

# 'Building, growing, winning'

Overwhelming support for one of the most important national strike ballots in PCS's history kicks off an upbeat conference.

## "WHY I'M VOTING FOR A PAY RISE"



**People accepted the severity of the crisis nine years ago, but now we are 15 to 20% behind where we should be and that level is no longer sustainable. We deserve a pay rise to take us back to where we should be.**

SEUN ABAYOMI  
HEATHROW, BORDER FORCE



**We are not getting paid enough to keep up with increases in the cost of living. People are doing the same job as colleagues but they are being paid less because there have been no incremental pay rises.**

TRACEY HYLTON, HMRC



**We provide a vital service to students. The cost of living is not in line with our wages. We want a fair day's pay for a fair day's work.**

SCOTT MCCLEARY,  
DES STUDENT LOANS



## Tuesday

An energetic conference opened with the message that the tide is turning against Tory attacks on our pay and working conditions, and on the union that's defending them.

Buoyed by our union's successes, such as the campaign to defend the Civil Service Compensation Scheme – which showed “the best of PCS” – delegates looked to the future.

Ahead of a crucial early vote on balloting members for industrial action over pay, PCS president Janice Godrich captured the mood when she urged members to continue “turning the tide” against the Tory assault.

Speaking in front of the union's ‘building, growing, winning’ slogan Janice said that through democratic campaigning, the union had “bounced back” against the government's attempts to weaken PCS by withdrawing check-off.

As a result, thousands of union members and their families had been protected – but there was still work to be done to protect jobs, wages and working conditions, she told delegates.

She also drew cheers when she urged members to join a mass demonstration against US President Donald Trump when he visits the UK, adding: “We can say very clearly that the politics of hate and division are not welcome here.”

The torch of optimism was then passed to general secretary Mark Serwotka who told delegates to seize the moment and vote for industrial action on pay, as he delivered the union's annual report.

He said that a strong mandate for industrial action would “change the nature of talks” with the Cabinet Office almost immediately.

He added: “We're here today as strong and vibrant as ever, despite

the 180,000 job cuts there have been in the civil service. But we need more people to be prepared to get stuck in.

“We need to seize the opportunity and take advantage of a weak and divided government, to force them to take us seriously and start to force them to treat us with the dignity we deserve.”

Last year's consultative ballot on pay – in which 99% voted against the pay cap and 80% agreed they were willing to strike – plus an above-inflation pay rise for Scottish government members were held up as examples of our union's successes in the last 12 months.

Mark also highlighted last July's High Court ruling that it was unlawful for the previous Tory government to exclude us from talks over its cuts to redundancy pay – a decision that will be an important tool in continuing to fight for better terms.

In the wake of the Carillion disaster, which directly affected PCS members at the British Museum, he called for all government contracts to be brought back in-house and for an end to privatisation.

But it was the emergency motion the general secretary proposed on behalf of the NEC later on Tuesday afternoon, calling for a ballot on strike action over pay, which looks set to have the most impact in 2018. As a result, up to 150,000 workers could walk out this summer.

Mark said: “Our members deserve a fair pay rise to make up for years of pay restraint.

“But we have been told there is only 1% in the budget for pay, unlike in other parts of the public sector.

“This is a disgraceful way for the government to treat its own workforce.”

Shadow chancellor John McDonnell also addressed conference and said that when Labour is elected “trade unions are going into government with us”.

He also expressed support for the ballot and said in any strike action “we'll be alongside you on every picket line”.

## Campaigning on cuts and closures

The fight against Tory cuts to the civil service continued when delegates voted to use all available

campaigning means to defending our members' redundancy pay entitlements.

The work continues the success of last year's High Court victory which, as well as ensuring PCS a place around the negotiating table in future, reversed previous changes and resulted in payouts for our members.

Meanwhile, a “bonkers” plan to close scores of local HMRC and DWP offices and move thousands of workers to regional hubs will be vigorously opposed, delegates agreed.

The plans, part of the government's estates strategy to achieve huge cuts, aim to create up to 22 cross-government hubs, in addition to around 200 mini hubs, by 2020.

Negotiations continue, but the first staff are now set to move to Canary Wharf, Croydon and Bristol.

Proposing the motion, Alan Runswick from Revenue and Customs Liverpool branch warned: “Many areas in the country will be many miles from an HMRC office. These areas won't be effectively policed. There will be a resulting rise in tax evasion and avoidance.”

PCS deputy president Fran Heathcote added: “Not only do these plans threaten the terms and conditions of our members, they also threaten to decimate local economies where DWP is a major employer.”

## Wednesday

### Debating equality

A PCS rep spoke movingly of her own experiences of sexual harassment and assault while urging conference to support a wide-ranging survey of abuse in the civil service.

Julia, a women's officer in an HMRC branch, seconded the motion which also instructed the NEC to develop an action plan to support victims, based on the survey's results.

She said: “For far too long men and women who have sexually harassed have gotten away with it due to under-reporting.

“This has got to stop. I never want another person to feel this way again or to go through that again, so please support this motion.”

## “WHY I’M VOTING FOR A PAY RISE”



**Civil servants are overworked and do the most important jobs for society. In the MoJ we work for judges and deserve respect for the jobs we do. Our skills should be reflected in our remuneration.**

WILFRED ORTON, MOJ



**The question should be ‘Why don’t I deserve a pay rise?’ We deserve a better quality of life. The fact that we are office workers doesn’t make it less important that we can’t afford to live.**

NICOLE WELLS, DWP



**We deserve a pay rise because we work really hard. Staff working in a front-facing office deal with vulnerable and volatile people. I know colleagues who have been chased and stalked. I have had threats. We do enjoy the job, but there are risks.**

SAIRA AFZAL, DWP

Conference also resolved to develop a legal strategy to challenge indirect discrimination wherever it happens across the civil service.

Bev Laidlaw, of DWP Sheffield branch, told conference this would “strengthen the hands of our negotiators” in negotiations on a wide variety of issues across the civil service.

“It would help to stop the discrimination that our members go through day in day out,” she said.

The strategy will challenge ways the civil service indirectly discriminates, for example in performance management systems, performance-related pay and special bonus schemes.

### Defending health and safety reps

PCS will launch a vigorous defence of the rights of health and safety representatives in the face of new threats from the Trade Union Act.

The act includes a clause which would prevent union reps from taking time to work on health and safety issues – work which saves the UK almost £200m per year.

Unionised workplaces have a 24% lower injury rate than non-unionised workplaces, and about half the number of serious accidents.

Conference instructed the NEC to lobby parliament and work with other unions to defend the work of health and safety reps.

### Dignity for all

PCS will stay at the forefront of the fight for security and dignity in older age by defending public service pension schemes.

The government plans to shift

away from defined-benefit schemes and to offer only defined-contribution schemes – part of its continuing attack on public sector pensions.

Ian Albert, who proposed the motion on behalf of the NEC, said: “It’s to the credit of this union that we have stood up in defence of pensions, but it’s a battle that’s far from over.

“The fight for dignity in retirement must go on, for the many, not the few.”

Conference also condemned the government for detaining, deporting and denying access to services, such as the NHS, to members of the Windrush generation who have lived, worked and paid taxes in the UK for decades.

PCS vice president Zita Holbourne said: “The government’s apologies and promises on this are empty. The truth must, and will, come out and that’s why we’re calling for a full inquiry into this scandal.”

Her motion also highlighted the government’s failure to grant citizenship to people of the Windrush generation and the impact on their families, including children and grandchildren. And it noted that, while the language has changed, the ‘hostile environment’ measures initiated by Theresa May when she was home secretary remain in place.

Meanwhile, sunnier news came from Scotland when the fantastic



work done by PCS towards a fairer benefits system for all was recognised.

The union has been working with the Scottish government, and directly with claimants, to develop a transparent, well-staffed new system which provides dignity and decent living standards for claimants.

The motion was proposed by Dave Semple, of DWP Greater Glasgow branch, who said: “As a result of PCS’s work, we have a new welfare system in Scotland which will not involve any private companies. That’s a significant victory.

“Anybody putting in a disagreement against a disallowance will not stop being paid benefits up until the very day that the tribunal makes its decision.

“Justice has become a little bit more free.”

And in England and Wales PCS will continue to call for a moratorium on the roll-out of Universal Credit (UC) and continue to campaign for a universal social security system.

The union has succeeded in helping bring about government retreats on elements of their

## Pay ballot fringe: ‘ALL members will benefit if we win’



How to win the most significant ballot PCS has held in years was debated at a packed fringe meeting.

The fringe, which was broadcast live from Brighton to thousands of people via Facebook, took place just a few hours after PCS delegates voted overwhelmingly to support an NEC motion calling for an industrial action ballot over civil service pay.

PCS General Secretary Mark Serwotka told the meeting: “The more members that vote for action the more the government has to treat us with respect and fairness.

“We hope the government treats our members

fairly but if they don’t then we take the action necessary to force them.”

Mark said that all of our members will benefit if we are successful with this pay campaign, because it would mean an extra 5% in funding from the Treasury to be used for rises across the board.

The lively, impassioned meeting – chaired by PCS president Janice Godrich – discussed the next steps for the union’s pay campaign and looked at the detail of what needs to be done in our branches and workplaces after conference.

Mark said: “What we should remember as PCS members is that we keep the country running. We do critical jobs.

“We all benefit if we get a pay rise and we as a union will be stronger to fight specific battles in specific departments.”

Mark stressed the legal requirement for the turnout in the statutory ballot on pay to exceed 50% because of the restrictions imposed by the Trade Union Act. He said: “This is our call to arms. Not voting is really voting no. Not voting is accepting Theresa May treating you in an appalling way.”

welfare agenda, including abolition of the 55p-per-minute helpline charges, slowing down the UC roll-out and removal of the seven-day wait for benefits, delegates heard.

Keith Maddison, of DWP Northumbria and Tyneside branch, said UC is a system that is of more benefit to the Tories' friends, who are landlords and gig economy employers, than the often vulnerable claimants.

"The most vulnerable people in our society are falling foul of some of the most ill-thought out aspects of UC," he said.

## Thursday

### 'Important role' on climate change

A renewed focus on climate change was agreed at conference, including support for a fracking ban and a Just Transition Act.

The NEC motion praised last year's Just Transition pamphlet, and called for PCS to lobby the Labour Party to ensure the civil service will be ready to deliver on climate change.

Chris Baugh, PCS assistant general secretary (AGS) said: "We have members working in a whole range of regulatory departments. We will play a very important role in all of this."

"There's no dispute now - there's a massive consensus on the human race's role in creating greenhouse gases and its impact on the planet. Unfortunately that doesn't extend to the Oval Office.

"If the human race doesn't take

the necessary action, it will have devastating consequences on the planet that we live in."

A programme of raising awareness of the dangers of air pollution, across the civil service and beyond, was also agreed.

More than 40,000 people die each year from the air that they breathe, about 25 times more than road deaths and more than obesity and alcohol combined. The figure is even higher if we add deaths related to exposure to indoor pollutants.

James Hawthorne, from the Ministry of Housing, Communities and Local Government national branch, described air pollution as "one of the great public health emergencies of our age".

Marianne Owens spoke to second the motion on behalf of the NEC and said: "It's the poorest in society that are affected by this, which very much makes it a trade union issue."

Training and support will be provided for PCS green and health and safety reps.

### Grenfell solidarity

A minute's silence was held at conference in memory of the 72 people who died at Grenfell, after a powerful speech from PCS vice president Zita Holbourne.

Delegates went on to unanimously agree to affiliate the union with Justice4Grenfell and donate £1,000 to the campaign.

Zita said: "Two of our members who lived in the block were able to escape, but one of whose unborn baby sadly died.

"Another of our members lost their family members who lived there.

"We need to give all the support and practical solidarity to them that we can.

"Our support will be needed for the long haul," she said.

Members wishing to make their own donation to the campaign should make cheques payable to Justice4Grenfell Campaign Ltd.

### Performance management

PCS will demand the Cabinet Office introduces a formal central agreement on performance management and ends the use of appraisal systems to allocate pay.

PCS has made progress in defeating the civil service performance management system - but more needs to be done.

Members have been confronted with unprecedented attacks on their pay, jobs and terms and conditions and an important feature of that has been performance management, conference heard.

Tim Megone, of Government Legal branch, told delegates: "Let's rise together and once and for all tear down this bastion of human misery."

The motion instructed the NEC to challenge the discriminatory use of performance pay through legal action, where necessary, using the PCS Supreme Court victory Essop v UKBA/Home Office.

It was also agreed the union would work to ensure that, in the interim, bargaining areas move away from the use of any link to box marking, do not return to 'in-year' rewards and that any mechanism to award pay is fully equality-proofed.

## "WHY I'M VOTING FOR A PAY RISE"



**I'm now earning less money than I was 17 years ago. Prices have gone up but wages have not kept up.**

RICHARD WEST, MARINE MANAGEMENT ORGANISATION



**We work hard to achieve results, otherwise what's keeping us going? There has to be more than job development - we are not shown respect.**

SUSIE PAGET, OFGEM



**Since the pay cap was imposed my standard of living has fallen every single year. We are falling behind the private sector and people are leaving the department because of low pay.**

GORDON MACLEAN, DWP



**We need to get back to where we were. The cost of living is not waiting for us to catch up.**

NEIL GASKIN, OFFICE FOR STUDENTS

## Reps recognised for organising skills

The hard work and dedication of our reps was recognised at conference in Brighton, with three members singled out for particular praise in the organising awards.

Chris Dodds, branch organiser of Defra Northern branch, won the individual award for the work he has done on their group's change to a regional branch structure. He spent hours mapping over 20 individual workplaces, from Inverness to Sheffield.

Branch secretary Fern Skeldon said: "Without this hard work we would have struggled to deliver the 50% turnout that we did for the consultative ballot [on pay]."

Bridget Corcoran of DWP Tyne View Park was also commended.

DWP Fylde Coast branch won the team award for their work engaging reps via thorough induction processes, encouraging members to recruit a friend and winning 10-minute slots in team meetings to promote PCS.

PCS industrial officer Richard Murphy said: "This work led to an increase of 250 members in 2017-2018 and also an increase in the collection of mobile

numbers and personal emails." New reps and advocates has also signed up, he said.

The Northern Ireland young members' convenors were also commended.

Fiona Brittle, of DWP Greater Glasgow branch, won the award for new activists, after getting involved following the poor treatment of young staff. Her organising led to 90% membership in her section.

She has since become elected as young members' officer, young members' liaison to PCS Scotland Committee and PCS delegate to Scottish Youth TUC.

Her branch vice chair Dave Semple added: "Fiona supported several of her colleagues to challenge bullying in the workplace, organised meetings with management to raise concerns, and organised mindfulness courses within the workplace. Her support to other reps has been invaluable."



# Financial statement to members

Our 2018 financial report provides a detailed and strategic review of the union's financial position. It follows a legal requirement and highlights some of the most important features of PCS finances. This summary should be read in conjunction with the full financial report 2018, copies of which are available from your branch secretary or the PCS website: pcs.org.uk. The report, covering the 2017 accounts, budgeted income and expenditure for 2018, and a two-year outline budget for 2019 and 2020, was approved by annual delegate conference in May.

## The union's income

The fall in membership levels during 2017 continued to have an impact on PCS's financial position. Membership dropped from 185,361 at the end of December 2016 to 181,063 at the end of 2017. As a result subscription income dropped by £0.3 million from £21.5 million in 2016 to £21.2 million in 2017.

Investment income increased by £7,249 to £29,999. Income from advertising and commission increased by £1,448 to £117,686. In addition we received £99,012 in rental income.

## The union's expenditure

The union's employment costs were £13.0 million, £0.4 million more than 2016.

Non payroll costs were £7.9 million, an increase of £0.5 million compared with 2016.

The general secretary's remuneration was: salary £94,007; pension contributions £11,849; employer's national insurance contributions £14,640. The assistant general secretary's salary was £80,610; pension contributions £10,000; national insurance contributions £10,256.

No salary, contribution or other benefit was provided in respect of the president or any member of the national executive.

## Statutory statement

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 concern 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

## Campaigns and politics

Expenditure from the campaign and disputes fund amounted to £770,666, and from the political fund £75,046.

## Balance sheet

The balance sheet shows net assets of £22.3 million at the end of 2017 compared with net assets of £8.9 million at the end of 2016.

## Income and expenditure

There was an operational surplus of £193,905, compared with an operating surplus of £3,938,403 at the end of 2016.

## Analysis and Outlook

The emergency 3-year finance plan, launched in 2015 in response to the government's unlawful removal of 'check off' collection of subscriptions, has now ended. A remedy court hearing for compensation is scheduled for the autumn.

We have survived the storm and have stabilised our finances, albeit paying a heavy price - our income is now £6m less than it was in 2014.

Despite these losses, we are still standing strong and have turned a potential crisis into an opportunity. We have restructured to have a larger PCS staff presence across the UK and embarked on an ambitious modernisation and reform programme. Key to our future financial success is an enhanced organising strategy to increase our membership as well as strengthening union leverage to get more wins for our members.

## Chris Baugh

National Treasurer

## Jeff Evans

Director of Central Services

## Financial breakdown

### Summary income and expenditure for the year ended 31 December 2017

All figures: 000s

<b>Income</b>	<b>£21,558</b>
Analysis:	
Membership subscriptions	£21,230
Investment Income	£50
Other Income	£278
<b>Expenditure</b>	<b>£22,528</b>
Analysis:	
Network administration	£14,963
Members representative costs	£2,241
Members communications	£1,697
Members benefits	£1,242
Affiliations and donations (TUC £514)	£746
Depreciation	£746
Transfer to campaign and disputes fund	£399
Political fund contributions	£201
Subscription collection costs	£307
Transfer from property fund	(£114)
Tax payable	£100
Net operational deficit	(£970)

### FRS 102 actuarial adjustments

**on pension schemes** **£2,900**

Gain on revaluation of investment property £1,164

**Net surplus for year to general fund** **£3,094**

### Summary balance sheet for the year ended December 31 2017

Fixed Assets	
Tangible fixed Assets	£17,185
Investments	£1,415

### Current assets

Debtors	£2,459
Cash	£1,743
Current liabilities	(£1,809)
Total assets less current liabilities	£20,993
FRS 102 pension asset	£1,400

**Net Assets** **£22,393**

Represented by:

General fund	£7,713
Property fund	£12,396
Campaign and disputes fund	£75
Political fund	£513
Fighting fund	£52

Voluntary selective and early retirement reserve	£244
Pension reserve	£1,400

**Total funds & reserves** **£22,393**

**BDO LLP, Chartered accountants & Registered auditors, Gatwick, United Kingdom**

**Date: 31 March 2017**

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Independent auditors report to the members of the Public and Commercial Services Union

We have audited the financial statements of the Public and Commercial Services Union ("the Union") for the year ended 31 December 2017 which comprise the total funds income and expenditure account, the general fund income and expenditure account, the statement of comprehensive income, the balance sheet, the statement of changes in funds and reserves, the cash flow statement and notes to the financial statements, including a summary of 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 2017 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations (Consolidation) Act 1992.

For the full report, please see p12 and p13 of the PCS Financial Report 2018