A critical decision for health workers – and health campaigners

Will the health unions accept or reject the pay freeze and 'no compulsory redundancy' proposal? What will be the consequences of their decision?

The demand of the NHS management for health workers to accept a 2 year freeze of wages and incremental increases (under the 'Agenda for Change' agreement) is a crude attempt at moral blackmail, attempting to put the responsibility for job losses on NHS staff. In reality it is the New Labour government which programmed cuts of up to £20 billion over four years, and the coalition government which decided to implement these "efficiency savings" who are responsible for job and service cuts.

Whilst all the unions have said that the NHS management proposal is unfair we have yet to see how they will respond. Mike Jackson of UNISON said his members face a "difficult choice". Mr Jackson reckoned that "the offer of a no-compulsory redundancy agreement has the potential to offer job security" but he said that UNISON members would recognise that more job losses "will hit the quality of patient care".

Why is it a difficult decision? With inflation running over 3%, accepting a freeze means at least a 6% pay cut, with increased VAT and essentials like heating rising sharply, as well. It is highly dubious that accepting the freeze would save 35,000 jobs in any case. As experience in privatised industries has shown, the management always come back for more job cuts.

Karen Reay of Unite was not as equivocal as Mr Jackson, describing the offer as "a very unattractive set of proposals structured with the intention of divide and rule."

It is up to the members of course, but what will the advice of the health unions be? They all voted at the TUC last year for "coordinated industrial action in defence of jobs and services". Unfortunately there is little sign of it being implemented as yet.

Unions sign up for "efficiency savings"

The difficulties that health workers face are in large part the result of the policy of the health unions. Earlier this year, in the run up to the elections, *all* the health unions accepted £20 billion cuts which New Labour had programmed for the NHS. They signed up to a document, "The Principles for the NHS – Meeting the challenge in Partnership". They signed up to "all 'partners' committing to involvement in making difficult decisions about achieving savings and supporting implementation." They accepted the "quality and productivity challenge" based on implementing the £20 billion "efficiency savings". They did so because they did not want to challenge the government's agenda for fear of the Tories being elected. In doing so, however, they downplayed their differences with the government and the threat that their policy represented to the NHS.

After the election the unions supported the Mutually Agreed Resignation Scheme (See "NHS unions need to break with partnership to defend jobs and services") which gave a clear indication that they were not going to fight to defend jobs and services despite voting for "coordinated industrial action in defence of jobs and services" at the TUC Congress last year.

Despite the election of the coalition government the unions remain entrapped in the NHS partnership arrangements in which they are supposed to work together in furtherance of their 'common interests' with an NHS management seeking union cooperation in the implementation of savage cuts. Their other 'partner', the coalition government, is threatening to break up the NHS. Its White Paper, "Equity and Excellence, Liberating the NHS", will hand over commissioning to GP's and extend New Labour's 'health market' to its logical conclusion - an untrammelled market in which "any willing provider" competes with everybody else for contracts.

With the very existence of the NHS on the line, what sense does it make for the health unions to maintain the fraud of this 'partnership'?

The days of strike action in the NHS are “dead and gone”

The message from some union leaders is that the members do not want to fight. Indeed one senior UNISON officer told a regional health conference that the days of strike action in the NHS were dead and gone. Tell that to the members taking strike action in Southampton and Buckinghamshire against the continued withholding of Agenda for Change terms and conditions.

In fact such defeatist talk seeks to blame the members for the consequences of 13 years of a supine relationship between the health unions and a New Labour government which opened up the NHS to big business, encouraging private companies by paying them more for work than they paid NHS trusts, and even paying them for work they did not do! They had guaranteed contracts even if they did not carry out the amount of work they were contracted to do, whereas NHS Trusts were penalised for doing 'too much' work

The unions were suckered into accepting private companies coming in to do work, firstly said to deal with “bottlenecks” where the NHS could not manage. They accepted “modernisation” as good coin despite the fact that it meant piecemeal privatisation.

In Swindon, where the local TUC campaigned against using PFI to build a new hospital, the Labour PPC, having participated in the campaign, when elected as an MP, became a junior government spokesperson and underwent a miraculous transformation. She swiftly dropped her opposition to PFI, telling us that we should give it a chance, and see how it goes. Not to worry, only non-clinical staff would have their jobs privatised, clinical staff would remain as NHS employees. This was the message at the national level; clinical staff will be unaffected. On the contrary, clinical work was opened up to big business.

Foundation Trust Status

Next came Foundation Trusts, with the New Labour government seeking to transform all NHS trusts into FT's. The unions correctly warned that Foundation Trust status could lead to the break up of the NHS. They launched a Foundation Trust Network to campaign against it. However, the campaign was abandoned at the time of Agenda for Change when the unions signed up to a 'partnership’ with management and the very government which was threatening to break up the NHS.

It is true that union organisation is weak in the NHS. A call to action by this or that General Secretary will not deliver it automatically. Obviously the members have to believe it is necessary. Independent union organisation, rooted in networks of workplace reps, needs rebuilding. But such organisation cannot be built if the unions maintain their alliance with management. The simple message that staff have no interests in common with management ought to be driven home, especially in the context of unprecedented cuts.

A critical decision

The decision of the health unions and their members on whether to accept a freeze together with a bogus ‘no compulsory redundancy’ deal is *a critical decision*. Mr Jackson is wrong to suggest that what is on offer “has the potential to offer job security”. What is on offer is an “enabling agreement” that Trusts do not have to agree to. In any case it does not apply to Foundation Trusts. How does accepting job cuts offer “job security”?

Having been involved in Defend Our NHS meetings for some years, one of the oft repeated frustrations of health campaigners has been the difficulty of getting union branches involved in campaigns in defence of health services under threat. In part this has reflected the weakness of union branch and workplace organisation. But it also reflects the fact that health workers have been hobbled by the strategy of the major unions.

None other than Dave Prentis himself has spoken of the need for unions to work with community and service user groups and campaigns. Such collaboration, however, in the context of the NHS, can only be built if the health unions oppose job and service cuts – in practice, not just in words. Acceptance of voluntary redundancies would mean accepting a worsening of the service (as even Mr Jackson admits) and an increase in the already barely tolerable pressures shrinking numbers of staff face in their day to day work.

No union can stop their members accepting voluntary redundancy if it is offered to them. Yet that is no reason to agree to them if you are not strong enough to stop them. They should be opposed and the consequences for the service spelt out to the public in each locality, as well as nationally.

The decision lies with union members in the NHS. But health campaigners are hoping that there is a 'step change' in trade union policy. Without the involvement of the service providers, NHS campaigners alone do not have the weight to succeed in stopping the break up of the NHS.

Accepting the NHS management proposal would be a disastrous recipe for further weakening and marginalisation of union organisation in a health service in which the NHS is reduced to a logo and an untrammelled market is introduced.

If the government is able to push through its changes, then the only major difference between the US system and ours will be the fact that treatment is free at the point of use *at the moment*. Yet it is surely inevitable that this commitment will come under pressure and may be abandoned by degrees.

If the trades unions reject these proposals then they can draw a line in the sand and start the process of rebuilding collective workplace organisation, independent of the management and government. If they end their self-imposed incarceration in the 'partnership' arrangements then this would mark a fundamental change of strategy based on recognition that health workers are faced with a struggle against both NHS management and the government.

If the management proposals are accepted then it would give a clear message that there will be no organised resistance to job and service cuts, and all talk of an alliance with service users would be a dead letter.

As a health campaigner and a supporter of an NHS in which the 'market' and competition would have no place, I hope that health workers reject what's on offer and work together with all those who want to prevent the destruction of the NHS.

Martin Wicks
20th December 2010

Union responses

NHS two-year pay freeze is ‘going nowhere’ until members are consulted, says Unite
13 December 2010

Plans by the NHS employers for ‘no compulsory redundancies’ in return for a two-year pay progression freeze are ‘going nowhere’ until members are fully consulted, Unite, the largest union in the country, said today (Monday 13 December).

Unite, which has 100,000 members in the health service, was responding to the plans tabled by the NHS employers at the NHS Staff Council Executive.

Unite’s national officer for health, Karen Reay, said : “These are a very unattractive set of proposals structured with the intention of divide-and-rule.

We will be seeking further clarification on a number of points, such as how can foundation trusts guarantee no compulsory redundancies? And what is the rationale for only guaranteeing no job losses for Agenda for Change Bands 1-6, but not 7-9. This is causing real concern for our members on the higher pay bands.

What is happening here is an attempt to embed the concept of a pay progression freeze for the long-term. Our members already face a public sector pay freeze for the next two years, unless they earn less than £21,000, and then the increase is paltry.

What the employers now want to do is to stop the annual incremental increases which our members receive as part of their terms and conditions of employment.

These plans by the employers are going nowhere until we have had the widest consultation with our members.

Trusts in England have to make £20 billion in 'efficiency savings' and not for the first time, when the NHS is facing swingeing cuts to patients' services, it is the hard working staff who, yet again, are being asked to pick up the pieces."

UNISON members to consider 'tough choice'

UNISON, the UK's largest public service union, today (10 December) said NHS workers face a difficult decision over whether to accept the NHS Employers' offer to guarantee no compulsory redundancies in England, in return for agreeing to freezing their pay and incremental progression for two years.

Mike Jackson, Senior National Officer said:

"The NHS is going through a hard time with trusts being told to make £20bn in efficiency savings. The offer of a no compulsory redundancy agreement has the potential to offer job security but our members are still being asked to make a very tough choice. They know only too well, that more job losses will hit the quality of patient care. They also have families to feed and mortgages to pay and the prospect of a two-year pay and increment freeze means it is not an easy option.

In return for the agreement, staff terms and conditions under Agenda for Change, would also be protected. A number of Trusts have recently imposed changes on the workforce and these should be reversed.

In addition, the employers have asked the Treasury not to implement the 1% increase in employees' pension contributions, due to go up on 1 April 2012 as part of their offer.

We will have to give this offer serious consideration, but the final decision will be in the hands of our members."

The no compulsory redundancy agreement would apply to staff on bands 1 – 6. Above that between 7 -9, covering managers and senior clinicians, Trusts will seek to find alternatives, such as redeployment, before making any redundancies.

It is likely that all the health unions will be consulting in the immediate future with their Executives to decide the next steps. It is unlikely that any discussions or consultations could be completed before the end of February.

Any national agreement would then be the subject of local agreement from both staff, their trade unions and NHS Trusts.

Staff below £21,000 pa would still get their minimum £250 increase.

Message about the NHS pay deal from RCN Council

Published: 17 December 2010

The message below is to Royal College of Nursing members in England about the pay deal offered to NHS staff, from Chief Executive Peter Carter on behalf of RCN Council.

Last week we wrote to you with news of an important proposal from the NHS in England. Despite already imposing a two year pay freeze, the NHS in England has now told the RCN and other NHS trade unions that there isn't sufficient money to pay increments for any NHS staff for up to two years. In exchange for a total increment freeze, the NHS is offering a guarantee of no compulsory redundancies for some staff. Yesterday, RCN Council held a meeting to discuss the proposal. This message is to tell you about that discussion and to set out the next steps.

RCN Council examined the proposal in great detail. We need to be clear that Council will not accept or reject the proposal until you and every other RCN member has had the opportunity to share your views. However,

Council wanted me to share with you its initial thoughts.

Council was unanimous in its opinion that the proposal does not offer any kind of guarantee for nursing staff and that, if implemented, it could signal the end of national terms and conditions through Agenda for Change which the RCN fought so hard for. Although the proposal sets out a guarantee of no compulsory redundancies for those on bands 1-6, this will only apply in trusts that decide to opt in and will involve local discussions and agreement. RCN Council also believes that, in reality, the vast majority of nurses are not facing this threat. Instead, the real danger to patients and services comes from the tens of thousands of posts which are set to be cut through recruitment freezes and deleting vacant posts.

To give up any prospect of career progression in exchange for a measure that does not guarantee staffing levels, not to mention job security for all nursing staff, will understandably anger many of you. We also know that an increment freeze will have a real financial impact at a time when VAT is set to rise, the cost of living is going up and pension contributions are increasing.

So what happens next? Council has asked me to start the process of discussing the proposals with our sister unions in the NHS. We also need more information from the NHS in several key areas:

- what is the funding gap that decision makers are trying to bridge?
- what other savings are planned, and how will they be achieved? If NHS staff are expected to accept yet another restriction on their pay, what else is being done to save money?
- how many jobs are at risk, and how many would be avoided through the guarantee?
- how can foundation trusts, who have autonomy over their own pay agreements, guarantee no compulsory redundancies?
- the guarantee only extends to staff between bands 1-6, what about the thousands at bands 7-9?

Let me be clear. Asking for this information does not mean that we are 'negotiating' on the proposal at this stage. It simply means that we need to have all the information in order that we can share it with you, our members, so you can have all the facts before you tell us your views. I wish to assure you that, ultimately, it will be you, our members, who accept or reject this offer, not RCN staff. We are your union, your voice for nursing and we will act in your best interests and those of your patients.

Over the next few weeks we will be sharing news with you about our consultation process, in the meantime, please do carry on telling us your views through your branches and boards, your Council members, through the Frontline First website, via the RCN's Facebook page or by emailing us at frontlinefirst@rcn.org.uk

Thank you to all those of you who have shared your thoughts already. We wish to assure you that we are listening to each and every comment.