

# South West England hospitals seek to slash wages

Ajanta Silva  
31 July 2012

Nineteen National Health Service (NHS) Trusts in South West England, covering 60,000 hospital workers, have formed a Pay, Terms and Conditions Consortium (PTC).

The South West pay cartel's objectives are to reduce wages and introduce a performance-based pay system, increase working hours, reduce unsocial-hours payments, remove sickness absence enhancements and cut down annual leave. The cartel threatens that any staff resisting the plans will risk their existing contracts being terminated.

These attacks are a test-case for the 1.5 million NHS workers across the country.

The leaked Project Initiation Document (PID) of the consortium reveals the cold-blooded preparations of the highly paid NHS chief executives against their employees.

Among the key objectives of the consortium is to reduce the pay bill of the South West region NHS trusts by nearly 10 percent. It argues, "Economic challenges require health providers to continue to reduce costs over the next three to four years and probably beyond... the scale of change required is unlikely to be met (and will not be sustainable) without reducing the pay bill."

The cartel is aiming to reduce wages and conditions ahead of further privatisation of NHS hospitals. Officials claim the failure to slash wages and conditions at Hinchingsbrooke hospital in Cambridgeshire, the first to be privatised, has contributed to its current financial problems. The PID states that it wants to "create terms and conditions that are focussed on improving engagement of staff and aligning to create a fit for purpose, flexible workforce able to respond to any qualified provider." For "qualified provider," read any private company that is looking to make profits from patient care.

To achieve these outcomes, the PID stresses, "Unless 'voluntary' agreement could be secured via either collective bargaining or majority acceptance following direct appeal to staff, it is likely that Trusts would be obliged to dismiss and re-engage staff to secure such changes."

The PTC intends to implement these changes in the South West NHS trusts by April next year and then extend them to Mental Health/Community and Social Enterprise Trusts across the region. Trust managements have already started to intimidate and suppress workers who oppose this bloodbath, with some banning any discussion of the proposals in staff meetings. Unions have been told not to display information on notice boards and workers who have spontaneously started circulating petitions were forced to stop.

These attacks are a direct outcome of the Conservative/Liberal Democrat government's Health and Social Care Bill and ongoing health cuts to the tune of £20 billion pounds—almost a fifth of the NHS's entire annual £108 billion budget.

Currently, full-time NHS workers are on a 37.5 hour week and have seven weeks of annual leave a year. They receive enhanced pay when they work unsocial hours, weekend and nights, which most are obliged to do. They receive an incremental progression each year until they get to the top of the pay band and until recently received a pay rise every year linked to inflation.

With the complicity of the unions, the government imposed a two-year pay freeze in its 2010 budget. Since then, inflation of 3-5 percent a year has forced many NHS workers into financial hardship. On top of this, workers are forced to pay much more into the pension scheme at the same time as the retirement age has been increased, child tax credits have been reduced and child

care fees increased. The government's meagre £250 a year increase for workers earning less than £21,000 a year is a farce.

Significant numbers of workers have been forced to work extra hours in the Staff Resource Pool (known as the "bank") or with employment agencies in a desperate attempt to compensate for plummeting living standards.

The same "efficiency savings" have severely affected patient care. The government has already reduced staff numbers through natural wastage [attrition] and the non-filling of vacancies and has earmarked more than 60,000 posts to be axed throughout the country. This has resulted in staff shortages and non-availability of specialist and experienced workers on weekends, public holidays, nights and other unsocial hours.

The PTC insists that "further more radical changes to the pay and conditions of the workforce" are needed.

The South West NHS chief executive group, which initiated the cartel, believes that the existing "Agenda for Change" agreement is a barrier to implementing radical changes to pay, terms and conditions. The Agenda for Change was agreed between unions, the previous Labour government and NHS employers in December 2004. With promises of extra cash and under the guise of a "devolved health service, offering wider choice and greater diversity", it was a vital component of Labour's plans for a "new national architecture" that involved the dismantling of the NHS and turning the provision of health care over to private corporations.

The unions sold the Agenda for Change to NHS workers, claiming that the radical reorganisation of NHS staff's job descriptions and work patterns would protect wages and conditions. However, at the core of the Agenda for Change were provisions for the end of national pay scales and an increased dependency on discretionary pay based on productivity gains. The actions now being taken by the PTC are a predictable outcome of the agreements made earlier.

Trade unions function as collaborators in implementing these drastic measures. Unison and Unite played the crucial role in selling out the struggle of 4,000 Southampton City Council workers last year against the council's policy of firing and rehiring at lower wages. All the NHS trade unions have agreed to the government's increase in the retirement age and attack on pensions.

The PID reveals further evidence of the treachery of the unions, which have indicated their willingness to take part in further discussions on cutting down sickness absence enhancements, removing the requirement to offer enhanced payments for unsocial hours, and cutting down yearly incremental progression.

The unions have kept workers in the dark on the PTC proposals for months. Now that workers are starting to take matters into their own hands, the unions have started fruitless petition campaigns pleading with individual trust managements to withdraw from the Pay Cartel and preventing any broader mobilisation of NHS workers.

Time and again the unions have demonstrated that they are not capable of defending even the existing social position of the working class, let alone improving them. NHS workers must form action committees to unify all staff regardless of what they do, with patients and the wider population, with the aim of preventing the dismantling of the NHS and bringing down the government that is behind these plans.



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