UK: South West Pay Cartel proposes 10 percent pay cut for health workers

By Ajanta Silva
22 October 2012

The South West Pay Terms and Conditions Consortium (SWC), or pay cartel, is stepping up its plans to cut the pay, terms and conditions of health workers in southern England. The cartel, which was set up by the chief executives of the National Health Service (NHS) Trusts in the south west, guided by the Conservative/Liberal Democrat coalition, is determined to implement these measures by April 2013.

Around 40 chief executives, finance and human resources directors and other senior staff met recently to discuss two documents, one entitled, “Addressing Pay Terms and Conditions”, and the other, “The Economic, Financial and Service Challenges”. A full business plan will be prepared before the end of this year.

In the name of safeguarding employment and health services for the years ahead, massive cuts are proposed in these documents. The proposed cuts would inevitably lead to a severe erosion of services in the region and affect 68,000 medical and non-medical staff who work for the 19 trusts in the pay cartel. Of course, if these cuts are imposed, there will be pressure to cut further, with wages and conditions declining in a never ending spiral.

The cartel makes an ultimatum to health workers—accept a reduction in the pay bill by 10 percent in the region or lose 6,000 jobs. “The alternative to addressing pay, terms and conditions is a wholesale reduction in headcount which, in potentially compromising minimum staffing levels and therefore patient safety, is extremely undesirable and costly”.

These threats are made as if health workers have created the financial problems in the trusts. On the contrary, it is the world economic crisis, together with the policies of the current coalition government and the previous Labour Party government, which are responsible for the sorry state of the NHS today. The ruling class is determined to bankrupt and destroy NHS as part of their class strategy to roll back and eliminate social reforms and to impose the full cost of the economic crisis onto working people.

The scope of the cuts outlined in these two new documents goes far beyond those leaked earlier this year in the Project Initiation Document. Although the cartel claims the documents are purely for discussion and are not recommendations or proposals, the sections “Modelling how best to find savings” and “Staff cost reduction potential opportunities” show that 28 different ways to cut labour costs and make savings are on the table.

In addition to reducing wages and unsocial hours payments, introducing a performance-based incremental progression, increasing working hours, removing sickness absent enhancements and cutting down annual leave, the documents examine a further “full set of options in order to inform the production of the full business case” before end of this year.

These options include:

- Slashing the working week and a voluntary reduction of hours and income of workers and not replacing the capacity by 50 percent
- Creating a two tier workforce by introducing new terms and conditions which could be up to 20-25 percent less than the cost of current posts
- Cutting down short-term and long-term sickness benefits and sickness absence paid in a plain rate
- After cutting down annual leave, workers wanting extra leave will have to pay for it by exchanging some of their salary
- Reducing the rates of Additional Programmed Activities (APAs), reducing time spent on Supporting Professional Activities (SPAs), ending offers of
guaranteed SPA time for locum and retired consultants
and cutting down consultant on-call supplements

- Giving junior doctors limited working employment
contracts which are mostly education without access to
enhancements

It is clear the South West measures are a pilot
programme for the entire 1.5 million NHS workforce.
The latest documents state, “There is some indication
that trusts across England are following very closely
what SWC is doing and have made similar assessments
regarding the financial gap facing them as those trusts
which have set up the SWC”.

Low wages and reduced terms and conditions are the
preconditions for attracting private health companies
eager to profit from the lucrative business of patient
care. The Project Initiation Document reveals that a
major objective of cutting wages and conditions is to
create “a fit for purpose, flexible workforce able to
respond to any qualified provider”.

Contrary to the cynical claims of Prime Minister
David Cameron that he is “on a mission to make our
NHS better than ever”, it is no secret that the
government, determined to privatise large swathes of
the NHS, passed the Health and Social Care act in
parliament with the help of its Liberal Democrat
partners. As the Southwest NHS Fightback campaign
has shown, a significant layer of Labour, Conservative
and Liberal Democrat politicians have vested interests
in the privatisation of the NHS.

The £20 billion cuts to the £108 billion NHS budget
have already generated a severe crisis in the NHS,
which the Royal College of Physicians recently
described as “on the brink of collapse”.

Dismantling the NHS is part of the social
counter-revolution launched against the working class
and the most vulnerable sections of society. There is a
division of labour between Trust employers and the
trade unions in implementing these attacks. The trade
unions are working as a safety valve for the employers,
not only in the UK, but everywhere in the world. Their
function is to intervene whenever a genuine struggle by
workers against these attacks threatens to emerge, in
order to divert workers’ anger into safe channels.

The campaigns of the trade union centre on the
gathering of petitions calling for everyone to write to
their MPs—the very people who are implementing these
attacks—and lobbying the trust boards to change their
minds.

Action committees are required, independent of the
unions, to unify all health staff with patients and the
wider population to prevent the further dismantling of
the NHS.

To contact the WSWS and the
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http://www.wsws.org

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