

14 February 2024

PCS brands CSG Annualised Hours Pilot 'a sinking ship'

Customer Services management have dismissed PCS counter-proposals, and are pressing ahead with their 'Annualised Hours' pilot, despite just one member of staff volunteering out of more than 4,000 in the three test sites.

PCS has again met with Customer Services Group (CSG) management, regarding their plans to introduce a 'pilot' of an 'Annualised Hours' scheme. Under the proposed pilot, CSG were asking members in East Kilbride, Portsmouth and Washington to give-up the contractual right to Flexible Working Hours, in favour of working longer hours when the department thinks it will be busier; plus the department will want to keep some hours 'in reserve', as they might want to call staff in to work extra hours, during unexpectedly busy periods.

In return for completely abandoning the contractual right to work FWH, HMRC were offering the princely sum of an extra 1%; which for the majority of the requested volunteers, would work-out at less than £5 per week (before tax).

Alternatives dismissed

The department began the meeting by effectively saying that they had dismissed the alternative proposals put forward by PCS. Those counter-proposals, and the department's responses, were:

- Recruiting staff on a 'Part-year appointment' basis; where staff are employed specifically for specific peak months of the year, but with the same terms and conditions as other workers in the organisation. The department said that they were not pursuing this option as they considered there would be a problem retaining staff on a part-year basis.
- Exploring with PCS the possibility of a Fraud Investigation/Risk and Intelligence-style flexibility payment. The department said that they were not pursuing this option as there was "no money available" for that kind of payment; and in any event, they "did not need that degree of flexibility".

Additionally, HMRC said that they had also dismissed their own, initial proposal to explore a private sector involvement (perhaps because the earlier 'Concentrix' privatisation, crashed and burned so spectacularly).

So that leaves...

Having dismissed our alternatives, and their own proposed privatisation, CSG told us that they were continuing to pursue their Annualised Hours pilot.

The department began their update by telling us that following their recruitment exercise, 100 candidates had passed the interview stage; but that their experience was that the post-interview "attrition rate" meant that of those 100 successful candidates, they only expected 50 to take-up post. They added that they expect those staff to take-up post in May 2024.

PCS noticed that CSG appeared a little shy, when it came to telling us the number of internal staff who had volunteered to give-up contractual FWH, for that glorious 'fiver a week before tax'. When we asked how many staff had volunteered, CSG confirmed that by the end of the exercise, there had still been precisely 1 volunteer.

To show how popular this has been: at the last count, there were **4,242** staff employed by CSG over the 3 sites; and out of all those, they managed to get 1 volunteer.

CSG tried to put a brave face on it, by saying that maybe when existing staff see how great it is, giving-up your contractual right to FWH in return for less than £5 a week, they might want to join the pilot. PCS responded that it was more likely that the 50 external recruits will realise pretty quickly that the other 4,000-odd people they work with, are on better working conditions than they are, and getting more or less the same money.

Assessing the 'pilot'

Obviously, PCS will engage with the department to discuss and monitor the 'pilot', and we'll want to discuss with CSG precisely what success will look like.

Although, considering HMRC look like starting the pilot with half the originally-planned sample size, amounting to less than a quarter of one per cent of the CSG workforce; and virtually no experienced staff involvement, it's not clear exactly how much anyone is going to learn from this. Basically, it's not so much a 'pilot', more of a 'sinking ship'.

We'll keep you informed of developments.