

3 August 2023

MoD settles historic overtime payment errors

2016 joiners on 37 hour contracts were underpaid overtime rates.

MOD and DBS made an error in calculating overtime payments for 37-hour contracted staff. Overtime was paid at the incorrect hourly rate (that of a 42 hour contracted worker), less than the 37-hour rate (both rates are based on the same annual salary divided by 52 weeks then by your contracted hours to give the hourly rate).

This issue only affected PCS members who joined defence after 2016 on 37-hour contracts. If you are on a 42-hour contract, then you are not affected by the mistake DBS made, as you were paid overtime at your correct 42-hourly rate. MOD states that you got the correct overtime pay over the last 7 years.

The mistake was spotted by DBS who raised this with MOD Civ HR. The pay team, in MOD, argued hard with the trade unions that these payments should be limited to 2 years back pay. We disagreed. PCS and the other unions pointed out this was a breach of contract and that the claim should be extended to 6 years.

MOD pay team cited case law that permits them to short change our members and not pay them all the money that they were owed. It is PCS's understanding that the money paid to you was for a two-year period dating back from the discovery of the error. This is money that has been held in government coffers for up to 5 years when it should have been yours.

At this point we would be delighted if MOD want to review all the mistakes they make and put them right, it would be a great step towards a fairer workplace for UK government employees. With your sustained commitment to trade unions and equity we will make that happen.

That is the history, that is what happened, we don't like the 37-hour contract, we don't like different pay rates and we don't like the MOD making mistakes, costing our members money then not paying all they are owed. We also don't like the division this causes.

Unions are all about unity and getting the best outcomes for our members, that's why you should join PCS, that's why you must use your vote in ballots and that's why you should get others to join PCS too. Together we are stronger and together we can win.

Action to take now

- Encourage your workmates & all new starters to [join PCS](#) the only recognised union for MGS staff.
- Let them know PCS challenged OMEC to the top of the shop in MOD
- Organise your workplace, become a PCS rep or advocate
- Email to DSG@PCS.org.uk to update your details and let us know you work for MGS not simply MOD
- Send up to date email address and mobile number so we can contact MGS members to update you on the campaign
- Sign up to [PCS digital](#)
- Read all PCS emails and engage with the ongoing [PCS campaigns](#)