying degrees on advertising income, have witnessed a steady decline in those revenues over the past couple of years. This is mainly because leading UK manufacturers have cut back on marketing activity due to the economic uncertainty caused by Brexit.

ITV, in particular, has seen its profits hit after peaking at £885m in 2016. This dropped to £810m within two years. That decline is likely to be repeated in 2019 when the results are announced.

ITN, which produces national news for ITV, Channel 4 and Channel 5, is directly affected because the broadcasters are seeking to reduce their contractual spend or seek 'more for less'. As a result, cost-cutting cycles and job losses are a constant, making it difficult to maintain membership levels.

London Production Division

The focus of the London Production Division (LPD) was the review of the Major Motion Picture Agreement with

the aim of ironing out some of the problems that have arisen since it was introduced in 2017. This process went relatively smoothly, if slowly.

Work continues on the 'Eyes Half Shut Campaign' and developing and refining Bectu's rates cards.

In June the Writers, Producers and Directors branch held another, very successful Freelancers Fair.

Regional Production

A key area of concern for the Regional Production Division (RPD) membership is the availability of production work in the nations and regions.

OFCOM, the regulator, issues guidance for production quotas for public service broadcasters (BBC, ITV, Channel 4 and 5) to ensure that a wide range of programme is distributed fairly across the UK.

However, RPD members frequently complain that productions commissioned in their areas are often staffed by crew "flown in from London".

OFCOM reviewed its guidance in 2019. The Bectu sector welcomed the strengthening of new criteria to define whether or not a given programme commission is genuinely regional.

In particular, we welcomed the proposal that production companies bidding for commissions within the regional quota should demonstrate a substantive and permanent base in the relevant region.

We also supported the expansion of the 'spend threshold' to the entire budget.

On the third proposed criterion, the proportion of the crew on designated regional productions who live outside the M25, we were minded to support the status quo figure of 50%. (This was the most contentious issue for RPD members.)

However, that support was on the basis that this figure should be kept under review until the impact of the other changes had become apparent.

Recruitment, retention and training plan

The sector produces a recruitment, retention and training plan which supports the strategy for each of Bectu's seven divisions for the following twelve months.

In general terms, the 2019 plan was delivered in that membership across the sector grew, although the numbers were affected by the significant restructuring in BT and a higher than usual number of leavers.

BBC and Independent Broadcasting also continued to be challenging areas for recruitment and retention.

In contrast, Arts and Entertainment, London Production Division and Regional Production Division continued to grow at a good rate.

The overall growth in the Bectu sector can be attributed to the increase in freelancers joining the union.

BT and digital divisions

BT

2019 was a turbulent year and the union was presented with significant

challenges, the key one being BT's announcement in 2018 that 13,000 management roles across BT's global operations would be lost – 9,500 of them in Prospect-recognised grades in the UK.

The company also announced plans to reduce the number of its UK office locations to 'around 30' – from the current 300 – and introduce new pay and conditions under a People Framework.

The new grading system that forms part of the framework has had a negligible impact for the majority of members, with their roles remaining unchanged and effectively being 'lifted-and-shifted' into the new grades.

However, a significant minority of members have had to compete for a reduced number of redesigned roles, or been forced to apply for completely new roles.



Some members were displaced by the reorganisation and redundancy exercises which were run for the first time in BT, although not to the extent envisaged when the union negotiated a new reorganisation policy in 2018.

The vast majority of members leaving BT was via the paid leaver programmes, on variable terms, or as a result of settlement agreements

arising from individual consultation as part of the People Framework changes. Some of these left BT as a result of the company demanding they take a pay cut under the People Framework.

This has been the most pernicious aspect of the changes and has resulted in some members facing pay cuts of more than 30%.

These members' understandable sense of grievance was exacerbated by the company's threat to 'fire and rehire' anyone refusing to accept a pay cut.

It was therefore unsurprising that many of those facing this invidious choice opted to take a package to leave the business.

Many of those in this position were long-standing members of staff and, therefore, more likely to be members of the union.

The scale of membership decline in BT was far higher than envisaged at the start of the year.

People Framework

Much of 2019 was dedicated to campaigning for changes to the People Framework.

Agreement was reached on increasing some of the minima and maxima of the middle salary ranges and consolidating car allowances into pay, where they are no longer an entitlement.


Members' bonus entitlement, which again was reduced for some staff, was protected under agreed transition principles.

Unfortunately, these achievements were overshadowed by the company's decision to try to cut pay.

They also threatened to dismiss and rehire those affected on inferior terms and conditions.

Even though only around 5% of staff were over the new pay ranges, BT's decision to enforce pay cuts resonated far more widely.

BT told members that it was prepared



to take an ideological approach on this, rather than seeking to negotiate a solution with the union.

In practice, around half of those over the range were made 'exceptions', given their experience and scarce skills, or their roles were deemed to be 'premium' thus reflecting the wider market rate for these jobs.

The issue of enforced pay cuts, and the company's refusal to implement any mitigation suggested by the union, made reaching an agreement on the People Framework extremely difficult.

Delegates at the union's BT conference instructed the BT committee to hold a consultative ballot on the People Framework. But an initial consultative vote held in March 2019 showed that 96% of members opposed the changes as they were at that time.

This overwhelming rejection undoubtedly helped to get some movement from BT on the framework.

Negotiations led to an increase in the bottom of the range for level E, which benefited around 350 of the lowest-paid managers in the company.

The union also gained agreement on greater Prospect involvement in the distribution of annual pay, which had been devolved down to individual line managers.

The company also agreed to widen the union's recognition under the People Framework and committed to working with Prospect to develop a 'new relationship' to improve negotiation and consultation structures in BT.

Following a concerted campaign which involved members' meetings and calls across the UK, the union held a further ballot on the People Framework in July/August.

The close result – 55% to 45% in favour of the union's recommendation to accept – indicated continued unhappiness with how BT had approached reorganisation and implemented the framework.

Nevertheless, the result did enable the union to move on to discussions with BT on what the future of pay bargaining would look like and how best to develop a new employee relations accord.

Location strategy

The seismic changes for managers in BT are not likely to end with the implementation of the People Framework, which should conclude in the middle of 2020.

An even bigger structural change, called The Better Workplace Programme (TBWP)/location strategy, is on the horizon.

In May 2018, alongside his announcement of 13,000 job cuts, the then chief executive, Gavin Patterson, also aired proposals to reduce the number of office locations in the UK from more than 300 to 'around 30'.

Scepticism of the proposal was not confined to the union, particularly because BT claimed it could achieve this rationalisation over five years.

The new chief executive has not only endorsed this strategy, but given a commitment that the move to around 30 locations will be achieved by 2023.

This TBWP provides a huge logistical challenge to both the business and the union.

Given the timeline envisaged by the chief executive, it is safe to assume that there will be multiple building closures taking place at any one time once the programme begins.

Prospect's experience of consulting on the closure of one large site in Swindon during much of 2019 showed the considerable level of union and employee relations support required for those being displaced by relocation.

The TBWP remains shrouded in some secrecy, with union representatives having signed non-disclosure agreements (NDA) in order to have access to information.

It is difficult to see how this approach can be sustainable once buildings start to close and relocations take place.

However, BT is showing little sign of candour at this stage. It recently decided to no longer refer to 'around 30 locations' in its communications – even though this remains the objective.

The approach to consulting the union on the location strategy makes communicating with members somewhat difficult.

Nevertheless, we have issued communications to members and produced leaflets alerting them to what is likely to happen to their workplace in the near future.

Unlike the People Framework, everyone is likely to be affected by reshaping the office estate and creating what the company describes as 'amazing new workspaces'. This issue will be at the core of our organising in BT over the coming year.

Digital division

The Digital division's responsibilities are to represent members across the various constituent companies and communications, media and digital (CMD) branches and co-ordinate organising and recruitment activities.

The division's current membership is scattered among up to 50 employers – with many of these having only a handful of members and no recognition rights.

Almost 50% of the members in the digital division are largely made up of former BT workers who could be working elsewhere within the telecoms and IT sectors.

Moreover, communications and digital branches do not have a bargaining remit and in that sense, are similar to Prospect's regional branches.

There are some companies where the union has recognition and a significant number of members.



Scottish National Party MP Alan Brown addresses a packed Prospect energy summit in London, April 2019



The largest of these is Telefonica where our members are largely based on sites in Slough, Warrington and Leeds.

Many Telefonica members are co-located with members working for Capita, including some who were transferred from Telefonica under the Transfer of Undertakings regulations (TUPE).

The union also has recognition and active members working for Ericsson.

These areas are fairly stable in terms of membership and the union has negotiated pay deals and some improvements to terms and conditions over the past year.

Another area where we have a relatively large number of members is Vodafone, although unfortunately there are no active representatives in this area.

Prospect does not have recognition in this company and that makes access to members, other than through written communications, extremely difficult. There is a regular flow of personal cases from this area, no doubt exacerbated by the absence of reps.

Despite this, our membership in Vodafone is relatively stable. However, the employer is hostile and our members are spread over several sites, including many retail sites.

Energy sector

Prospect worked hard to support the interests of members during a period of significant change and pressures across the entire energy sector.

This was helped by the creation of an overarching energy sector, which has demonstrated the value of a shared approach to issues including stress and mental health; pay and conditions; and equality, diversity and inclusion (EDI).

A first, successful energy sector conference was held in Manchester in June 2019. Richard Clatworthy was elected president and Audrey Uppington was elected as vice-president of the sector.

Policy

The absence of a long-term energy policy framework has created challenges for members across the energy sector.

Prospect sought to engage key stakeholders and politicians on a cross-party basis, including through the union's involvement in the Nuclear Industry Council and Energy and Utility Skills.

The general secretary and senior deputy general secretary met the then Secretary of State in Spring 2019, and follow-up work has since taken place with government officials. In summer 2019, Prospect responded to a series

of government consultations on aspects of energy policy.

Prospect co-sponsored an IPPR report on *Just transition for the Northern energy workforce*, which was published in March 2019.

In April 2019, the union hosted a high-level energy summit to consider the realistic contribution renewables can make to the UK energy mix and the scope for making political progress on energy policy.

This was followed by a seminar on the future of nuclear in May 2019.

Climate

The climate emergency saw increased public focus in 2019. Prospect welcomed the introduction of statutory commitments to achieve net zero emissions by the UK and Scottish governments.

Following consultation with representatives, Prospect produced briefings on the union's commitment to tackling climate change and on key priorities for energy policy.

Several Prospect branches took part in the international climate action in September 2019.

In November, the national executive committee committed to a programme of action including reducing Prospect's own environmental footprint and training and support for representatives to do so in their own workplaces.

Through 2019 Prospect led TUC work on just transition, including visits to Ratcliffe power station and Sellafield, hosted by Prospect representatives.

This culminated in the publication of a TUC statement on 'A just transition to a greener and fairer economy', and is being followed up by a programme of TUC work focusing on the challenges and opportunities of just transition on a regional basis.

Prospect national secretary Richard Hardy was appointed to Scotland's Just Transition Commission, and contributed to a Prospect fringe meeting on this topic at the Scottish National Party's conference in Aberdeen in October 2019.

Health and safety

Prospect's involvement in initiatives to reduce accident rates and combat ill-health at work continued through the Energy Networks Association and Energy UK.

A key focus was Powering Improvement – the industry's programme which aims to deliver a sustained improvement in health and safety performance by 2020 by applying and influencing best practice approaches used in top performing sectors.

An investigation into the role of Senior Authorised Persons (SAPs) and Authorised Persons (APs) was commissioned from the Health and Safety Laboratory in late 2018.

Interim findings, presented in May 2019, identified a need for improvement in several areas including communications, management of fatigue, and resourcing. Further work is in progress to address these issues.

Pensions

In line with a resolution from the 2018 national conference on Collective Defined Contribution Schemes (CDCs), a seminar to explore the possible value of CDCs to the electricity sector was held in January 2019.

Three actuarial experts gave presentations at the seminar, to which

relevant trade union and company representatives were invited. The government subsequently announced its intention to legislate for the provision of CDCs.

Equality, diversity and inclusion (EDI)

Prospect continued to work hard to mainstream equality and diversity issues on to the bargaining agenda, and a seminar for energy sector representatives was held in October 2019.

Despite some initiatives by employers, substantial scope for improvement remains. Prospect continues to exert pressure through the Nuclear Decommissioning Authority's EDI Council and contributes to work by Energy UK.

Regulation

Following joint union submissions to OFGEM on proposals for the RII0-2 price control review, a constructive meeting was held with senior OFGEM officials in November 2019.

Arising from that meeting, further proposals were submitted on potential outcome-focused metrics to use in the next price control period. These are currently the subject of OFGEM consultations with stakeholders.

Additionally, and following consultation with the membership areas most directly affected, Prospect responded to the review of the power outage experienced on 9 August 2019.

Public services

2019 was another testing year for our members working in public services. Although the union made progress on a number of issues, the lack of pace and urgency at the centre of government was a persistent frustration.

Until recently, the head count in the civil service had been cut to its lowest since the beginning World War II.

The headcount increase over the past few years has largely been a reaction



to the demands of Brexit. The demand for skilled resource is only likely to grow as we move into the next phase of leaving the European Union.

Prospect membership

Our membership across the sector has stabilised and started to grow after the redundancies and forced head count reduction of the past decade.

We recruited 3,668 new members into the sector in 2019. Due to increased labour market churn and an ageing workforce, we have to work harder to maintain membership levels. Our impressive recruitment figures this year demonstrate the importance of giving staff a voice at work,

Pay

This was the first year that responsibility for the government's pay remit guidance transferred from the Treasury to the Cabinet Office.

Against the backdrop of the judicial review taken by Prospect, FDA and PCS, the Cabinet Office was careful to ensure a higher level of engagement with the unions at a central level.

The remit guidance provided increased flexibly – but no new money. Offers beyond 2% required Cabinet Office and Treasury clearance.

Assurances were given that 2% was

not a cap and if employers wished to go beyond that headline figure, that did not have to be predicated on changes to terms and conditions.

Prospect was clear that:

- staff deserve a pay increase that protects their living standards
- pay systems must enable staff to progress towards their pay range maxima over a reasonable period of time and
- pay increases funded through detrimental changes to terms and conditions were unfair and unacceptable.

The outcome was mixed. Some areas, with our support, exploited the flexibilities on offer to deliver tangible increases. The paybill increase at the Department for Exiting the European (DEXU) was at 6%. The Cabinet Office itself offered 3%.

We worked closely with management at the Intellectual Property Office to support their engagement with the Cabinet Office and Treasury to achieve an offer acceptable to members.

At the time of writing, the union was balloting members in the Valuation Office Agency on a three-year pay package worth more than 12%.

Despite progress in some areas, Prospect's attempts to engage positively was met by foot dragging and belligerence in other areas.

In too many areas, the 2% figure (despite not being a cap) became a default position.

For a range of reasons, a number employers defaulted to the 2% figure – promising to submit a business case in the coming year. Unfortunately, some of those employers had made the same promise the previous year.

In other areas, including the Ministry of Defence, it appears that the employer has forgotten the nature of negotiation and has been seeking to push through pay proposals which are directly linked and funded from detrimental changes to terms

and conditions. The unions have consistently made clear that this is unacceptable.

Staff attitude surveys continued to demonstrate widespread dissatisfaction on pay with many staff also struggling to achieve a reasonable work life balance.

Pay systems are in urgent need of reform and investment and there must be a greater emphasis in matching resource and head count to work demands.

In contrast to the pay agenda set by the government in

Scheme (CSCS) – and on terms more detrimental than those negotiated by Prospect and a number of other unions in 2016.

Although the Conservative Party manifesto was silent on this, it would be naïve to believe ministers will not return to it.

In 2016, the government and the Cabinet Office assured us that those terms would not revisited or eroded. We have repeatedly told the Cabinet Office that if the government tries to make further detrimental changes, we will ballot members on action.



Bob Ackroyd, from the Environment, Food and Rural Affairs branch, asks a question at the public services sector conference in Nottingham, May 2019

Westminster, the Scottish and Welsh governments took a far more positive approach towards both pay and the importance of trade union engagement.

Civil Service Compensation Scheme

As a result of the judicial review taken by PCS, the government took the opportunity to issue a fresh consultation on proposed changes to the Civil Service Compensation

Civil Service Pension Scheme

A significant part of our work in the past year was focused on the interim valuation results of the Civil Service Pension Scheme (CSPS) which indicated that costs had fallen below the cost cap floor.

The cost cap, or cost control mechanism, was introduced to offer taxpayers and employees protection from unexpected changes in pension costs.

Where the value of the pension

scheme to employees has changed from the levels set when reformed pension schemes were introduced in 2015, steps must be taken to return costs to that level.

The interim valuation identified an indicative figure of 5.6%.

Employer representatives and the unions worked closely together through the Scheme Advisory Board (SAB) to develop a “composite” solution to put the minister. That composite solution provided for:

- reducing employee contributions by at least 2%
- reforming the contribution structure so it is graduated and the existing cliff edges effectively removed
- improving death benefit provision to four times salary.

As a result of legal challenges to changes to the firefighters’ and judges’ pension schemes, the valuations of all public sector schemes were put on hold by the Treasury in January 2019.

The government lost its case in seeking to defend the transitional arrangements introduced as part of the public sector pension changes introduced in 2012.

In essence, the courts found the protections provided for those closest to retirement to be unlawfully age discriminatory.

The implications and remedies for this finding will be complex and Prospect is in discussions with the Cabinet Office and working closely with other civil service and public sector unions.

Although no detailed breakdown has been given, the Treasury has asserted that the implications of the legal ruling will be an additional cost to the Exchequer of £4bn a year.

Prospect has challenged this figure and asked for a breakdown of projected costs on a scheme by scheme basis.

Prospect, other civil service unions and the SAB continue to press for the early implementation of the cost cap recommendations.

The unions and the SAB have argued that the costs associated with the government losing its legal case should not fall on scheme members.



Standing up for the civil service

The past year saw unprecedented political attacks on the civil service. A number of named civil servants were subjected to personal attacks in the media and by politicians from the right and the left.

Much of the criticism was designed to achieve partisan political advantage.

Prospect was proactive in standing up for our members and public servants more widely. It is unacceptable that public servants who are not able to respond publicly should be subjected to this sort of criticism.

We have to remain vigilant because the pressures and strains of Brexit will rise again during the year as the government grapples with difficult political questions and potential trade-offs.

Prospect was also pro-active in speaking up on behalf of the thousands of non-UK EU nationals working in the civil service and wider public sector in the UK.

They make an important contribution and in a number of professions, particularly science and veterinary areas, are absolutely critical.

Prospect was successful in arguing that EU citizens should not have to pay for settled status and encouraged employers to support their staff by meeting these costs.

Funding for the public sector

Prospect was proactive in arguing for proper funding for the public sector, and the civil service in particular, at both employer and national level.

Although the pay remit guidance was loosened, this was not accompanied by increases in funding beyond an assumed 1% pay increase. This is not strategic or sustainable.

After a decade of cuts and austerity, the notion that reasonable pay increases can be funded from further cuts and ‘efficiency’ savings is an illusion. Nor should they be funded by changing terms and conditions.

A Budget is scheduled for 11 March 2020, but a date for the upcoming comprehensive spending review is yet to be announced.

The spending review will be critical in determining the future of our public services and is an opportunity for the new government to demonstrate that austerity really is at an end and that it recognises and values the contribution made by staff.

Diversity and inclusion

Diversity and inclusion continued to inform our work on a range of HR issues. The general move away from performance-related pay and ending guided and forced distribution performance management was welcomed as these areas had caused much concern and dissatisfaction.

Despite these positive moves, there is still considerable evidence that for many members, the civil service is not the “brilliant” place to work that it says it aspires to be.



Rights at work

During 2019, Prospect Legal provided advice to members on a range of issues from contract disputes to discrimination at work. Many of these resulted in a negotiated successful resolution without recourse to litigation and others resulted in legal action (see below).

A key part of the legal team's work is to keep the union's officers and representatives informed on the law. During the year, the team:

- produced a number of briefings on legal developments
- trained hundreds of union reps in employment law
- worked on new and updated guidance for members and
- participated in branch events and seminars.

Prospect made detailed submissions to a number of government consultations on potential changes to the law. These included: pregnancy and maternity discrimination; sexual harassment; one-sided flexibility and Guernsey's discrimination law. These are all available on Prospect's website.

Legal cases

We provided advice and assistance to members on a wide range of employment law issues, including unfair dismissal, discrimination at work, redundancy and contractual disputes.

A number of cases were pursued through the employment tribunals and 53 new tribunal claims were presented.

In 2019, we recovered more than £500,000 for members as compensation payable – either as a result of a settlement after a tribunal claim had been presented or a win at the tribunal.

Some notable examples of casework during 2019 were:

- **Member won claim of sex discrimination** – after she was denied promotion by the Office for National Statistics.
- **A successful conclusion to a long-running race and age discrimination case** – Following a successful case brought by Prospect member, Graham Dean, almost 50 civil servants who were subjected to race or age discrimination in the Home Office's promotion procedures settled their claim with

more than £1m in compensation in total.

- **Two tribunal victories over failure to consult result in damages for seven members** – In February a tribunal upheld our claim over failure to consult over TUPE (the Transfer of Undertakings, Protection of Employment regulations) at Lydd airport. In October, a tribunal found that FlyBmi had failed in their duty to consult over redundancy.
- **Indirect discrimination in performance assessment** – Six Prospect members won compensation from the Ministry of Defence when their challenge to their performance assessments was settled at Judicial Mediation. The claims were brought on the basis of age, disability and part time discrimination.
- **A security officer won his unfair dismissal claim** – A Bectu sector member, employed by Interserve and working at the BBC, won his tribunal claim when he was dismissed for what the judge called ‘a minor issue’.
- **A disability discrimination claim was settled at Judicial Mediation** – A member with Autistic Spectrum Disorder successfully argued that the MOD’s Situational Judgment Test for new jobs discriminated

against people suffering from her disability.

- **Many good settlements of claims** – Many cases settle just before reaching a hearing. Examples included cases of: racial harassment due to Islamophobic comments; equal rights to shared parental pay; disability discrimination; unfair dismissal for whistleblowing; sexual harassment; and unpaid wages claims.

For more information on these cases, and other employment law news, see Legal Eye, the legal team’s regular newsletter. Visit <https://library.prospect.org.uk/browse/type/national-newsletter>

Personal Injury Scheme

More than £7.4 million was recovered in compensation for 120 members with personal injury claims in 2019. The amounts in each individual case varied enormously depending on the nature of the injury and claim.

270 new applications for legal advice in respect of personal injury were received in 2019. The types of cases include asbestos related illnesses, stress, repetitive strain injury, occupational diseases and accidents at work.

Legal services

We continued to work with our solicitors to ensure that members receive a high quality, efficient and responsive service.

The Legal Advice line run by our solicitors advised more than 2,000 members on non-work related issues, such as family law, consumer problems and tenancy issues.

Prospect’s guide to legal advice describes the full range of advice and assistance available and the conditions of the service, see <https://library.prospect.org.uk/download/2015/01155>



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Health and safety

Prospect continued to prioritise health and safety, providing advice and assistance to members and representatives, including legal advice and representation, when they needed support.

We continued to challenge the deregulatory narrative around Brexit and highlighted the vital work of the Health and Safety Executive and the need for effective regulation and enforcement.

Prospect has more than 1,000 health and safety representatives who demonstrate their commitment to protecting colleagues' lives by volunteering for this key role.

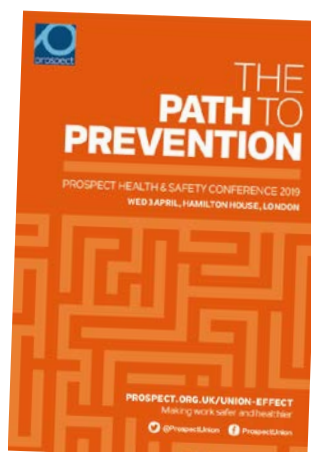
We continued to use our monthly health and safety bulletin to highlight new resources and information to support reps in their roles.

Health and safety conference

More than 100 representatives from across the union attended our health and safety conference in April, called The Path to Prevention.

Representatives heard from psychologists, regulators, fellow reps and employers on ways to tackle work-related stress at source.

Speakers included organisational psychologist Dr Joanna Wilde, the Health and Safety Executive's Peter



Kelly, Dr Joanne Crawford from the Institute of Occupational Medicine, Andrew Walsh from the BBC and Karina Murrell from Prospect's Metropolitan Police branch.

New resources

In 2019, we revised and updated our members' guides on Safe Driving and Work-related Road Risk and Lone Working.

We also released a briefing for reps to help them evaluate the efficacy of their employer's stress risk assessment. This document was adapted from guidance produced by the Health and Safety Executive for its inspectors.



Training

We trained 58 new health and safety representatives through the union's national education programme, with dozens more trained in regional and branch-based courses. We continued to incorporate a module on tackling stress into this course.

Prospect continued to run its mental health awareness course after a successful launch in 2017. The course enables participants to build knowledge around mental health so they are able to support colleagues, raise awareness and work with employers to build more positive workplaces. We trained 28 members in 2019.

Health and safety in the energy sector

Prospect continued to be a key stakeholder in the energy sector's national health and safety committee, and the pan-industry campaign called 'Powering Improvement'.

In 2019, Powering Improvement continued to look at human and organisational factors, and Prospect supported the industry in commissioning a report analysing leadership in the sector and support for employees. The report will shape the work of Powering Improvement in the coming years.

Sue Ferns, Prospect senior deputy general secretary, continued to be



More than 100 representatives from across the union attended our health and safety conference, the Path to Prevention, in April

a champion for the human factors strand of the campaign.

Sue chaired a session at the Energy Networks Association health, safety and environment conference in May. She delivered a presentation on the trade union view of human factors in the industry, highlighting our ongoing concerns about fatigue management and work-related stress.

Building safety consultation

Prospect responded to the government's consultation on reforms to the building safety regulatory

framework in the wake of the Grenfell Tower fire.

We criticised continued deregulation in the sector and the systematic underfunding of safety regulators, warning that this legacy would make it hard to deliver the reforms the government proposed.

We also called for wholesale reform of the building safety regulatory framework, cautioning that the government's proposals would introduce increased complexity into an already confusing and fragmentary regime.



Education and skills

Training for representatives

During 2019, the national education programme delivered training to 549 members. Almost 200 members (198) did Union Reps 1, and 118 did the follow-on course, Reps 2, enabling them to act as case handlers.

The national education programme includes:

- Reps 1 and 2
- Health and safety
- Employment law
- Negotiation skills
- Mental health awareness
- Bargaining for a sustainable workplace
- Bullying and harassment.

During the final quarter of 2019, the education team, in consultation with national education programme tutors and national secretaries, reviewed and redesigned the materials and workbooks for the Reps 1 and Reps 2 courses.

These two courses will form the cornerstone of the union's training for reps and will be rolled out during 2020.

Twenty-two bespoke or regional courses were delivered with central union funding, supporting 251 reps/members.

Most of the training related to either Reps 1 or 2. In addition, bespoke training in mental health and stress, and on how to conduct a meeting, was also designed and delivered.

Vocational training and continuing professional development

External funding, or paid for courses, continued to be the main model for the diverse range of support and training the union offers across England, Scotland and Wales.

England

146 courses were delivered attracting 1,849 people. The most popular courses covered temporary electrical systems; scriptwriting and Mental Health First Aid for freelancers.

A very successful BAME hair and make-up programme was delivered over a two-week period at the union's Clapham office, in collaboration with the actors' union, EQUITY.



Bectu's New Talent Bar event is designed for BAME and woman filmmakers to network and share experiences



The course covered Afro hair, barbering skills for Afro hair, media makeup for black and Asian skin.

Each of the three courses offered seven members the opportunity to develop and enhance their technical skills.

In December 2019, the union supported three members to access three similar courses delivered in the North West of England.

Members were able to apply for a bursary from Screenskills to access this training (subject to bursary criteria).

An introductory Makaton course was also delivered to up to 11 individuals.

A new, three-year, Union Learning Fund (ULF) project started in April 2019.

The focus for the first year of the project was on young workers and new entrants, exploring how to recruit from diverse and under-represented groups and how to deliver new forms of career intervention and support across England.

The project works collaboratively with

a range of employers, universities and trade bodies, such as BBC, Digital Cities and Screenskills, to offer a range of training and outreach support across all regions of England.

This project has also continued to expand its mental health awareness training to include a half day programme to pilot a mentoring clusters model.

A twitter account, @prospectbectutrain, was set up to raise the profile of the work of the project and wider skills activity.

Wales

The Wales ULF, branded the 'Cult Cymru' project, was awarded funding for three years in April 2019.

The project's learning activities cover the breadth of Wales – from Cardiff, Nantgarw, Newport, Carmarthen, Aberystwyth and Caernarfon.

A total of 43 courses, supporting 358 beneficiaries (114 accredited), were delivered and hundreds of people engaged with the union at partner events.

New courses included:

- one-to-one to coaching and mentoring
- CV reviews
- autism/neurodiversity in the workplace for creatives and
- funding your creative project.

The project also supported the launch of Bectu's theatre diversity action plan at the Senedd in Cardiff Bay. Attendees included politicians, employers, community organisations and union representatives. More than 29 organisations in Wales have signed up to the action plan.

The project also produced a brochure celebrating 20 years of the Wales ULF, with case studies of Bectu members.

Scottish funding for Bectu sector

Bectu's Vision project delivers targeted short courses and a drama training programme to support skills development for crews in Scotland, with a focus on scripted production.

The short course programme was fully subsidised by Scottish Union Learning

(SUL) with funding from the Scottish government.

Courses were selected based on an annual consultation exercise with the local industry. The project's key aim is to promote safer, fairer workplaces for an up-skilled and sustainable workforce in Scotland.

13 courses were delivered to 141 learners through SUL funding in 2019.

Jena Hunter, a recipient of Bectu Vision's training, was Scottish Union Learning's learner of the year in 2019.

The four drama training programme strands were funded by Screen Scotland, BBC and ScreenSkills.

The producer development programme was designed to increase the pool of Scottish-based producers. The year-long programme pairs participants with independent production companies and provides support in script development skills and high-level connections.

Bectu Base

Bectu Base is a free point of contact for individuals and organisations who want to know more about careers and crew roles in scripted film and television. Support includes CV advice, signposting and new entrant training.

In-line with the Scottish Government's Fair Work framework, Bectu Vision's flexible working strand promotes talent retention through inclusive working solutions.

TakeTwo is a job sharing initiative for crew and supports job sharing in film and TV for those who have commitments outside of work, or who want to have a better work/life balance.

This initiative work was recently awarded a Raising Films Ribbon in recognition of its work to promote flexible working. The flexible working strand isn't funded by ScreenSkills.

Bectu Vision's twitter handle is: @BectuV

CRISP (Creative Industries Safety Passport Course)

This bespoke, one-day course has been running since 2012 and is aimed at freelancers, sole traders and small businesses in the creative industries.

Since 2012, the course has been delivered 286 times to 3,345 people.

In 2019, 45 courses were run in 21 different locations, training 583 people – a 22% increase on 2018 output.

Staffing

Personnel changes across the education and externally-funded vocational skills teams included:

- Jane Lancaster left the team as section head, leading to a restructuring of the function.
- Rachel Bennett is now education and skills manager, with overall responsibility for the representative and wider vocational skills offer.
- Kathryn Sharratt joined the team in a new education officer role.
- Paula Lamont joined the English ULF project team as a young worker project organiser.
- Anna Mehta and Sarah Mindel joined Bectu Vision as learning co-ordinators on a job share basis.

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Equalities

Prospect's equalities networks and policy work were an integral part of the union's programme over the year. Working with the Equal Opportunities Advisory Committee (EOAC) and branches, organisers and officials, we looked at how to extend our impact with employers and increase diversity within our membership.

Some of the highlights of 2019 include:

- **Sexual harassment** – Building on our landmark 2018 survey into sexual harassment and workplace behaviours, we organised further branch training events and supported reps looking for advice and guidance. Training was delivered in the following branches: Archaeology, NATS, Parliamentary. In addition, the North West branch agreed with LLWR management

a programme of training for the entire workforce.

The government recently announced the introduction of a code of practice on sexual harassment, which is published by Equality and Human Rights Commission. This follows a round table discussion with trade union affiliates and other campaigning organisations. Although we do not think the code of practice goes far enough in some places, it does include some suggestions from trade union affiliates.

- **Neurodiversity** – The neurodiversity resources on the



website were updated with new introductory materials produced to enable reps to engage members and employers on the issue. With help and support from the EOAC working group, convened by Ele Wade, we are looking at how we can make better use of our existing training

resources to reach more branches, including the potential for a 'Train the trainers' course and awareness training in 2020.

- **Disability resource pack** – The union recently published a new disability resource book. A training package to support these materials will be developed in 2020.

- **Personal Protective Equipment survey** – A survey of members about their Personal Protective Equipment was launched towards the end of 2019. A similar survey in 2016 generated thousands of responses and helped to focus attention on the challenges that many members, especially women, face because one size does not fit all.
- **Black, Asian and minority ethnic work** – A network of those who attended leadership training courses was established in order to share information and encourage activist involvement. As a result, a number of new reps were nominated to the TUC Black workers' conference.
- **A resource pack was published during Black History Month which provides practical guidance and best practice case studies.**
- **LGBT work** – Prospect's LGBT+ network continued to be one of our fastest growing and active member networks. The network works closely with Bectu's LGBT committee to share resources and campaigning information where appropriate. Prospect and Bectu marched together at London Pride which was held to mark the 50th anniversary of the Stonewall riots.

We supported many community Pride events and worked with branches to ensure union support at these local events. We continued to provide branch training in LGBT+ awareness and worked with network members to introduce more equality-based publicity.

Theatre Diversity Action Plan

Following the launch of the Theatre Diversity Action Plan attended by the Mayor of London in November 2018, more than 130 theatres across England, Scotland and Wales had signed up to the plan by mid-2019, including virtually all West End theatres in London.

In June a bilingual action plan was launched in the Senedd, the National Assembly for Wales, in Cardiff with deputy minister for culture Dafydd Elis-Thomas as the guest speaker. Almost 30 organisations in Wales are now signatories to the action plan.

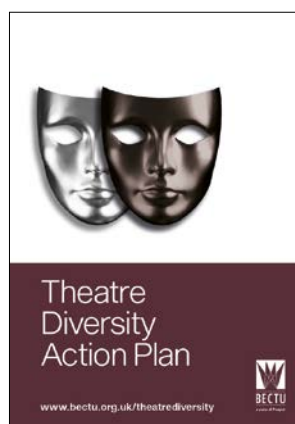
Having achieved unprecedented levels of support for the action plan, the next stage was to assist theatres to increase the number of BAME applications for jobs and casual work.

Bectu approached the Department for Work and Pensions and jointly had a discussion with Job Centre Plus. This led to the creation of a new partnership in which London theatre employers were given a single email address to send details of their vacancies, and upon receipt the vacancy would be circulated across London's network of job centres,

with BAME applications encouraged. As a result, unemployed people have begun gaining employment in West End theatres.

This prototype was then rolled out in Wales and bilateral work, which had not been in place before, is now ongoing between Cardiff job centres and local employers.

Bectu is also working on setting up new links between the theatre employers and BAME arts organisations in order to extend employment opportunities to BAME workers in related fields.





7

Benefits and services

Prospect Plus

Prospect Plus, the affinity benefits scheme for Prospects members, continued to save members time and money in a wide range of offers including:

- Apple products
- cinema tickets
- car and home insurance
- discounted income protection
- retail cashback cards
- holidays
- and much more.

The number of members who are actively using the site and taking up these offers has gradually increased since the launch in 2018.

By the end of 2019, more than 6,500

offers had been taken up by members.

Many of the Prospect Plus benefits are backed by a national price promise, which indicates that Prospect members will get the best rates in the UK for that product or service. Or a provider price promise, which indicates that Prospect members will get the best rates that provider gives to any group.

New offers added to the scheme in 2019 included:

- a discount on the subscription to The Economist
- affordable motor homes – reductions on the price of hiring a motor home
- DFDS Ferry – discount of the cost of Dover crossings
- My Active discounts – reductions on

sport, fitness and wellness products ie gym wear, sports clothing, nutrition and activity trackers

- Totum Pro by NUS Extra – a new discount card from NUS Extra for professional learners and professional associations
- discounts on English Heritage and National Trust membership.

The most popular benefits on the Prospect Plus website were:

- cinema tickets
- cashback cards,
- gym membership
- Totum Pro
- home and travel insurance.

Bectu public liability insurance

Bectu's two-in-one plan provides public liability cover of up to £10m as well as personal accident cover of £100 a week.

The policy includes:

- provision for claims up to £25,000 in respect of goods in the member's custody and control (up to a maximum total of £100,000).
- personal accident cover of £100 a week for up to 52 weeks where injury forces a member aged under 70 to stop working (excluding the first fortnight) and a £20,000 lump-sum payment in the event of specified serious injury or death for a member aged up to 70, and reduced lump sum payments for members aged 70 to under 75 and 75 to under 80.

PLI costs £38 a year for Bectu members, and covers the individual member, a Limited company where the member is the sole employee, and a formal partnership where the partner is also a Bectu member who subscribes to the insurance.

9,446 members took out the insurance in 2019.

Prospect energy club

Three energy switching periods took place in 2019, and 563 members used the service to switch providers.

10% of customers switching their gas and electricity suppliers with Energyhelpline (and their partners) between 1 January 2019 and 30 September 2019 saved £461 or more.

Lighthouse financial advice

Lighthouse Financial Advice was acquired by the Quilter Group of companies in 2019.

The range and scale of the enlarged



business, its wider fund offerings and increased number of advisers, means that Lighthouse will be able to deliver an enhanced service to members.

In 2019

- 134 members attended Lighthouse seminars
- 471 members attend surgeries
- 507 members had individual appointments.

Other benefits offered by Prospect include:

- health and dental plans
- discounts for the University College of Osteopathy
- legal services, including a will writing service.

Death benefit

Prospect's death benefit scheme offers a lump sum payment to a dependant of a working member who has died. The payment is to help with funeral expenses or to provide for children under 18, and is at the discretion of the union's national executive committee.

The lump sum is equivalent to five times the union's highest national annual subscription rate. Death

benefits were paid to the beneficiaries of 99 members in 2019 totalling £109,334.40.

Benevolent fund

Members or their dependants in financial distress can apply for a grant from Prospect's benevolent fund. Prompt attention is given to emergency requests and all cases are considered sympathetically. Awards are made at the discretion of the fund's trustees.

In 2019, the union made 14 grants with a total value of £23,613.

Asbestos and respirable crystalline silica registers

Prospect continued to publicise the importance of its asbestos register. An entry on the register provides enhanced information in the event of a claim. Whether members have registered their details or not, they can still access Prospect's personal injury scheme should they be the subject of a latent occupational health issue.

2,041 members were on the register at the end of 2019. To register, contact asbestos@prospect.org.uk or log in to the website to download a form: <https://library.prospect.org.uk/download/2020/00131>

The privacy notice is at: <https://library.prospect.org.uk/download/2020/00132>

Respirable crystalline silica register

Prospect's respirable crystalline silica register is now in operation, after agreeing a form to record cases of exposure to the substance with the union's solicitors in 2016. At the end of 2019, two people were on the register.

The form and associated information is on the website's health and safety pages: <https://prospect.org.uk/topic/respirable-crystalline-silica/>



Compensation Scheme for Radiation Linked Diseases

Prospect plays an active role in The Compensation Scheme for Radiation-Linked Diseases (CSRLD) – a joint initiative between the UK’s nuclear-sector employers and their trade unions.

The scheme is designed to provide an alternative to legal action for past and present employees of participating employers who have been exposed to radiation during their work and who are subsequently diagnosed to be suffering from radiation-linked cancer or cataracts. It has had a successful year and is continuing to process cases.

The Scheme received 26 new claims during the 2018/19 financial year. One claim proved successful and is under negotiation. A further 11 compensation settlements reached completion, all of which were identified following the main retrospection exercise.

1,660 cases have been considered since the scheme began and 162 resulted in successful claims. £8.740m has been paid to claimants.

16 of the successful cases were due to a retrospection exercise in 2012 to review old claims in the light of new scientific evidence on the effects of exposure to ionising radiation.

The scheme awards payments for cases with a causation probability of 20% or above. In a court case a claimant must prove a causation probability of 50% where an ‘all or nothing’ approach based on the balance of probabilities is applied.

For further information visit www.csrlid.org.uk or email gill.wood@prospect.org.uk

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DEVELOP
NETWORK
STRENGTHEN
SUPPORT
GROW
SUCCEED

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8

Membership, recruitment and organisation

Prospect's membership grew in 2019 and was 145,510 at the end of the year.

The changes on the 2018 figures

Prospect members on 31 December 2018	143,865
plus new members	17,454
less members (deceased, left or lapsed)	-15,764
Total on 31 December 2019	145,555

These figures endorse the union's approach to recruitment and the hard work and commitment of reps, organisers and organising officials to grow the union.

The organising team worked across sectors to think of innovative opportunities to recruit, retain and organise to grow Prospect's membership.

The team organised around issues including:

- pay
- Brexit
- Science, Technology, Engineering and Maths
- sexual harassment and
- LGBT issues.


Organisers also worked alongside colleagues in the education department to pinpoint new reps and deliver more training courses for reps in 2019.

The Member Recruit Member scheme continued to be an effective recruitment and organising tool. More than 5,100 new joiners were recruited via the scheme in 2019.

Union Week and Heart Unions Week

Our two key recruitment campaigns were Heart Unions Week in February and our own Union Week, which was held in November.

These both received widespread support from branches and representatives and included an excellent range of activities



for members and potential members.

Union week in November saw 1,439 new members, a slight increase on 2018. The campaign was successful, with 2,279 new members recruited during November.

However, recruitment and organising is not just confined to one or two weeks and work was undertaken all year to recruit and organise around issues and this was seen across all sectors and areas.

This was especially apparent in work around issues such as pay, bullying and harassment and working time.

Recruitment and organising work was also done around industrial action, particularly in the heritage sector.

Bectu sector

The Bectu sector organised many events and initiatives aimed at showing the positive impact of joining a union. These included:

- Post Fest
- a freelancers' fair
- Find your Future
- events around IR35 tax changes
- settled status and
- health and safety issues.

Bectu organising officials also co-ordinated a young workers' month in September which recruited 479 new young members and culminated in a young film makers awards event in London where awards were presented by Ken Loach.

Bectu also launched a major campaign, Dignity at Work, which will run throughout 2020.

Young professionals network

Prospect's young professionals network held its young workers' month in November with a series of events across all its sectors which yielded 970 new young members.

The network also organised seminars on housing and finance.

A strategy is in place for more sessions in 2020 which will allow more members to access training and networking and will focus on greater integration between the YPN forum and branches.

The network held a successful weekend in Manchester where 50 young members were trained in areas such as campaigning and recruitment. It elected a new committee which is going from strength to strength.

The network also piloted the use of 'Thought Exchange', a crowdsourcing platform, to gauge the issues that matter most to young members. This resulted in the 'We deserve better' campaign which will run through 2020.

All the events and activities focused on recruiting young members yielded positive results with 7,995 new joiners across the union in 2019.

Scotland

Teams in Scotland organised activities and events for tech and software workers and for workers in renewable energy.

Subscriptions

During 2018, a small working group was set up to look at Prospect and

Bectu's subscriptions models and identify changes to ensure financial resilience for the future.

Five options were drawn up and shared with the national executive committee (NEC), senior sector representatives and Bectu divisional committees.

Through these discussions, it became evident that Bectu representatives had a strong appetite to focus on the subscriptions paid by lower-income members.

Anomalies and adjustments to Prospect's subscriptions system were also identified and these formed the basis of the recommendations adopted by the NEC.

In the final quarter of 2019, Prospect started the consultation process with branches. The general secretary wrote a detailed proposal on subscriptions, supported by a video, which was sent to all Prospect and Bectu sector members.

Union officials and NEC members made themselves available and where possible, attended branch meetings or AGMs to gain an understanding of how our members/branches felt about the proposed approach.

Representatives were also offered the opportunity to dial in to a series of calls which were set up to discuss the subscription proposals and answer questions.

After the consultation process, motions were drafted based on the proposals and agreed at the January 2020 NEC meeting. These motions will appear on the national conference agenda where delegates will debate and vote on them.



Awards

The national executive committee granted awards to the following members in 2019.

Distinguished service award (silver)

Member	Branch
Sean Maguire	Education and Children's Services

Long service awards

Member	Branch
Garry Burdett	Health and Safety Executive
David Bye	Scottish and Southern Energy Group
Roger Hibbins	Valuation Office Agency
Matthew Kelly	Department for Transport
Peter McAlister	Education and Children's Services
Roger McKechnie	EDF
Mark Pendlington	Ordnance Survey
Graham Ross	Veolia
Steve Rossall	Springfields Fuels Limited
Sue Sale	Springfields Fuels Limited
Ed Simmons	Valuation Office Agency
Alan Warren	Natural History Museum
Lloyd Wells	Springfields Fuels Limited
Barry Woodrow	UK Power Networks

**PAY
PENSIONS
GRADING
REDUNDANCY
TAKEOVERS
TRANSPARENCY
EVALUATION**

**PLAY
FAIR.**

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Managing the union

Member Contact Centre

The Member Contact Centre has made it easier for members to get in touch for advice or support. The helpline – 0300 600 1878 – is open between 8:30am and 7pm Monday to Friday.

The department provides employment law advice on a wide range of topics and practical support including updating contact details and helping members with their subscriptions.

All contacts are logged using a case management system, which means any advisor can look up and help a member with an ongoing query or case.

In 2019, the contact centre dealt with:

- 25,831 calls
- 45,247 emails
- 1,982 webchats

More than nine in 10 (92%) of all calls were answered within 90 seconds.

95% of all emails were responded to within 24 hours

10,147 new applications for membership were processed.

Data protection

Data protection became embedded into the union's work in 2019. The work undertaken built on the policies and procedures established in 2018.

Data audit

Governance and accountability are a legal obligation and a key part of the principles of the General Data Protection Regulation (GDPR).

At the end of 2019, the data compliance officer (DPCO) launched a major data audit of the union to assess the level of compliance within Prospect. The audit is due to be completed later in 2020 and will enable the union to continue to improve its data protection.

Data breaches/subject access requests/complaints

In 2019, 20 data breaches were reported to the DPCO by staff and reps. The majority of these breach incidents involved emails.

The DPCO also responded to 12 subject access requests during 2019. The union received two complaints from members about the use of their data.

Policies and procedures

The following policies and procedures came into effect in 2019:

- special category data policy
- clean desk policy
- asbestos exposure database.

Action

- a data breach incidence response video was circulated to all staff
- a data audit video was circulated to all staff
- work began on creating a data retention policy and disposal schedule
- privacy notices were created for the education and training department.

Advice was provided to staff and reps in 2019 on:

- use of biometric data
- processing union data in the workplace
- data sharing and access to members' data
- direct marketing
- erasing members' data
- Brexit and the status of members' data in Jersey, Guernsey, Isle of Man, Gibraltar and overseas members
- TUPE transfer and data sharing
- contract advice.

Employee salaries

Motion 39 from 2014's national conference instructed the NEC to present in the annual report the number of employees, in salary bands of £10,000 steps, from £10,000 up to the salary of the general secretary. This is reflected in the table below, but please note:

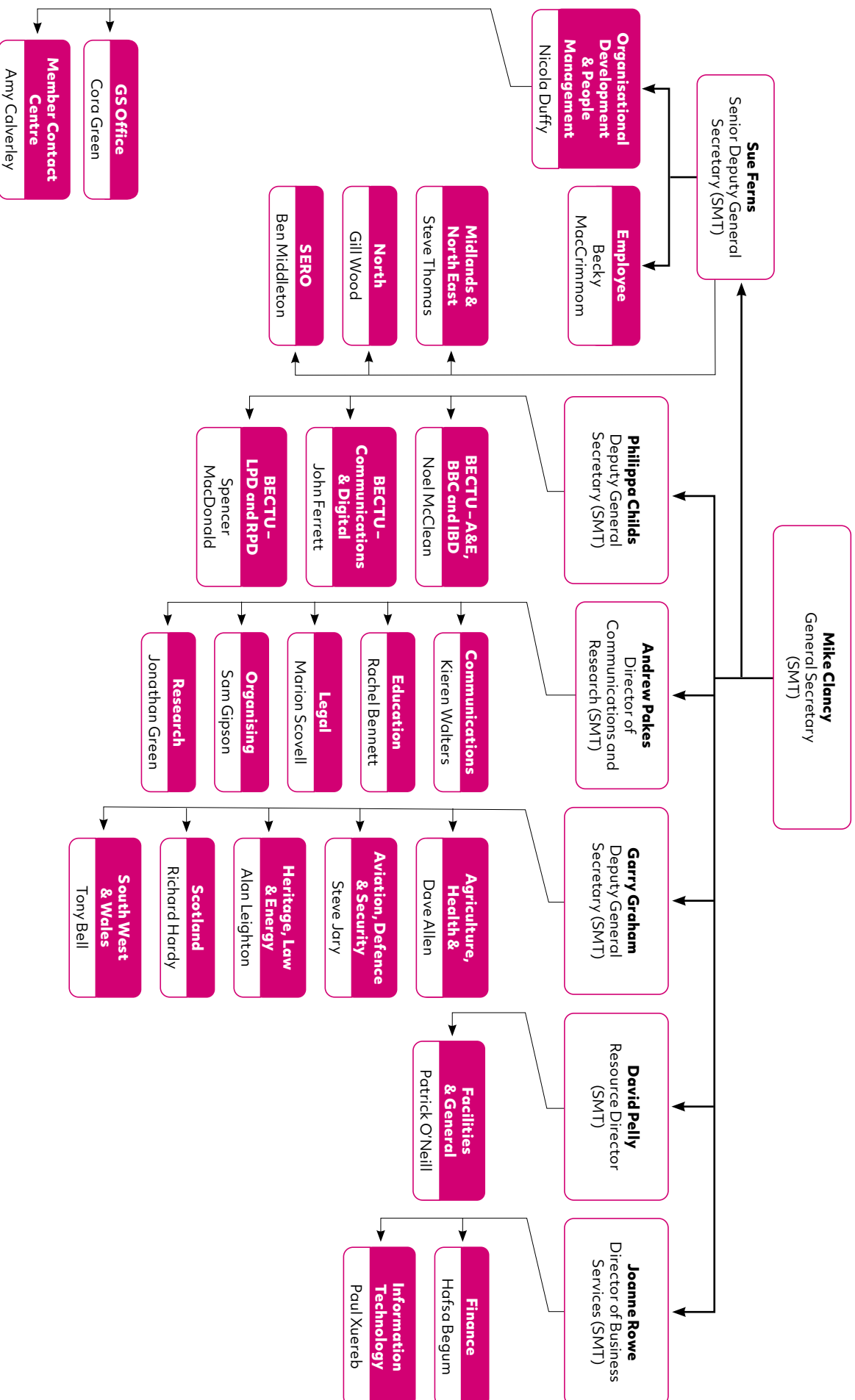
- these steps do not reflect the Prospect grading structure or the salary ranges attached to each grade
- the figures include the full-time equivalent salaries for those currently working part-time hours
- the general secretary's salary is a spot rate and can be found at end of the Prospect Notes to the Accounts section.

Salary band	2019	2018
£10,000-£19,999	2	1
£20,000-£29,999	18	34
£30,000-£39,999	90	77
£40,000-£49,999	49	45
£50,000-£59,999	50	65
£60,000-£69,999	33	16
£70,000-£79,999	9	8
£80,000-£89,999	4	4
£90,000-£99,999	1	1
	256	250

Prospect organisation chart – 31 December 2019

This organisation chart reflects how our teams fit together

SMT = senior management team



Schedule of investments at cost and market value

SCHEDULE OF INVESTMENTS AT COST AND MARKET VALUE		Cost	Market value
Share holding		£'000	£'000
Sarasin & Partners – Equities and gilts			
50,901	Civitas Social Housing	56	47
1,312	Invesco Physical Gold ETC	209	223
64,412	International Public Partnership Ltd	46	56
160,966	Jupiter Absolute Return IA	230	232
50,640	Syncona Ltd prev BACIT	58	111
61,430	Oakley Capital Investments	51	86
		650	754
Sarasin & Partners – Unit Trusts			
39,567	Gresham House Storage Fund	41	43
1,614	Muzinich Global Tactical Credit Fund	165	163
7,260	Neuberger Berman Emerging Market	70	74
38,060	Octopus Renewables Infrastructure	38	41
456,187	Sarasin Equisar - Global Thematic	625	1,009
4,513,860	Sarasin Equisar - UK Thematic	5,227	6,275
49,325	Sarasin Food & Agriculture	62	108
1,470,884	Sarasin Global Dividend	1,869	2,634
482,725	Sarasin Global Equity Income	608	834
109,510	Sarasin IE Global Income	1,102	1,250
34,125	Sarasin IE Real Estate Equity	392	618
1,950	Sarasin IE Systematic Emerging Markets	136	159
2,307,944	Sarasin Sterling Bond Inc	2,436	2,610
219,477	Sarasin Thematic Global Equity International Inc	624	813
92,215	US Solar Funds	70	73
		13,463	16,705
	Sarasin & Partners Portfolio – Total	14,112	17,459
Rathbones – Equities and gilts			
29,574	3I Infastructure Ltd	100	145
35,300	The Automobile Association Plc	62	21
330,000	Aberdeen Standard Fund	161	191
100	Alphabet INC	98	101
160	Amazon Com Inc	19	174
98,500	Apax Global Alpha LTD	151	170
910	Apple Inc	48	202
1,120	Astrazeneca Plc	103	152
70,000	Aviva	78	78
10,450	BH Global Ltd	123	159
61,807	Bilfinger Berger Global Infrastructure	99	137
5,570	BHP Billiton	64	99
22,000	BP Plc	100	104
1,650	Citigroup	49	100
126,363	Civitas Social Housing	140	115
10,800	Clinigen Group Plc	42	100

SCHEDULE OF INVESTMENTS AT COST AND MARKET VALUE		Cost	Market value
Share holding		£'000	£'000
Rathbones – Equities and gilts (continued)			
100,000	Credit Suisse	100	100
4,040	Diageo Plc	73	129
35,800	Equiniti Group Plc	120	99
25,400	Fundsmith LLP Equity inc	80	108
52,600	GCP Infrastructure Inv Ltd	122	132
5,700	GlaxoSmithkline Plc	88	141
70,000	HSBC Bank Plc FTSE Digital	70	73
220,000	HSBC Bank Plc USD	171	240
23,000	HSBC Holdings Plc	159	136
10,450	Ishares Plc	127	142
54,000	Jo Hambro Capital Mgmt	51	93
210,000	JP Morgan	209	210
1,260	JP Morgan Asset Mgrs US Equity Income	424	183
25,200	Legal & General Group	34	76
178,520	Link Fund Solutions Pty Limited	335	388
130,000	Lloyds Banking Group Plc	83	81
70,500	Londonmetric	77	167
43,600	M&G Plc	106	123
120,000	Merian Chrysalis Inv Co LTD	149	148
140,000	Merian Investment Funds	203	240
11,657	National Grid Plc	121	189
1,200	Paypal	101	98
4,500	Plus500 Ltd	69	40
5,600	Prudential Plc	69	122
260,000	Rathbone Unit Trust MGMT	264	264
96,700	RBC Capital Markets	61	116
95,000	RBC Capital Markets Euro	94	100
1,650	Reckitt benckiser Group Plc	102	101
30,000	Rentokil Initial Plc	87	136
1,615	Rio Tinto Plc	59	73
365	Roche Holdings	65	121
9,250	Royal Dutch Shell Plc	164	207
41,700	S4 Capital Plc	76	80
4,000	Schroders Plc	98	133
2,700	Scottish and Southern Energy	33	39
120,000	Sequoia Economic Infrastruct	135	140
16,500	Smart Metering Systems Plc	75	93

SCHEDULE OF INVESTMENTS AT COST AND MARKET VALUE		Cost	Market value
Share holding		£'000	£'000
Rathbones – Equities and gilts (continued)			
26,300	Sophos Grp Plc	76	147
15,000	SSP Group	44	90
43,000	Tesco Plc	104	110
55,000	Threadneedle Investments	130	158
76,000	UK Government Treasury	130	150
2,725	Unilever Plc	45	119
950	Visa Inc	81	135
36,313	Vodafone	110	94
		6,613	8,112
Rathbones – Unit Trusts			
295,000	Aberdeen Standard Fund Managers	252	260
107,000	Blackrock Fund Managers	155	172
59,700	Janus Henderson Global Investors	65	286
142,291	Janus Henderson Global Strategic Bond	191	198
155,000	JP Morgan Asset Managers	307	550
21,300	Legal & General Unit Trust Managers	98	116
13,000	Marlborough Fund Managers	168	241
47,000	Schroder Oriental Plc	66	121
17,700	Stewart Investors	57	136
11,200	Templeton Emerging Markets	76	94
75,000	BUPA Finance Plc	86	79
230,000	UBS AG	232	241
		1,755	2,492
	Rathbones Portfolio – Total	8,368	10,604
Other unit trusts			
888,528	TU Fund Managers Trade Union Unit Trusts	1,955	7,165
988,836	Aberdeen Multi Manager Diversity Fund	1,062	1,459
		3,017	8,625
Total Unit Trusts		18,234	27,822
Total Equities and Gilts		7,263	8,866
Bank deposits		777	777
Unquoted shares			
	Unity Trust Bank Plc	327	455
	Other	9	9
	Unquoted shares Sub total	336	464
	GRAND TOTAL	26,611	37,928



Other organisations

Charities

Prospect's 2018 national conference agreed to review the union's charitable and humanitarian support. After conference, the national executive committee set up a working group to consider whether Prospect should form new charitable partnerships.

Following an investigation and interview process, it was agreed to end Prospect's association with Oxfam and to form new partnerships with War Child and the Trussell Trust. These were formally launched in September 2019.

Both charities have a strong track record of delivery and are keen to work pro-actively with Prospect both nationally and locally. There are also

opportunities for members to get involved, either by participating in a fundraising event or volunteering at a local food bank.

The Trussell Trust

The Trussell Trust supports more than 1,200 food bank centres in the UK to provide a minimum of three days' nutritionally-balanced emergency food to people who have been referred in crisis, as well as support to help people resolve the crises they face.

Between 1 April 2018 and 31 March 2019, its food bank network distributed 1.6 million three-day emergency food parcels to people in crisis, a 19% increase on the previous year. More than half a million of these went to children.

The Trust knows that it takes more than food to end hunger. That's why it brings together the experiences of food banks in its network to challenge the structural economic issues that lock people into poverty, and campaigns to end the need for food banks in the UK.

War Child

War Child supports vulnerable children in conflict-affected places in the world in three ways:

- **protection** – providing safe environments for children to live, play and learn, and psychological first aid to help them overcome the trauma of conflict
- **education** – removing barriers to education and providing literacy and numeracy skills

- **livelihoods** – delivering life skills and business development training to vulnerable young people and their parents and siblings.

At the end of 2019, members and reps had donated £1,260 to the Trussell Trust from Member Recruit Member vouchers.

The union donated £25,078.31 to War Child, largely from the closure of the Oxfam accounts.

Affiliations and linked organisations

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; other affiliations provide information or the opportunity to exchange views. A list of these bodies is set out with the current headquarters contact for each organisation. NB this list is not exhaustive.

Organisation	Officer
Action for South Africa	Jonathan Green
Association of Licensed Aircraft Engineers	Garry Graham
Confederation of Shipbuilding and Engineering Unions	Garry Graham
European Federation of Public Service Unions	Garry Graham
European Transport Federation	Garry Graham
Federation of Entertainment Unions	Philippa Childs
Hope Not Hate	Philippa Childs
Institute of Welsh Affairs	Gareth Howells
International Federation of Air Traffic Safety Electronics Ass'n	Garry Graham
International Transport Workers' Federation	Garry Graham
Irish Congress of Trade Unions	Richard Hardy
Justice for Colombia	Mike Clancy
National Pensioners Convention	Andy Bye
Pensions & Lifetime Savings Association (was NAPF)	Joanne Rowe
Public Service Pensioners Council	Andy Bye
Royal Aeronautical Society	Garry Graham
Scottish Pensions Forum	Andy Bye
Scottish TUC	Richard Hardy
ShareAction	Sue Ferns
The Howard League	Alan Leighton
TVPC – Thames Valley Retired Members' Group	Andy Bye
Trades Union Congress	Mike Clancy
UK Flight Safety Committee	Garry Graham
Uni Global Union	Philippa Childs
Wales TUC	Mike Clancy
Other bodies to which Prospect is linked	
British Medical Association/joint committee	Sue Ferns
British Veterinary Association	Ben Middleton
Federation of Ophthalmic and Dispensing Opticians	Sue Ferns
Museums Association	Alan Leighton
Professionals Australia	Mike Clancy
Trade Unions for Safe Nuclear Energy	Gill Wood
Unions 21	Sue Ferns
Workers' Educational Association	Sue Ferns



Pay deals

Bargaining unit	Effective date	Headline increase %
ABL Alliance	Aug 19	3
AES Ballylumford	Jan 19	2.1
Agriculture and Horticulture Development Board	Apr 19	2.7
Airwave	Apr 19	2.5
Al Jazeera	Jan 19	3
Army Aviation Centre Middle Wallop	Apr 19	3
AMCO	Jan 19	2.5
AMEC Energy Ex AMEC NNC	Jan 19	2.4
ANS Gatwick Engineers	Jan 19	3.5
Aspire Defence	Apr 19	2.5
Association of School and College Lecturers	Jan 19	2.2
Babcock DSG	Apr 19	2

Bargaining unit	Effective date	Headline increase %
Babcock REME Training (Lyneham and Sultan)	Apr 19	3.5
BAE Systems Land Systems Shared Services	Apr 19	2.5
BAE Systems Land Systems Weapons	Apr 19	2.5
BMCS offshore engineering and technical staff	Apr 19	2.5
Birmingham Royal Ballet	Apr 19	
Brewery Arts Centre	Apr 19	
British Board of Agreement*	Jul 19	1.5
BBC Atos	Apr 19	
BBC	Aug 19	2.5
BT	Jun 19	2.5
British Veterinary Association	Jan 19	3
Bournemouth Airport	Apr 19	2.25
BRE	Oct 19	1

Bargaining unit	Effective date	Headline increase %
CABI	Jul 19	2.5
Capita	Mar 19	2
Cavendish Nuclear	Apr 19	2.25
Centre for Environment, Fisheries and Aquaculture Science*	Apr 19	2
Centrica Energy Operations	Apr 19	2.3
Certsure	Apr 19	2.5
Chatham House	Oct 19	2.5
City of Birmingham Symphony Orchestra	Apr 19	
Civil Aviation Authority	Apr 19	2
Cottam Power	Apr 19	2.1
Defence Science & Technology Laboratory*	Jun 19	2.15
Department of Communities and Local Government*	Jul 19	2
Department for Work and Pensions*	Jul 19	2
Diamond Light Source	Oct 19	2
Drax Power	Apr 19	2.8
Drax Power (Senior Production Group)	Jan 19	2.8
Drax Thermal & Hydro Pay	Jan 19	2.8
DSRL (Dounreay)	Apr 19	2.9
Electricity North West	Aug 19	2.9
E.ON CHP White Collar	Apr 19	3
E.ON EC&R	Apr 19	3
E.ON EC&R CHP Blue Collar	Apr 19	3
E.ON EC&R Generation White Collar	Apr 19	3
E.ON Energy Solutions (White Collar)	Apr 19	3
E.ON Generation White Collar	Apr 19	3
E.ON IT	Apr 19	3
First Hydro Company	Apr 19	1.5
GE Healthcare Biosciences (Amersham PLC)	Apr 19	2.5
Glyndebourne	Jan 19	
Government Officers' Association	Apr 19	2.5
Heathrow Airport Limited	Jul 19	4
Highlands & Islands Airports	Apr 19	3
Historic Environment Scotland	Apr 19	3
Home Office*	Jul 19	2
House of Commons	Apr 19	3
House of Lords	Apr 19	3
HR Wallingford Ltd*	Apr 19	2.25

Bargaining unit	Effective date	Headline increase %
Insolvency Service*	Aug 19	2
IoM Government Social Care	Apr 19	2.5
Isle of Man Government Whitley	Apr 19	2.5
IoM Health MPTC	Apr 19	2.5
ITN		2.5
ITV plc	Jan 19	2.5
Joint Nature Conservation Committee	Aug 19	2
Kings Place Music Foundation	Apr 19	
Land Instruments	Apr 19	2.5
Lime Pictures	Jan 19	2.4
Low Level Waste Repository	Apr 19	2.5
Lufthansa Technik	Apr 19	2.2
Magnox Electric Ltd	Apr 19	1.9
Manx Electricity Authority	Apr 19	3
Metropolitan Police	Aug 19	2
Museums Association	Apr 19	3
NATS Air Traffic Control Officers	Jan 19	3
NATS Air Traffic Systems Specialists	Jan 19	3
National Archives*	Apr 19	2
National Galleries of Scotland	Apr 19	4.75
National Grid	Jul 19	2.9
National Lottery Community Fund	Jan 19	2.5
National Museums of Scotland*	Apr 19	3
National Physical Laboratory	Apr 19	2.75
National Portrait Gallery	Apr 19	1.5
National Quality Assurance NTS	Apr 19	2
National Theatre	Apr 19	2
Natural England*	Aug 19	2
Natural History Museum	Aug 19	2.25
Natural Resources Wales	Jun 19	3
Nord Anglia Harrogate	Apr 19	2
Northern Ireland Electricity	Apr 19	1.6
Northern Powergrid	Apr 19	3.2
Northern Powergrid	Apr 19	3.13
Norwich International Airport	Apr 19	2.25
Nuvia Ltd	Jan 19	1.6
Office for National Statistics	Aug 19	2
Oil and Pipelines Agency	Apr 19	2
Ordnance Survey	Apr 19	3.2
Ortho Clinical Diagnostics	Mar 19	2.5
Plymouth Marine Laboratory	Apr 19	2.6

Bargaining unit	Effective date	Headline increase %
Prestwick Airport	Apr 19	2.5
Prison Service Non-phase 1	Apr 19	2.2
Rheidol Power Station	Jul 19	2
Ricardo E&E	Jan 19	3
Rothamsted Research*	Apr 19	0
Royal Botanic Gardens Kew*	Oct 19	2.5
Royal Mint	Apr 19	2.5
Royal Museums Greenwich*	Apr 19	2
Royal Opera House	Apr 19	2
Royal Parks	Sep 19	2.1
Royal School of Military Engineering	Apr 19	2.1
Royal Shakespeare Company	Apr 19	2
Sellafield Ltd	Apr 19	2.5
Science Museum Group*	Apr 19	2.7
Scottish Criminal Cases Review Commission	Apr 19	3
Scottish Government	Apr 19	3
Scottish Parliament	Apr 19	3
Scottish and Southern Energy	Apr 19	2.25
Sheffield Theatres	Apr 19	
Society of London Theatre	Nov 19	2.5
SONI	Apr 19	2.4
Springfields Fuels Ltd	Apr 19	2
Telefonica (O2)	Mar 19	2.7
UKAS*	Apr 19	3.1
Uniper Business Services and UK Centre	Apr 19	2.25
Uniper Generation	Apr 19	2.25
Uniper IT	Apr 19	2.25
Uniper PES <i>Note: £1,000 consolidated increase to all base salaries</i>	Apr 19	See note
Uniper UGC	Jan 19	2.25
Uniper UTG <i>Note: £1,000 consolidated increase to all base salaries</i>	Apr 19	See note
United Utilities North West	Apr 19	3
Universities UK*	Sep 19	2
URENCO	Jan 19	3
Wales Audit Office	Apr 19	0.6
Welsh Government	Apr 19	2.3
West Burton Power	Apr 19	2.1
Western Power Distribution	Apr 19	3.7

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SARCASM
INTIMIDATION
TROLLING
NITPICKING
ISOLATION

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NEC, officers and sub-committees

National executive committee

1 January – 31 December 2019

NEC meetings held: 5

Member	Meetings attended
Freddie Brown	4
Rebecca Cummings	5
Christine Danniell	5
Mike Dick	2
Steven Dickson	4
Andrea Gauld	4
Alan Grey	5
Steve Grey	5
Elinor Harrison	4

James Henderson	5
Gordon Hutchinson	5
Tom James	5
James Leppard	5
Andy Mooney	3
Satnam Ner	3
Steven Nicholson	4
Philip O'Rawe	5
George Ryall	4
Alan Smith	4
Gary Swift	2
Ian Stewart	2
Nigel Titchen	1
Audrey Uppington	4
Tasos Zodiates	5

Retired Members' Group	Meetings attended
David Harding	4
Ray Arrowsmith	4
Presidential team	Meetings attended
President Craig Marshall	5
Vice-president Ann Jones	5
Vice-president Eleanor Wade	5
Deputy vice-president Neil Hope-Collins	5

Senior management team

- General secretary – Mike Clancy
- Senior deputy general secretary – Sue Ferns
- Deputy general secretary – Garry Graham
- Deputy general secretary – Philippa Childs
- Resource director – David Pelly
- Director of Business Services – Joanne Rowe
- Director of Communications and Research – Andrew Pakes

Trustees

1 January – 31 December 2019

- Phil Kemball (chair)
- Raymond Humphries (to July 2019)
- David Simpson
- Phil Hooley (from Nov 2019)

Auditors

- H W Fisher

Appeals Committee

- Tim Potter (appointed March 2019)
- Helen Snaith (appointed March 2019)
- Suresh Tewari
- Jenni Hircock

Branch Rules Working Group

- Ann Jones (chair)
- Eleanor Wade
- Neil Hope-Collins
- George Ryll
- Amy Calverly (secretary)

Communications and campaigns

NEC members

- Eleanor Wade (chair)
- Andrew Pakes (secretary)
- Alan Grey
- Neil Hope-Collins
- Ann Jones
- James Leppard
- Andy Mooney
- Steve Nicholson

Lay reps

- Lloyd Collier – Diamond Light Source (to Oct 2019)
- Richard Hogben – Met Office
- Paul Sharples – BT Adastral Park C
- Debbie Wilson – Sellafield
- Barrie Worth – Digital division
- Keith Stokes (Bectu)
- + YPN member

Defence maritime and logistics group

- Satnam Ner (chair to June 2019)
- Garry Graham (secretary)
- Thomas James (chair from July 2019)
- Alan Grey

Lay Reps

- Michelle Armour
- Stephen Barber
- William Bennett
- Gary Best
- Simon Bracchi
- Jeanette Braginton
- Chris Burton
- Simon Finney
- Lisa Gollogly
- Chris Hopper
- Alun Jackson
- Graham Jickells
- Peter Lawrence
- Brian Lewthwaite
- David Linton
- Patrick McKee
- Del Northcott
- Mick Payne
- Grahame Robinson
- William Searle
- Michael Wilson

Electricity Supply Industry sub-committee

- Richard Clatworthy (chair)
- Eric Brunger
- Ian Cashmore
- Alan Convery
- Elliot Dixon
- Neil Freeman
- Kevin Garside
- Elinor Harrison
- John Hind
- John Price
- Allen Saunders
- Stephen Straw
- Gary Swift
- Neil Thomson
- Allan Wales

Energy sector executive committee

- Richard Clatworthy (chair)
- Stephen Ackon
- Eric Brunger
- Ian Cashmore
- Paul Clarke
- Catherine Collins
- Alan Convery
- Dawn Davies
- Elliot Dixon
- Neil Freeman
- Kevin Garside
- Elinor Harrison
- John Hind
- Steven Nicholson
- Simon Norris

- John Price
- Glyn Russell
- Allen Saunders
- Stephen Straw
- Gary Swift
- Dik Third
- Neil Thomson
- Audrey Uppington
- Allan Wales
- Joseph Wilkinson

Equal opportunities

NEC members

- Freddie Brown (chair)
- Andrew Pakes (secretary)
- Christine Danniell
- Neil Hope-Collins
- Ann Jones
- Satnam Ner
- Nigel Titchen
- Eleanor Wade

Lay reps

- Amy Bishop – AWE
- Linda Ford – Scottish Research Establishments
- Alan Gooden – BT Leicester
- Claire Mullaly – BT Northern Ireland
- Rod Owen – UKRI
- Liz Hardwick (Bectu)

Finance and audit

- Ann Jones (joint chair)
- Eleanor Wade (joint chair)
- Joanne Rowe (secretary)
- Christine Danniell
- Neil Hope-Collins
- Craig Marshall
- Andy Mooney
- Nigel Titchen
- Audrey Uppington
- Tasos Zodiates

Health and safety

NEC members

- Gordon Hutchinson (chair)
- Garry Graham (secretary)
- James Henderson
- Tom James
- Ian Stewart
- Neil Hope-Collins

Lay reps

- Richard Clatworthy – Western Power Distribution
- Steve Crothers – UKRI
- Catherine Donaldson – EFRA
- Mhairi Duffy – Health and Safety Executive
- Brian Lewthwaite – Ministry of Defence
- Ben Pye – Environment, Food and Rural Affairs
- Balbir Singh – BT West Midlands
- Ken Trapp – National Grid
- Lorna Evans (representing the YPN committee, from August 2019)
- Tom Hares (Sadler's Wells)

Nuclear development group – relaunched as the Nuclear Development sub-committee from June 2019

- Audrey Uppington (chair)
- Ian Clark
- Catherine Collins
- Dawn Davies
- Helen Edwards
- Martin Greer
- Susan Kirkby
- Steven Nicholson
- Glyn Russell
- Gary Swift
- Dik Third
- Joseph Wilkinson
- Richard Wilkinson

Organisation, recruitment and education (CORE)

NEC members

- Craig Marshall (chair)
- Andrew Pakes (secretary)
- Alan Grey
- James Leppard
- Philip O'Rawe
- Alan Smith

Lay reps

- Lloyd Collier – Diamond Light Source (to June 2019)
- Honey Lansdowne – BT (to June 2019)
- Barbara Shepherd – Sellafield
- Mark Steele – BT
- Sara Reilly – Historic England (from June 2019)

Pensions

NEC members

- Audrey Uppington (chair)
- Garry Graham (secretary)
- Christine Danniell
- Steve Dickson
- Tom James
- Craig Marshall
- Satnam Ner
- Nigel Titchen
- Tasos Zodiates

Lay reps

- Tony Cox – Connect regional
- Keith Flett – BT
- Peter Lewis – AWE
- Andrew Meadley – Western Power Distribution
- Jeff Rowlinson – Scottish regional

Science, engineering and sustainability advisory committee

NEC members

- Neil Hope-Collins (chair)
- Sue Ferns (secretary until September 2019)
- Garry Graham (secretary from October 2019)
- Rebecca Cummings
- Elinor Harrison
- James Leppard
- George Ryall

Lay reps

- Martin Aylett – BT Adastral Park
- Philip Brown – Met Office
- Aiden Dryden – Environment, Food and Rural Affairs
- Ayoe Buus Hansen – Met Office
- Andrew Meadley – Western Power Distribution (to July 2019)
- Helen Snaith – Natural Environment Research Council
- Marcus Swift – Sellafield Limited
- Steve Collins – Diamond Light Source
- Christophe Rau – Diamond Light Source
- Helen Mako-Yule – Met Office (from July 2019)

Retired members group national committee

- David Harding – President
- Ray Arrowsmith – Vice President
- John Atkinson – North East
- John Attree – South West Midlands
- John Augoustis – CMMDI
- Arthur Bavister – Thames Valley
- George Betke – Yorkshire
- Michael Cobb – Avon Valley (from 17/12/2019)
- Graham Clarkson – Wales
- Paul Danneau – South West
- Paul Ellam – West Midlands
- Iain Findlay – South East
- Don Forrester – North West
- Peter Hedgcock – Northern Ireland
- John Jenkins – Avon Valley (until 16/12/2019)
- Stan Kordys – East Anglia
- Nigel Marlow – South East Midlands
- Mike Moriarty – Southern
- David Robinson – Central Southern
- Andrew Ruffhead – London Central
- David Sim – Scotland South
- Tom Smyth – East Midlands
- John Taylor – Scotland North



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Branches

Branch code	Branch name
AEH	Arts and Entertainment
1ATH	Aberdeen theatres, freelance and live events
S094	ABL
V601	Accenture
M187	Adas
D330	AGCS - retired members group
C009	Air Traffic Control Officers
C011	Air Traffic Systems Specialists
V602	Airwave
ALJAZE	Al Jazeera International
ATGW	Ambassadors theatre group Woking
K026	AMEC Foster Wheeler plc
ANBR	Animation and new media
APMAN	Apollo Manchester
V603	Apsolve
F181	Archaeologists
ARQC	Arqiva Central
AQCEB	Arqiva climbing engineers branch
CRCT	Arqiva Crawley Court
EMOOR	Arqiva Emley Moor

Branch code	Branch name
ALSE	Arqiva London and the South East
STMAN	Arqiva managers
ARQN	Arqiva North
ARQNE	Arqiva North England
ARQNS	Arqiva North Scotland
ARQNI	Arqiva Northern Ireland
AQREB	Arqiva rigging engineers
ARQSS	Arqiva South Scotland
ARQSW	Arqiva South West
ARQWWE	Arqiva Wales and West England
AWDB	Arqiva Warwick and Daventry
ARTBR	Art department
ARTEC	Art technicians
V604	Asidua
ADS	Assistant directors
APTNI	Associated Press television news
J258	Association of Guernsey Civil Servants
C286	Association of Licensed Aircraft Engineers
M741	Association of School and College Lecturers
V605	AT&T

Branch code	Branch name
J285	Atlas Elektronik UK Ltd
C204	Aviation
D326	Avon Valley retired members group
J124	AWE
1AYR	Ayrshire theatres, freelance and live events
C176	Babcock Aerospace
J199	Babcock DCTT
C236	Babcock DSG
S219	Babcock Marine and Technology (Clyde)
J243	Babcock Marine Training
S288	Babcock MCD Offshore
C733	Babcock MCS Onshore
C715	Babcock RSME
SKELT	Babcock Skelton
N465	BACM
J276	BAE Surface Ships
K133	BAE Systems - Global Combat Systems
H749	Baglan Bay power station
BANGO	Bangor
BXST	Baxter Storey
ABERD	BBC Aberdeen
ATOS	BBC Atos
BIRM	BBC Birmingham and West Midlands
BRIST	BBC Bristol and West
CAR	BBC Cardiff
BBCCA	BBC Caversham
BBCCGB	BBC contractors general
BBCNM	BBC Digital London
BBCEA	BBC East
BBCEM	BBC East Midlands
EDINB	BBC Edinburgh
ESPG	BBC Engineering studios post group
BFOB	BBC finance and operations
GLAS1	BBC Glasgow no 1
HIGH	BBC Highland
BBCH	BBC
BBCIM	BBC Immediate media
BBCJC	BBC Interserve London
BBCLL	BBC London
LLAB	BBC London library/archive
BBCMNW	BBC Media City and North West
BBCMB	BBC Millbank
BBCNBO	BBC Newsgathering
BBCNBC	BBC Newsroom
NEWCUM	BBC North East and Cumbria
PLYM	BBC Plymouth and South West
BPSM	BBC policy strategy and marketing
KINGW	BBC R&D
BBCRMO	BBC Radio and music operations London
BRMB	BBC Radio and music production
BBCROB	BBC Radio obs branch
BBCSOT	BBC South

Branch code	Branch name
BBCSE	BBC South East
BSLB	BBC Studios London
MAILS	BBC Swiss post branch
CLET	BBC Technology London
BBCTL	BBC Television London
BBCW10	BBC W1 operations
V720	BBC Weather
BBCGNB	BBC World Service
WTVP	BBC Worldwide TV and publishing
BBCYL	BBC Yorkshire and Lincs
BBCY	BBC Yorkshire
E731	BEIS
BELGE	Belfast general
BGOH	Belfast Grand Opera House
3COV	Belgrade theatre
J754	Berks, Bucks and Oxfordshire Wildlife Trust
NFT	BFI Southbank
APBIR	Birmingham Alexandra theatre
3BHT	Birmingham Hippodrome
BMREP	Birmingham rep theatre
BRBH	Birmingham royal ballet
BLOOM	Bloomberg TV
BOOM	Boomerang
C735	Bournemouth international airport ltd
BAC	Brewery Arts Centre
BRDOME	Brighton Dome and festival
4BRI	Bristol
H743	Bristol Zoo
E042	British Board of Agreement
F006	British Library
F192	British Museum
E214	British Veterinary Association
N722	Bronte Museum
T502	BT Adastral Park A
T503	BT Adastral Park B
T504	BT Adastral Park C
T505	BT Birmingham
T506	BT Brentwood
T507	BT Brighton
T555	BT Brunel
T508	BT Central London HQ
T509	BT Cornwall and Plymouth
T510	BT Coventry
T511	BT Development Belfast
T512	BT Devon and Somerset
T515	BT DP Harmondsworth
T516	BT East Essex
T517	BT East of Scotland
T519	BT Leicester
T521	BT London Central East and South
T522	BT London East
T518	BT London North

Branch code	Branch name
T523	BT London North East
T525	BT London Southern
T526	BT London West
T527	BT London West Central
T528	BT Manchester and district
T520	BT Mersey Dee and area
T530	BT Mid-Yorkshire
T531	BT Milton Keynes
T501	BT MOD contract
T532	BT Newcastle and Middlesbrough
T533	BT North Anglia
T534	BT North Downs
T535	BT North of Scotland
T536	BT Northern Ireland
T537	BT Nottingham
T538	BT Oswestry
T539	BT Overseas
T540	BT Peterborough
T541	BT Radianz
T542	BT Senior managers
T529	BT Shrewsbury
T545	BT South Wales
T544	BT South Yorkshire
T556	BT Sport
T546	BT Stoke on Trent
T547	BT Suffolk
T550	BT Thames and Wey Valley
T551	BT Wessex
T552	BT West Midlands
T553	BT West of Scotland
T554	BT West Pennines
E200	Building Research Establishment
C012	CAA
J015	Cab International
E069	Cabinet Office/Treasury
CABSA	Cable & Satellite
CWWH	Cable and Wireless
CAMBR	Camera department
H086	Cangen treftadaeth cymru/Wales Heritage
V630	Capita CMD
CPR	Capital Radio
E711	Care Quality Commission
K283	Cavendish Nuclear
CBSO	CBSO
D321	Central Southern retired members group
H756	Centre for Ecology and Hydrology
N410	Centrica
GRIBR	Certified grips and crane techs
M430	Certsure
CHF	Channel Four
C717	Chatham House
CINMI	Cinemas East and West Midlands

Branch code	Branch name
CINLSE	Cinemas London
CINNEA	Cinemas North East and Cumbria
CINNO	Cinemas North West
CINSC	Cinemas Scotland
CINWW	Cinemas Wales
DART	Civic Theatre Darlington
J249	Civil Nuclear Police Authority
BACC	Clearcast
V350	CMD Greater London East and Essex
V351	CMD Greater London West
V352	CMD London central
V353	CMD Midlands Wales and West
V354	CMD North of England
V355	CMD Scotland and Northern Ireland
V356	CMD South
D316	CMMDI retired members group
E707	College of Policing
V607	Computacenter
CWBR	Costume and Wardrobe
K291	Crown Commercial Services
V250	CSC
CTSH	CTS holding branch
CURZH	Curzon cinemas
PHOE	Daisy IT
C714	Defence Electronics and Components Agency
C264	Defence Equipment and Support
C736	Defence Services
RAD	Deluxe London
E064	Dental Reference Board
E017	Department for Education
E145	Department for Work and Pensions
E063	Department of Health
DDSTLC	Devon, Dorset and Somerset TLC
H132	Devonport Royal Dockyard
E188	Department for Transport
H254	Diamond Light Source
DIGHO	Digital
E217	Disability Analysts
E732	DIT
M719	DNV GL
S282	Dounreay
N404	Drax Power
C202	Defence Science and Technology Laboratory
1DUN	Dundee theatres, freelance and live events
M436	E.on UK
K414	EA technology ltd
EA	East Anglia Freelance
D317	East Anglia retired members group
EM	East Midlands Freelance
M245	East Midlands airport
D318	East Midlands retired members group
3EMT	East Midlands theatres, leisure and live events

Branch code	Branch name
EENDS	Eastenders
3EAC	Eastern counties
F457	EDF Energy
1EDN	Edinburgh theatres, freelance and live events
N701	Education and Children's Services Group
E001	Environment, Food and Rural Affairs
K459	Electricity North West
MERBR	Encompass London
WOOFE	Encompass Woofferton
K423	Engie
F744	English Heritage
5ENM	English National Opera managerial
ENB	English National Ballet
5ENO	English National Opera
H164	Environment Agency
N463	EP UK Investments (EPUKI)
I437	EPH
V608	Ericsson Field Services organisation
V609	Ericsson Managed Services non-recognised
ETLCH	Essex TLC
ECI	European Captioning Institute
V611	Everything Everywhere
C751	Exeter airport
FALPDH	Fashion assistants LPD holding
FABR	Film artistes
J721	Fire Leaders Association
M704	Fire Service College
FSEC	First Security London
H730	Flybe cabin crew
E278	Food Standards Agency
C128	Foreign and Commonwealth Office (HQ)
E019	Forestry Commission
S747	Forestry Scotland
N417	Greedom Group of companies
V612	Fujitsu Telecommunications
GSHB	Games Scotland holding branch
E003	GE Healthcare Biosciences (amersham plc)
C294	GIP
GCHB	Glasgow Cineworld
CSGL	Glasgow Life
S162	Glasgow Prestwick International airport
1GLT	Glasgow theatres, freelance and live events
GLYND	Gyndebourne Opera
E062	Government Actuary's Department
K137	Government Officers' Association
GPN	Grampian TV
J419	Guernsey Electricity
HQ1	Headquarters no 1
K050	Health and Safety Executive
C182	Heathrow Airport Ltd
S227	Highlands and Islands Airports Ltd
F194	historic england

Branch code	Branch name
S226	historic environment Scotland
E065	Home Office
E274	Housing, Communities and Local Government
V614	HP
V628	Huawei
3HUL	Hull theatres
H111	Hydrographic Office
IAWF	IAWF
IBH	IB
IMID	IB Midlands radio/cable
IRE	IB radio/cable Ireland
H728	IBERS
12PMS	ICA
IWHS	Ideal World home shopping
ILL	ILR London
INW	ILR North West
F221	Imperial War Museums
ITFC	Independent TV facilities cen
V615	Inmarsat
E078	Insolvency Service
N458	Intergen (UK) Ltd
K738	International Nuclear Services
J165	Interserve
J259	Inutec Ltd
1INV	Inverness theatre, freelance and live events
K716	Isle of Man health MPTC
D331	Isle of Man retired members group
K298	Isle of Man, Whitley
K272	Isle of Man, general branch
K709	Isle of Man social care NJC
ITN	ITN
ANN	ITV Anglia
BOR	ITV Border
CEB	ITV Central Birmingham
CEN	ITV Central Nottingham
GDM	ITV Granada
LWT	ITV LWT
MERS	ITV Meridian
ITVSEC	ITV Security
TYN	ITV Tyne Tees
HTC	ITV Wales
HTB	ITV west
YOR	ITV Yorkshire
S036	James Hutton Institute
J290	JCSA
J425	Jersey Electricity
E238	JNCC
N729	John Innes Centre
KENPAB	Kennington Park
KINGSP	kings place music foundation
V616	Kingston Communications
LABSG	Labs general

Branch code	Branch name
N268	Land Instruments
J240	Landmarc Support Systems
3LGT	Leeds Grand theatre
3WYP	Leeds Playhouse
C718	Leidos
J153	LGC
LTECH	Lighting technicians
MERSEY	Lime pictures
LMT	Liverpool and Merseyside theatres
APLIV	Liverpool Empire theatre
NLMB	Locations department
R306	London and South East regional
LALHB	London arts and leisure
D323	London Central retired members group
E428	London Energy
LIFS	London Film School
E271	London Fire and Emergency Planning Authority
LLEH	London live events
LTHB	London theatres and freelance
LUCH	London union of crew
LVTEC	London venue technicians
K281	Low Level Waste Repository Ltd – Drigg
LOWRY	Lowry Centre
PRODG	London Production Division
C734	Lufthansa Technik
BELF	Lyric theatre Belfast
K408	Magnox Nuclear
J289	Magnox South sites
MFT	Malvern festival theatres
MUTV	Manchester United TV
K617	Manx Telecom
K424	Manx Utilities
04-MAY	Mayflower theatre
MHBR	Media hair and makeup
MEDPRO	Medical professionals
K251	Menter Mon
H115	Met Office
C070	Metropolitan Police
M301	Midlands regional branch
F710	Ministry of Justice
J191	Mirion Technologies
J024	MLCS Ltd
C104	MOC: Air
C143	MOD: Defence Infrastructure Organisation
C112	MOD: Defence Training and Education
C105	MOD: Fire Service Officers
C287	MOD: Head Office and Corporate Services
C239	MOD: Land
C270	MOD: Navy
C263	MOD: UKSTRATCOM
S746	Moredun
F025	Museum of London

Branch code	Branch name
H467	MVV Environment
M151	NUMA
K303	North West/North Wales regional branch
NFTS	National Film/TV school
K703	National Football Museum
S230	National Galleries of Scotland
F260	National Gallery
M429	National Grid
S232	National Library of Scotland
M198	National Lottery Community Fund
K158	National Museums Liverpool
S231	National Museums Scotland
K008	National Nuclear Laboratory
H755	National Oceanography Centre
J155	National Physical Laboratory
F708	National Portrait Gallery
5NAT	National Theatre
H220	National Trust
S205	National Trust for Scotland
NVA	National visual artists
F007	Natural History Museum
H705	Natural Resources Wales
HOLD	New filmmakers
APOXF	New Oxford theatre
NTC	New Theatre Cardiff
NVHRT	New Victoria Hall and Regent Theatre
3NVT	New Victoria theatre
2NTR	Newcastle Theatre Royal
NFTVA	NFTV archives
V631	NHS Digital
N727	NIAB EMR Ltd
I449	NIE
2NECL	North East and Cumbria leisure and live events
2NECT	North East and Cumbria theatres
N302	North East regional branch
D314	North East retired members group
WN	North Wales Freelance
4WN	North Wales theatres, leisure and live events
NW	North West Freelance
2NWL	North West leisure and live events
D313	North West retired members group
2NWT	North West theatres
N	Northern Freelance
IN	Northern Ireland Freelance
I304	Northern Ireland regional branch
D312	Northern Ireland retired members group
1NIR	Northern Ireland TLC
S225	Northern Lighthouse Board
N431	Northern Powergrid
2NOR	Northern Stage theatre
M748	Norwich city airport
3NPT	Nottingham Playhouse

Branch code	Branch name
3NTR	Nottingham Royal Centre
M466	NQA
NTLFE	NTL field engineers
REIBX	NTL holding
NTLNET	NTL Networks
K257	Nuclear Decommissioning Authority
J211	Nuvia Limited
V077	Ofcom
OFCOM	Ofcom
J072	Office for National Statistics
K046	Office for Nuclear Regulation
M267	Office of Rail and Road
OVHB	Old Vic
3ONT	Opera North
J073	Ordnance Survey
H150	Ortho-Clinical Diagnostics
OVS	Overseas
D329	Overseas retired members' group
OXPL	Oxford Playhouse
E074	Parliamentary
PERTH	Perth theatres, freelance and live events
H292	Pharmaron UK (Quotient)
PHHB	Picturehouse central
PHCEH	Picturehouse Crouch End
PHEDH	Picturehouse East Dulwich
HPIHO	Picturehouse Hackney
PUHB	Picturehouse UK
PIN	Pinewood group
PFHOLD	Pitlochry festival theatre
H299	Planning Inspectorate
PLSBR	Plasterers
PCTLC	Plymouth and Cornwall TLC
PPFBR	Post production and facilities
N186	Prison service
PRSUP	Production
TRANHB	Production transport
CHAP	Professional chaperones and tutors
PRPBR	Props
J027	Public Health England
J172	Qinetiq
N726	Quadram Institute Bioscience
5HOR	Queens theatre Hornchurch
RTSBR	Racetech
RADIO	Radio
K737	Radioactive Waste Management
CPHB	RBM Chiswick Park
NOTC	RBM Northern transmissions centre
K753	RBSL Rheinmetall
BBCBRD	Red Bee Media (Ericsson)
J180	Ricardo Energy and Environment
RIGBR	Riggers
RITZY	Ritzy cinema

Branch code	Branch name
J456	Rolls Royce
S131	Rosyth Royal Dockyard
J725	Rothamsted Research
N248	Royal Armouries
5RAH	Royal Albert hall
S229	Royal Botanic Garden Edinburgh
E032	Royal Botanic Gardens
H033	Royal Mint
F212	Royal Museums Greenwich
5ROH	Royal Opera House
ROHTM	Royal Opera House tech managers
3STR	Royal Shakespeare Company
RNEB	Runners and new entrants
H422	RWE
SCF	S4C
5SWT	Sadlers Wells theatre
S750	SAMS – Scottish Association for Marine Science
F189	Science Museum Group
1SCO	Scotland leisure
D309	Scotland North retired members group
S305	Scotland regional branch
D310	Scotland South retired members group
S177	Scotland's Rural College
S438	Scottish and Southern Energy
S706	Scottish football referees
SC	Scottish Freelance
S037	Scottish Government
S161	Scottish Natural Heritage
S206	Scottish Parliament
S440	Scottish Power
S228	Scottish Prison Service
SCT	Scottish TV
D325	South East England retired members group
D322	South East Midlands retired members group
K280	Sellafield Limited
J293	Serco FSE/PME
J099	Serco Marine
F208	Serious Fraud Office
SERP	Serpentine Gallery
BBCSUT	Servest w1
CLUB	Servest w12
SCBR	Set crafts
SGTH	Shakespeare's Globe theatre
SIS	SIS
SKYDUN	Sky Dunfermline
SKYLIVING	Sky Livingston
SKYLONDON	Sky London
SKYREG	Sky regions
SKYSW	Sky South Wales
STU	Soho film lab
I460	Soni
V618	Sopra Steria

Branch code	Branch name
SDBR	Sound
SETLCH	South East TLC
STLCH	South TLC
WS	South Wales Freelance
4SWTL	South Wales theatres, leisure and live events
D328	South West retired members group
H307	South West/South Wales regional branch
SWE	South West Freelance
IS	Southern Ireland Freelance
D327	Southern retired members group
SFXBR	Special effects
SPEC	Spectrum Radio
F702	Sports professionals
C088	SSVC
STGBR	Stagehands
C742	Stansted
F021	Stationery Office
R360	Students
2SUN	Sunderland theatres
V606	Sure telecoms
D320	South West Midlands retired members group
V619	Tata consultancy services
F247	Tate Gallery
V620	Tech Mahindra
TEC	Technicolor
V621	Telefonica UK North East
V622	Telefonica UK North West
V623	Telefonica UK Scotland and Northern Ireland
V624	Telefonica UK South
M166	Telent Technology Services Ltd
D324	Thames Valley retired members group
FARM	The Farm Group
F241	The National Archives
J724	The Pirbright Institute
N273	TQ
E201	Transport for London
E039	Trinity House
F040	Trustee Museums and Galleries
H079	UK Intellectual Property Office
F416	UK Power Networks
H739	UK Research and Innovation
J004	UKAEA
J190	UKAS
ULS	Ulster TV
UGRPBR	Uncertified grips and crane techs
M745	Uniper
K447	United Utilities
F269	Universities UK
J031	University of Greenwich
K178	Urenco
E067	Valuation Office Agency
M434	Veolia

Branch code	Branch name
MTV	Viacom
F213	Victoria and Albert museum
BELLS	Virgin Media Bellshill
NTLMAN	Virgin Media Manchester
R308	Virtual regional branch
VFXH	Visual effects
V626	Vodafone
H246	Wales Audit Office
WMC	Wales Millennium Centre
D311	Wales retired members group
WDTB	Walt Disney theatrical
WSHBH	Watershed Bristol
H087	Welsh Government
4WNO	Welsh National Opera
5WECT	West End commercial theatres
WM	West Midlands Freelance
D319	West Midlands retired members group
3WMT	West Midlands theatre, leisure and live events
WTLCH	West TLC
WE	Western Freelance
M451	Western Power Distribution
K284	Westinghouse
M723	WHRI – Warwick
WOODN	Wood Norton
H085	WRC
WPDB	Writers producers and directors
M169	WS Atkins
V629	Yell
YH	Yorkshire and Humberside Freelance
APYOR	York Grand Opera House
2YOT	York theatre
YHLL	Yorkshire and Humberside leisure and live events
YHTB	Yorkshire and Humberside theatres
D315	Yorkshire retired members group
5YVT	Young Vic theatre

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PENSIONS
SEX
DISABILITY
RACE
LGBT+
GENDER
NEURO-
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Finance

Introduction

Summary position

Subscription income remained strong during 2019, with an increase of £372,000.

With no increase in subscription rates since January 2018, the growth in income has come from an increase in our membership base.

Total membership has grown during the year by 1,645 to 145,510. Working members have grown still further from 118,107 at the start of the year to 120,399 at the end of December – an increase of 2,292 members.

While union membership across the UK has stabilised since 2017, Prospect has gone further by increasing its

membership base.

However, our cost of operations has also increased, rising from £22,853,000, to £23,394,000 an increase of £541,000 during 2019.

While this increase is lower than it had been in 2018, it still means our operating income is insufficient to cover our operating costs.

Our operating deficit slightly worsened during 2019, going from £1,292,000 to £1,319,000.

Increases in operating expenditure in 2019 can be seen in the following areas:

Committees and conferences

Costs in 2019 were £406,000 versus £695,000 in 2018. Sector conferences

and national conferences are held in alternate years with the next National Conference being held in May 2020 in Bournemouth.

Local democratic, organising and education

Costs reduced from £1,304,000 in 2018 to £1,073,000 in 2019 due to spending by branches and sections returning to 2017 levels.

Employment costs

Costs rose from £15,943,000 in 2018 to £16,756,000 in 2019. Almost all of this increase related to staff pay rises during the year: a contractual 3% increase for staff progressing incrementally through the pay grades and an overall 2% increase across the board.

Property costs

Costs reduced in 2019 going from £1,637,000 in 2018 to £1,564,000. The largest variance related to the relocation of our Chertsey office in late 2018 resulting in lower business rates for the year.

Administration and other supplies

Costs increased from £1,805,000 in 2018 to £1,915,000. The additional spend related to IT costs with spending on our new brand, website development and the work to initiate the customer relationship management (CRM) project.

Benefits to members

Benefits to members Increased from £1,469,000 to £1,681,000 during 2019, most of which is accounted for by an increase in the costs of legal fees on behalf of our members.

Investment income

Our income from investment operations increased during 2019, rising from £783,000 in 2018 to £1,072,000 in 2019.

Other non-cash items

The significant uplift in the market value of our investments at 31 December has meant a credit to our accounts at the year-end of £4,906,000 – a complete turnaround from the fall in investment values at the end of December 2018.

Our investments have risen in value from £32,834,000 to £37,928,000 at the end of the year.

However in accordance with accounting guidelines, this is a reflection of the value at the balance sheet date and will not reflect the value now nor in the future, as investments are subject to changes over which we have little or no control.

We are currently reviewing our

investment portfolio to ensure we have the right mix of income versus capital growth assets.

While our investment portfolio had significantly increased at the end of the year, the three defined benefit pension schemes valuation have worsened by £1,878,000.

This is due to the historically low levels of returns on government gilts, which are used as a proxy to value the long-term liabilities of pension funds.

Overall, despite the slightly worsening operating deficit, with the significant increase in the market value of our investment portfolio and other assets Prospect remains in a strong financial position with a healthy balance sheet.

While more can always be done, we must congratulate ourselves and all our members for their hard work and dedication in maintaining the union's financial position.

Future plans

2019 was as predicted a challenge financially, with costs inevitably increasing and with no possibility of increasing our subscription revenue by increases in the rates our members pay following a decision at conference in 2018.

We have, and will continue, to review all discretionary spending to ensure we are delivering the best value for our members.

We have significantly improved the way we communicate with members and launched the new brand earlier in the year.

We launched a new change programme in early 2020 following approval at our NEC in September. Called *Ambition – delivering for our members*, five separate streams will look at:

- Winning for members
- Enabling our staff
- Sound finance
- Enabling members
- Process improvement and digital delivery.

Risks

As reported last year, the main risk facing the union is the inherent uncertainty surrounding our three defined benefit pension schemes. At the end of the year the liabilities calculated under FRS 102 accounting rules were as follows:

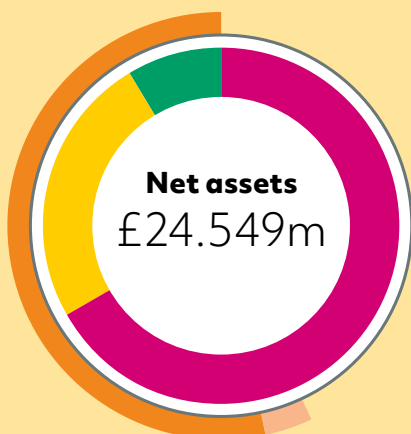
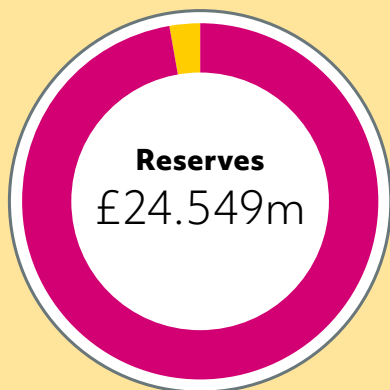
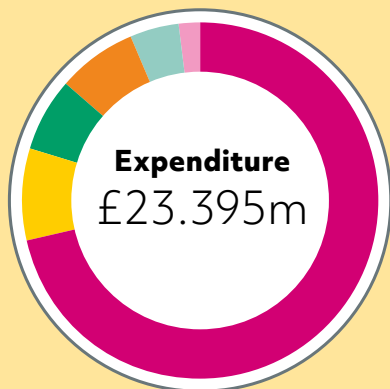
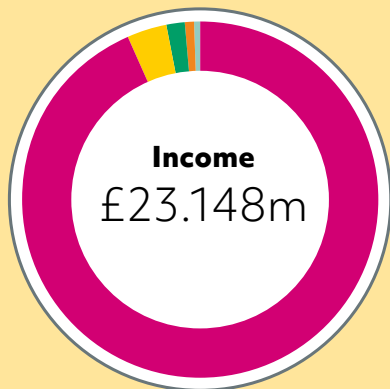
	2019	2018
Prospect Pension Scheme	£5,871,000	£6,137,000
Bectu Pension Scheme	£8,356,000	£6,866,000
Connect Pension Scheme	£15,995,000	£14,598,000
Total	£30,222,000	£27,601,000

All three defined benefit schemes are due for a triennial valuation in the next twelve months, with a fifteen month negotiation period that follows from the triennial valuation date.

Bectu's triennial valuation was at 31 October 2019; Connect is at 1 July 2020 with Prospect at 31 December 2020.

With historically low gilt yields, we could be faced with calls for either additional deficit contributions or increases in the employer contributions or both, and from any one of the schemes or all three.

It is vital therefore that we retain our healthy balance sheet so we are able to manage this risk and maintain our services to our members.



Prospect accounts 2019

INCOME

Subscriptions	£21,656,000
Investment Income	£814,000
Other income from members	£420,000
Rental income	£163,000
Other income	£95,000
TOTAL INCOME	£23,148,000

EXPENDITURE

Employment costs	£16,756,000
Admin and other supplies	£1,915,000
Property costs	£1,564,000
Benefits to members	£1,681,000
Local democratic organisation and education	£1,073,000
Committees and conferences	£406,000
TOTAL EXPENDITURE	£23,395,000

YEAR END ADJUSTMENTS

Pension scheme FRS 102	-£2,621,000
Change in fair value of investments	£4,906,000
SURPLUS FOR THE YEAR	£2,039,000

RESERVES

General fund	£23,917,000
Political fund	£632,000
TOTAL	£24,549,000

NET ASSETS

Investments	£37,928,000
Fixed Assets (inc land and buildings)	£14,096,000
Current assets	£4,756,000
Current liabilities	-£2,009,000
Pension schemes' liabilities	-£30,222,000
BALANCE SHEET TOTAL	£24,549,000

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 financial statements 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 financial statements set out on the following pages have been prepared on the same basis and are used to complete the return to the Certification Officer.

The requirement to prepare financial statements that give a true and fair view is the responsibility of the National Executive Committee. The National Executive Committee is responsible for preparing financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102. 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, subject to any material departures being disclosed and explained in the financial statements.
- Prepare the financial statements 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 internal controls over its accounting 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

Opinion

We have audited the financial statements shown on **pages 66-83** of Prospect ["The Union"] for the year ended 31 December 2019 which comprise the Income and Expenditure Account General Fund, the Income and Expenditure Account Political Fund, the Balance Sheet, the Combined Income and Expenditure Account, the Statement of Cash Flows and Notes to the Financial Statements, including a summary of the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the Union's affairs as at 31 December 2019 and of its income and expenditure for the year then ended; and
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities

under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Union in accordance with the ethical requirements that are relevant to the audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISA's (UK) require us to report to you where:

- The National Executive Committee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The National Executive Committee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Union's ability to continue to adopt a going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The National Executive Committee is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion of the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsi-

bility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

The Trade Union and Labour Relations (Consolidation) Act 1992 (Amended) requires us to report to you if, in our opinion:

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

We have nothing to report in this regard.

Responsibilities of the National Executive Committee

As explained more fully in the Statement of Responsibilities of the National Executive Committee, the National Executive Committee is responsible for the preparation of financial statements and being satisfied that they give a true and fair view, and for such internal control as the National Executive Committee determine is necessary to enable the preparation of financial statements that are free

from material misstatement, whether due to fraud or error.

In preparing the financial statements, the National Executive Committee is responsible for assessing the Union's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the National Executive Committee either intends to liquidate the Union or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditors/audit-assurance>. This description forms part of our auditor's report.

Use of our report to the members of Prospect

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.

HW FISHER
Chartered Accountants
Statutory Auditor
Date 1-Apr-20

Acre House
11/15 William Road
London NW1 3ER

Income and expenditure account – general fund – year ended 31 December 2019

	Note	2019		2018	
		£'000	£'000	£'000	£'000
OPERATING INCOME					
Subscriptions			21,656		21,284
Other Income from Members			420		277
			22,075		21,561
OPERATING EXPENDITURE					
Committees and Conferences	3	406		695	
Local Democratic Organisation and Education	4	1,073		1,304	
Employment costs	5	16,756		15,943	
Property costs	6	1,563		1,637	
Administration and Other Supplies	7	1,915		1,805	
Benefits to Members	8	1,681		1,469	
			(23,393)		(22,853)
OPERATING DEFICIT			(1,318)		(1,292)
Income from Investment Operations	9		1,072		783
(DEFICIT) AFTER INVESTMENT INCOME			(246)		(509)
Change in the Fair Value of Investments	13		4,906		(2,549)
SURPLUS/(DEFICIT) AFTER INVESTMENT OPERATIONS			4,660		(3,058)
OTHER ITEMS					
Net pension scheme expenditure	10		(743)		(946)
Exceptional Income	11		-		1,388
Exceptional Costs	11		-		(456)
SURPLUS/(DEFICIT) FOR THE YEAR			3,917		(3,072)
OTHER COMPREHENSIVE INCOME					
Actuarial (losses) gains on defined benefit pension schemes	17		(1,878)		2,772
COMPREHENSIVE RESULT FOR THE YEAR			2,039		(300)
RESERVES AT THE BEGINNING OF THE YEAR			21,878		22,178
RESERVES AT THE END OF THE YEAR			23,917		21,878

Income and expenditure account – political fund
– year ended 31 December 2019

	2019	2018
	£'000	£'000
OPERATING INCOME		
Subscriptions	63	69
	63	69
OPERATING EXPENDITURE	(44)	(85)
SURPLUS/(DEFICIT) FOR THE YEAR	19	(16)
POLITICAL FUND AT BEGINNING OF THE YEAR	613	629
POLITICAL FUND AT END OF THE YEAR	632	613

Combined income and expenditure account – year ended 31 December 2019

	Note	General Fund	Political Fund	Total 2019	Total 2018
		£'000	£'000	£'000	£'000
OPERATING INCOME		22,075	63	22,138	21,630
OPERATING EXPENDITURE		(23,393)	(44)	(23,437)	(22,938)
OPERATING (DEFICIT)/SURPLUS		(1,318)	19	(1,299)	(1,308)
Income from Investment Operations	9	1,072	-	1,072	783
Change in the Fair Value of Investments	13	4,906	-	4,906	(2,549)
SURPLUS/(DEFICIT) AFTER INVESTMENT OPERATIONS		4,660	19	4,680	(3,074)
OTHER ITEMS					
Net pension scheme expenditure	10	(743)	-	(743)	(946)
Exceptional Income	11	-	-	-	1,388
Exceptional Expenditure	11	-	-	-	(456)
SURPLUS/(DEFICIT) FOR THE YEAR		3,917	19	3,938	(3,088)
OTHER COMPREHENSIVE INCOME	17	(1,878)	-	(1,878)	2,772
COMPREHENSIVE RESULT FOR THE YEAR		2,039	19	2,060	(316)
RESERVES AT BEGINNING OF THE YEAR		21,878	613	22,490	22,807
RESERVES AT END OF THE YEAR		23,917	632	24,549	22,491

Balance sheet – year ended 31 December 2019

	Note	2019		2018	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible Fixed Assets	12		14,096		14,285
Investments	13		37,928		32,834
			52,023		47,119
CURRENT ASSETS					
Debtors and prepayments	14	2,306		2,080	
Cash in bank and in hand		2,450		2,262	
		4,756		4,342	
CURRENT LIABILITIES					
Creditors and accruals	15	2,009		1,369	
NET CURRENT ASSETS			2,747		2,973
NET ASSETS EXCLUDING PENSION OBLIGATIONS					
PROVISIONS FOR LIABILITIES					
Pension Scheme Deficit	17		(30,222)		(27,601)
			24,549		22,491
Represented by:					
RESERVES - GENERAL FUND			23,917		21,878
RESERVES - POLITICAL FUND			632		613
			24,549		22,491

Approved for issue to the members on 19 March 2020

Mike Clancy
General Secretary

C Marshall
President

Cash flow statement – year ended 31 December 2019

	2019	2018
	£'000	£'000
Cash flows from Operating Activities		
Surplus/(Deficit) after Investment Operations	4,679	(3,074)
Adjustments for:		
Exceptional Costs	-	(456)
(Surplus)/Deficit on sale of investments	(48)	72
Change in investment values	(4,906)	2,549
Depreciation	616	695
Loss on sale of fixed assets	19	-
Movements in working capital:		
Change in debtors	(227)	(94)
Change in creditors	639	253
Net cash used in generated from operations	771	(55)
Investing Activities:		
Payments to acquire tangible fixed assets	(502)	(482)
Payments to acquire fixed asset investments	(3,213)	(3,031)
Receipts from sale of tangible fixed assets	59	3,439
Receipts from sale of fixed asset investments	1,861	1,326
Changes in cash deposits	1,212	(1,536)
Net cash flow from investing activities	(582)	(284)
Net increase/(decrease) in cash and cash equivalents	189	(339)
Cash balances brought forward	2,262	2,601
Cash balances carried forward	2,450	2,262

Notes to the financial statements

1. Accounting policies

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

1.1 Accounting convention

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102"). The accounts have been prepared under historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the financial statements.

Trade Unions are governed by the Trade Union and Labour Relations (Consolidation Act) 1992 Amended. Under that Act the accounts of Trade Unions are required to give a true and fair view. Therefore, the accounts of Trade Unions are prepared under FRS102. However, as a Trade Union is not a company the Regulations that form the basis of disclosures under FRS102 have been adapted as considered necessary to ensure the accounts give a true and fair view to the members of the Trade Union.

The Union is a public benefit entity.

The financial statements have been prepared in sterling, which is the functional currency of the Union. The monetary amounts of these financial statements are rounded to the nearest thousand.

1.2 Going concern

As stated in note 20, the National Executive Committee has considered the effect of the Covid-19 outbreak. The National Executive Committee considers that the outbreak is likely to cause some disruption to the Union's business but does not believe that these are likely to be significant. The

National Executive Committee is confident that the Union can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. The National Executive Committee has a reasonable expectation that the Union has adequate resources to continue in operation for the foreseeable future.

1.3 Subscriptions

Subscriptions are accounted for on an accruals basis.

1.4 Rental income

Rental income is accounted for on an accruals basis and derived from properties classified within land and buildings.

1.5 Expenditure

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. At each reporting date, the Union reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

A small proportion of the land and buildings within tangible fixed assets are let to tenants. The Union generates income from letting agreements and hence a proportion of these properties are investment properties. However, due to the quantum of the amounts involved and the disproportionate cost and effort involved, the Union has taken the decision to not separately disclose the proportion of properties owned and let to tenants.

1.7 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
IT Equipment	4 years

Motor vehicles are depreciated over a 5 year period with a residual value of 30% of cost.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the Income and Expenditure account.

1.8 Pension costs

The Union operates three defined benefit pension schemes, all of which require contributions to be made to separately administered funds. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of the defined benefit obligations) and is based on actuarial advice.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in the income and expenditure accounts as pension movement.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability (excluding amounts included in the net interest) are recognised immediately in other comprehensive income in the period in which they occur. Remeasurements are not reclassified to income and expenditure in subsequent periods.

The defined net benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Corporation tax

Corporation tax is payable on the excess of interest income, rental income and chargeable gains arising on the disposal of properties and investments over expenditure on the provident benefits and reinvested chargeable gains for the year.

Provident benefits comprise of payments as set out in the rules of the Union, which relate to death benefit and legal assistance, and a proportion of the costs of administering the Union in relation to those benefits.

1.10 Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the

reversal of deferred tax liabilities or other future taxable income.

Deferred tax is calculated at the tax rates that are expected to apply in the period where the liability is settled or the asset is realised. Deferred tax is charged or credited in the income and expenditure account.

The Union has adopted a reinvestment policy whereby all realised proceeds on the disposal of investments are reinvested into other chargeable assets, thereby eliminating any current tax liability and thereby the need for the recognition of a deferred tax liability. Where the proceeds are not fully invested no current tax liability is considered likely to arise due to expenditure on provident benefits exceeding any chargeable gains that might arise.

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term investments with original maturities of three months or less, and bank overdrafts.

1.12 Financial instruments

Financial assets are recognised in the Union's balance sheet when the Union becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

1.13 Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured

at the present value of the future receipts discounted at a market rate of interest.

1.14 Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value recognised in the income and expenditure account, except that investments in equity instruments that are not publically traded, and whose fair value cannot be measured reliably, are measured at cost less impairment.

1.15 Impairment of financial assets

Financial assets, other than those held at fair value through the income and expenditure account, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment is recognised in the income and expenditure account.

1.16 Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at the transaction price unless the arrangement constitutes a financing transaction.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the activity of the Union from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade payables are initially recognised at transaction price and derecognised when, and only when, the Union's obligations are discharged, cancelled or they expire.

1.17 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.

1.18 Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing quoted market price (where applicable). The income and expenditure account includes the net gains and losses arising on the revaluation and disposals throughout the year. The Union does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Union is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

1.19 Realised gains and losses

All gains and losses are recognised to the income and expenditure account as they arise. Realised gains and losses on investments are calculated as the difference between the sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are separated between the surplus on investments and changes in market value in the income and expenditure account.

1.20 Leases

Assets held under finance leases and hire purchase contracts are capitalised and depreciated over the period of the lease or the estimated useful economic lives of the assets, whichever is shorter. 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. Rentals payable under operating leases, including any lease incentives received, are charged to the income and expenditure account on a straight line basis over the term of the relevant lease.

2. Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates.

2.1 Critical judgements

Under HMRC rules affecting the taxation of trade unions, a corporation tax liability does not arise on chargeable gains arising from the disposal of properties and investments where such gains are reinvested into other chargeable assets in the same accounting period. The Union has adopted a policy whereby such chargeable gains are all reinvested, thereby eliminating any corporation tax liability. Where the

proceeds are not fully reinvested, no corporation tax liability is considered likely to arise due to the availability of sufficient excess expenditure on provident benefits. Accordingly in the opinion of the management, the revaluation of properties and investments does not give rise to a timing difference and to deferred tax liabilities.

2.2 Key sources of estimation uncertainty

The cost of defined benefit pension plans is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country. Further details are given in note 17.

Notes to the financial statements year ended 31 December 2019

		2019	2018
		£'000	£'000
3	COMMITTEES AND CONFERENCES		
	National committees	125	132
	National and sector conferences	281	563
		406	695
4	LOCAL DEMOCRATIC ORGANISATION AND EDUCATION		
	Professional, departmental and other groups	136	152
	Branches and sections	777	953
	Education and training	160	199
		1,073	1,304
5	EMPLOYMENT COSTS		
	Staff salary costs	14,097	13,296
	Additional pension contributions	1,462	1,538
	Travel, subsistence and mobile phones	727	711
	Other staffing costs	469	398
		16,756	15,943
6	PROPERTY COSTS		
	Rent, rates and service charges	701	788
	Light and heating	147	132
	Decoration, repairs and maintenance	182	136
	Cleaning and security	214	245
	Property depreciation	219	234
	Insurance and health and safety	101	102
		1,563	1,637

Notes to the financial statements – year ended 31 December 2019 *(continued)*

		2019	2018
		£'000	£'000
7	ADMINISTRATION AND OTHER SUPPLIES		
	Equipment maintenance and repairs	112	153
	Printing, stationery and postage	294	221
	Telephone	225	166
	IT costs	681	595
	Other office services	125	115
	Bank charges and collection of subscriptions	80	14
	Research, publications and subscriptions	48	42
	Editorial publishing and publicity	77	65
	Legal, professional and audit fees	273	434
		1,915	1,805
8	BENEFITS TO MEMBERS		
	Affiliations and donations	611	658
	Members' benefits	933	600
	Recruitment and organisation	137	211
		1,681	1,469
9	INVESTMENT INCOME		
	Investment income	814	671
	Rental income	163	132
	Surplus /(Deficit) on sale of investments	48	(72)
	Other income	47	52
		1,072	783

Notes to the financial statements – year ended 31 December 2019 *(continued)*

10	NET PENSION SCHEME EXPENDITURE	PPS		CPS		BECTU		Total	
		2019	2018	2019	2018	2019	2018	2019	2018
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Current service cost	(2,814)	(2,753)	(318)	(356)	(347)	(431)	(3,479)	(3,540)
	Administration costs	(182)	(198)	(36)	(40)	(112)	(96)	(330)	(334)
	Contributions	2,187	2,170	692	590	917	868	3,796	3,628
		(809)	(781)	338	194	458	341	(13)	(246)
	Interest on scheme assets	2,561	2,355	359	325	594	525	3,514	3,205
	Interest on scheme liabilities	(2,708)	(2,463)	(753)	(704)	(783)	(738)	(4,244)	(3,905)
	Net interest on defined benefit liability	(147)	(108)	(394)	(379)	(189)	(213)	(730)	(700)
	Net pension scheme (expenditure)/Income	(956)	(889)	(56)	(185)	269	128	(743)	(946)

11	EXCEPTIONAL ITEMS	2019	2018
		£'000	£'000
	Exceptional income	-	1,388
	Exceptional costs	-	456
		-	1,844

- Exceptional income for 2018 related to the sale of the Chertsey office. The income was calculated as the proceeds received less the carrying value.
- Exceptional costs for 2018 related to staffing costs following the transfer of engagements of Bectu.

Notes to the financial statements – year ended 31 December 2019 *(continued)*

12	TANGIBLE FIXED ASSETS	Freehold land & buildings	Office equipment	Fixtures & fittings	IT equipment	Motor vehicles	Total
		£'000	£'000	£'000	£'000	£'000	£'000
COST							
	At 1 January 2019	15,758	274	124	1,485	894	18,535
	Additions	-	3	27	241	231	502
	Disposals	-	-	-	-	(229)	(229)
	At 31 December 2019	15,758	277	151	1,726	896	18,808
DEPRECIATION							
	At 1 January 2019	2,436	118	69	1,119	508	4,251
	Charge for the year	219	60	9	231	94	613
	Disposals	-	-	-	-	(151)	(151)
	At 31 December 2019	2,655	178	78	1,350	452	4,713
NET BOOK VALUE							
	At 31 December 2019	13,102	99	73	376	445	14,096
	At 31 December 2018	13,321	156	55	366	386	14,285

Notes to the financial statements – year ended 31 December 2019 (continued)

13	INVESTMENTS	2019	
		£'000	
	MARKET VALUE		
	At 1 January 2019		32,834
	Additions		3,213
	Disposal proceeds		(1,861)
	Net movement in cash deposits		(1,212)
	Surplus on sale of investments		48
	Change in investment values		4,906
	At 31 December 2019		37,928
		Cost	Market Value
		£'000	2019
		£'000	£'000
	EQUITIES AND GILTS		
	Sarasin & Partners	650	754
	Rathbone Investment Management	6,613	8,112
		7,263	8,866
	UNIT TRUSTS		
	Sarasin & Partners	13,463	16,705
	Rathbone Investment Management	1,755	2,492
	Trade Union Fund Managers	1,955	7,165
	Aberdeen Multi Manager	1,062	1,459
		18,235	27,821
	BANK DEPOSITS		
	Sarasin & Partners	233	233
	Rathbone Investment Management	544	544
		777	777
	UNQUOTED SHARES		
	Unity Trust Bank PLC	327	455
	Other	9	9
		336	464
		26,611	37,928
	As set out in the accounting policies, no provision has been made for deferred tax due to the reinvestment policy adopted by the union.		

Notes to the financial statements – year ended 31 December 2019 *(continued)*

14	DEBTORS	2019	2018
		£'000	£'000
	Trade debtors	1,282	1,335
	Other debtors	541	308
	Prepayments and accrued income	481	437
	2,306	2,080	
15	CREDITORS	2019	2018
		£'000	£'000
	Trade creditors	237	446
	Other creditors	251	290
	Other taxes and Social Security	926	349
Accruals and deferred Income	595	284	
	2,009	1,369	
16	CONTINGENT LIABILITIES		
	The union is involved in numerous ongoing legal cases on behalf of its members, the outcomes of which are inevitably uncertain. Provision has been made for the estimated unbilled costs where the union considers that they may not be totally recovered.		

Notes to the financial statements – year ended 31 December 2019 *(continued)*

17 STAFF PENSION SCHEMES

The union currently operates three defined benefit pension schemes for its employees: Prospect, BECTU and Connect. The assets for all of the schemes 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 FRS 102. The accounting date to which these disclosures relate is 31 December 2019.

The last full actuarial valuation of the pension schemes was carried out using the projected unit method on 1 July 2017 for the Connect scheme, which showed an actuarial deficit of £7.7m; at 31 December 2017 for the Prospect scheme, which showed an actuarial deficit of £4.8m; and 31 October 2016 for the Bectu scheme with an actuarial deficit of £5.6m. The next full valuation is scheduled for 1 July 2020 for the Connect scheme, 31 December 2020 for the Prospect scheme and 31 October 2019 for the Bectu scheme.

There was an understatement from prior years, in respect of the actuarial calculation of the FRS 102 pension deficit for the Connect Pension Scheme, which has been adjusted for a misstatement from prior years. The calculation for benefits paid for in 2017 and 2018 was understated. This was due to a group of pensioners being paid via a separate payroll who were not included in the accounting cash flow data used. The combined figure for both 2017 and 2018 was £472,000 and has been shown on the analysis of FRS 102 pension movement currently shown on page 80.

Included within current service costs are the following amounts relating to GMP equalisation: PPS £107k (2018: £96k); CPS £61k (2018: £53k); and Bectu £94k (2018: £83k), totalling £262k (2018: £233k).

Regular employer contributions to the Prospect schemes in 2020 are estimated to be £1.4m – £0.4m to Prospect; £0.5m to the Connect scheme and £0.5m to the Bectu scheme.

The union's contributions for the year were as follows:	PPS		CPS		BECTU	
	2019	2018	2019	2018	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000
	2,147	2,170	678	590	942	868

Outstanding contributions at the year end were:	2019
	£'000
PPS	373
CPS	55
BECTU	79
	507

The main financial assumptions used in all three schemes were:	PPS / CPS / BECTU	
	2019	2018
	%	%
Rate of increase in pensionable salaries	2.7	2.9
Rate of increase in pensions in payments	3.1	3.3
Discount rate for scheme liabilities	2.1	2.9
Rate of inflation – RPI	3.2	3.4
Rate of inflation – CPI	2.2	2.4

Notes to the financial statements – year ended 31 December 2019 (continued)

17 **STAFF PENSION SCHEMES (CONTINUED)**

Mortality assumption

The mortality assumptions are based on standard mortality tables which allow for future mortality improvements. The assumptions are that a member currently aged 65 will live on average for a further 22.2 years (PPS and CPS) and 21.5 years (Bectu) if they are male; and for a further 24.5 years (PPS), 24.3 years (CPS) and 23.5 (Bectu) if they are female.

Net liabilities of the schemes

The net pension liabilities recognised in the union's balance sheet as at 31 December 2019 is as follows:

	PPS		CPS		BECTU		Totals	
	2019	2018	2019	2018	2019	2018	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Diversified growth funds	17,520	15,838	6,044	5,486	-	-	23,564	21,324
Equities	33,642	26,664	6,375	4,318	6,878	5,881	46,895	36,863
Bonds and gilts	39,448	37,421	2,090	1,957	12,381	11,463	53,919	50,841
Property	10,352	10,155	-	160	3,439	3,289	13,791	13,604
Cash/other	127	234	80	607	229	224	436	1,065
Total market value of assets	101,089	90,312	14,589	12,528	22,927	20,857	138,605	123,697
Present value of liabilities	(106,960)	(96,449)	(30,584)	(27,126)	(31,283)	(27,723)	(168,827)	(151,298)
Scheme surplus/(Deficit)	(5,871)	(6,137)	(15,995)	(14,598)	(8,356)	(6,866)	(30,222)	(27,601)

The return on scheme assets for the year was a gain of £11.7m (2018: loss of £3.4m) for PPS; a gain of £1.9m (2018: loss of £691,000) for CPS; and a gain of £2.1m (2018: loss of £161,000) for BECTU.

Analysis of FRS 102 pension movement:	PPS		CPS		BECTU		Totals	
	2019	2018	2019	2018	2019	2018	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Other pension scheme expenditure (Note 10)	(956)	(889)	(56)	(185)	269	128	(743)	(946)
Understated payment of benefits from prior years (see restatement paragraph above)	-	-	472	-	-	-	472	-
Remeasurement of defined benefit pensions	1,222	43	(1,813)	1,016	(1,759)	1,713	(2,350)	2,772
	266	(846)	(1,397)	831	(1,490)	1,841	(2,621)	1,826
Pension (liability) brought forward	(6,137)	(5,291)	(14,598)	(15,429)	(6,866)	(8,707)	(27,601)	(29,427)
Pension (liability) carried forward	(5,871)	(6,137)	(15,995)	(14,598)	(8,356)	(6,866)	(30,222)	(27,601)

Notes to the financial statements – year ended 31 December 2019 (continued)

17 STAFF PENSION SCHEMES (CONTINUED)								
Changes to the present value of the defined benefit obligation during the year								
	PPS		CPS		BECTU		Totals	
	Year ended		Year ended		Year ended		Year ended	
	2019	2018	2019	2018	2019	2018	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening defined benefit obligation	96,449	99,951	27,126	28,235	27,723	29,661	151,298	157,847
Current service cost	2,814	2,753	318	356	347	431	3,479	3,540
Interest cost	2,708	2,463	753	704	783	738	4,244	3,905
Contributions by scheme participants	12	10	-	-	-	-	12	10
Actuarial (gains)/ losses on scheme liabilities and changes to demo and fin assumptions	7,885	(5,807)	2,885	(2,032)	3,272	(2,399)	14,042	(10,238)
Net benefits paid out	(2,908)	(2,921)	(498)	(137)	(842)	(708)	(4,248)	(3,766)
Closing defined benefit obligation	106,960	96,449	30,584	27,126	31,283	27,723	168,827	151,298
Changes to the fair value of scheme assets during the year								
	PPS		CPS		BECTU		Totals	
	Year ended		Year ended		Year ended		Year ended	
	2019	2018	2019	2018	2019	2018	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening fair value of scheme assets	90,312	94,660	12,528	12,806	20,857	20,954	123,697	128,420
Expected return on scheme assets	2,561	2,355	359	325	594	525	3,514	3,205
Return on plan assets excluding interest income	9,107	(5,764)	1,544	(1,016)	1,513	(686)	12,164	(7,466)
Contributions by the employer	2,187	2,170	692	590	917	868	3,796	3,628
Contributions by scheme participants	12	10	-	-	-	-	12	10
Net benefits paid out	(2,908)	(2,921)	(498)	(137)	(842)	(708)	(4,248)	(3,766)
Administration costs	(182)	(198)	(36)	(40)	(112)	(96)	(330)	(334)
Closing fair value of scheme assets	101,089	90,312	14,589	12,528	22,927	20,857	138,605	123,697
Actual return on assets	11,668	(3,409)	1,903	(691)	2,107	(161)	15,678	(4,261)

Notes to the financial statements – year ended 31 December 2019 (continued)

18 COMMITMENTS UNDER OPERATING LEASES

LESSEE

At 31 December 2019, Prospect had obligations of total future minimum lease payments under non-cancellable operating leases for the following periods:

	Land and buildings		Other	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Expiry date:				
No later than one year	197	156	4	25
Later than one, no later than five years	209	261	2	9
	<u>406</u>	<u>417</u>	<u>6</u>	<u>34</u>

The lease payments recognised as an expense during the year was £217,453 (2018: £184,211).

LESSOR

At 31 December 2019, Prospect had contractual future minimum lease receipts under non-cancellable operating leases for the following periods:

	Land and buildings	
	2019	2018
	£'000	£'000
Expiry date:		
No later than one year	142	130
Later than one, no later than five years	288	401
	<u>429</u>	<u>531</u>

The lease receipts recognised as rental income during the year was £136,808 (2018: £105,346)

19 ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jan 2019	Cash Flows	At 31 Dec 2019
	£'000		£'000
Cash	<u>2,262</u>	<u>189</u>	<u>2,450</u>

20 POST BALANCE SHEET EVENT

The National Executive Committee (NEC) has considered the effect of the COVID-19 outbreak that has been spreading throughout the world in early 2020 on the union's activities. Although the outbreak is likely to cause some disruption to the union's business, the NEC believes that these are not likely to be significant as the union will take actions in relation to expenditure in order to mitigate the risk. Furthermore, given the union has healthy cash balances and liquid investments, the NEC has a reasonable expectation that the union has adequate resources to continue in operation for the next twelve months from the date that the accounts are approved by the auditors. Membership is rising during the crisis and the union is taking steps to mitigate costs, such as cancelling the biennial national conference and temporarily closing down offices where possible. Some staff who are unable to work during this period will be furloughed and the government job retention scheme utilised where possible. The union will of course continue to pay staff their full contractual pay and benefits. Should it be necessary for cash flow purposes, the union will liquidate our investments to cover our day-to-day costs. However, the union is monitoring cash flow closely and this is not currently necessary.

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 is the General Secretary.

Name	Position	Details	Amount
M Clancy	General Secretary	Salary	£123,589
		Pension contributions	£18,415
		Taxable benefit (car)	£5,324

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."

Schedule of subscriptions, donations and affiliation fees

AFFILIATION AND MEMBERSHIP FEES	£
Aircraft Engineers International	4,697
British Screen Advisory Council	2,400
Confederation of Shipbuilding and Engineering Unions	1,788
European Federation of Public Service Unions	14,095
European Transport Federation	4,057
International Federation of Air Traffic Safety Electronics Association	1,500
International Transport Workers' Federation	9,721
Irish Congress of Trade Unions	8,586
National Pensioners Convention	2,250
National Union of Journalists	2,500
Royal Aeronautical Society	1,302
Scottish TUC	23,333
Share Action	1,167
Trades Union Congress	408,838
UK Flight Safety Commission	1,200
UNI Global Union	100,000
Unions 21	5,671
Wales TUC	1,494
Other affiliation and membership fees under £1,000 (19)	3,564
	598,162
DONATIONS AND APPEALS	£
Wendy Searle – Antarctica expedition sponsorship	1,000
Show Racism the Red Card	1,250
BECTU History Project	2,000
Other donations under £1,000 (34)	8,396
	12,646