

SERCO PECS Pay Proposal – April 2022

Further to our pay negotiation meetings, this letter sets out our finalised pay offer for balloting with your members. The PECS pay negotiation process covers all employees excluding Senior Management across the contract. This letter sets out our pay offer for balloting with your members.

The company's primary aim is to provide an overall reward package that recognises the efforts of all employees on the contract, improves staff retention, is more attractive to new recruits and positions the PECS contract for success in the future. As such it our proposal to introduce a single rate of pay for each role/grade across the PECS contract and I lay out in detail below the specific steps we would like to take to do so, related to pay and allowances:

Step 1

1. Bring forward the next salary uplift by 5 months to 1 April 2022 (currently due 1 Sept 2022)
2. Uplift current Gen4 pay scales to harmonise with rates above (an increase in some cases over 25%*)
3. Uplift current Gen3* pay scales by 4%**
4. Harmonise all current allowances to Serco rates
5. Next salary review date 1 September 2023

(*25% uplift from April is equivalent to a 35.4% increase/**4.0% uplift from April is equivalent to a 5.67% increase)

We provide in Appendix 1 of this document a more detailed explanation of the range of pay increases and the numbers of employees in each group. We also provide a copy of the salary table to illustrate examples of the current and newly revised base salaries to show the impact of the proposed wage uplift.

The pay uplift will be applied to current salaries back dated to 1 April 2022 and any overtime worked after 1 April 2022.

Allowances

In terms of our proposed approach to harmonise allowances, it is useful to explain that we are looking to align former GA allowances to Serco allowances as part of the pay award. Whilst this is a detailed exercise it essentially comprises of 3 elements:

- Implementation of a Serco allowance which doesn't currently exist in GA Ts & Cs
- Replacement of an existing GA allowance with the equivalent Serco allowance
- Removal of legacy GA allowances where there is no such Serco allowance

As a consequence, at an individual employee level, this will mean that there will be a range in the overall increase of the total reward package. To provide greater clarity on this we have included further details in Appendix 2 of all allowances currently being applied, the benefit that is associated with them and confirmation on which of them will cease to apply post 1 April 2022.

We recognise the removal of these allowances may impact some individuals' earnings. We will ensure the employees impacted will not experience a reduction in net pay. It should be clear that this offer encompasses all previous contract terms & conditions e.g. G4S, Securicor, Premier etc. To confirm, we do not propose to increase the current financial value of any fixed or variable allowances as part of this proposal. All existing rates will remain the same.

We have discussed a longstanding issue related to the Colchester VB & Magistrates Court, specifically related to staff being regularly cross deployed to Chelmsford CC and MC (within the outer London catchment area). We therefore propose that we align the terms for Colchester VB & Magistrates Court with that of our other Outer London locations which will provide the associated outer London allowance to that group of employees (with effect from 1 April 2022).

Separate to the uplift in basic pay and the harmonisation of allowances we also wish to confirm the following:

Step 2

- A. All new hires at Vehicle Bases to be based upon 40 hour per week contract
- B. All current Vehicle Base employees are to be offered the opportunity to increase to a 40 hour per week contract
- C. All new hires in the following roles DCCM, CCM, DVBM and VBM, will be based upon a 40 hour per week contract
- D. All current employees in either DCCM, CCM, DVBM or VBM roles are to be offered the opportunity to move to a 40 hour per week contract*

**Any existing management staff employed with fewer than 2,080 annualised hours will be given the opportunity to revert to a 40 hour salary with effect from 1st April 2022. Existing managers employed on a part-time basis with pro-rated annualised hours fewer than 2,080 will also be given the opportunity to revert to pro-rated annualised hours of 2,080.*

It is therefore our intention to write to all current Vehicle Base employees and all DCCM's, CCM's, DVBM's and VBM's, who have contractual working hours of less than 40 per week, to ask them to consider altering their hours to 40 per week. We would plan to do this once we have received results of the pay proposal ballot. (For clarity, individual employees in categories B and D can choose to maintain their current arrangement for working hours per week e.g. 35 hours p/w, 36 hours p/w, 37 hours p/w, 38 hours p/w etc).

To aid the overall communication and understanding of this offer we will brief our local management teams in order to enable them to deal with individual employee queries related to the impact of this proposal, supported by the senior management team and the HR function.

We remain committed to working jointly with Community and GMB on other items however we believe this pay award package represents a significant financial commitment from Serco, designed to work towards harmonisation and consistency across the PECS contract. We trust that the information provided and the responses to your queries will give you the opportunity to begin a formal ballot of your members, ideally with a recommendation from you both.

Chris Hodkinson

Contract Director, PECS

Justice & Immigration, Serco

APPENDIX 1

PECS pay offer April 2022

All comparative percentages included in this note which reflect the early award are recorded in the following format [%].

In percentage terms the overall pay uplift across the PECS contract equates to an increase of **7.4%**, which in real terms due to the effective date being 1st April 2022 rather than 1st September 2022 is **[10.5%]**

Former Geo Amey locations staff (officers and managers)

This staff group consists of some 539 staff, which receive an average increase in basic salary of 15.0% **[21.3%]**, this increases to 15.1% **[21.4%]** when the alignment (removal of GA and introduction of Serco allowances) of allowances are considered.

Of the 539 staff the range of increases in basic salaries are as follows:

Pay Increase %		No of employees
>25%	[35.4%]	61
>20% and <25%	[28.3% - 35.4%]	18
>15% and <20%	[21.2% - 28.3%]	181
>10% and <15%	[14.2% - 21.2%]	136
>5% and <10%	[7.1% - 14.2%]	100
<5%	[7.1%]	43*

*(includes 4 staff with a negative increase in basic salary – these salaries will be Red Circled at their current level).

Former Serco staff (officers and managers)

This staff group consists of some 918 staff, which receive an average increase in basic salary of 4.73% **[6.7%]**, this increases to 5.06% **[7.2%]** when allowances are included due to staff with “red circled” salaries receiving an increase to their location allowance.

Of the 918 staff the range of increases in basic salaries are as follows:

Pay Increase %		No of employees
4.0%	[5.7%]	432
>4.0% and <10%	[5.7% - 14.2%]	65
>10% and <20%	[14.2% - 28.3%]	76
>20%	[28.3%]	6
>0% and less than 4%	[0% - 5.7%]	274
0%		65 ¹

¹ of this group of staff, 61 staff receive an increase to their location allowance, which represents an average 3.04% **[4.3%]** increase per employee.

Support staff including managers

This staff group comprises of 80 employees, which includes 3 former GA officers (Training and Stores). This group of staff will receive an average increase in basic salary of 4.6% **[6.5%]**.

Position	Employees		Existing		Existing		Proposed		Proposed % Uplift		Proposed £ Uplift	
			Basic Salary	Hourly Rate	Basic Salary	Hourly Rate	Basic Salary	Hourly Rate	Serco	GEOAmey	Serco	GEOAmey
	No:	%	PECS Gen 3 Serco	PECS Gen 3 GEOAmey	PECS GEN 4 All staff							
PCO Trainee (35)			£16,546	£9.07	NA	NA	£17,208	£9.43	4.0%	NA	£662	NA
PCO (35) <1 year	436	23.3%	£20,034	£10.98	£19,250	£10.58	£20,835	£11.42	4.0%	8.2%	£801	£1,585
PCO (35) 1-2 years	63	3.4%	£20,532	£11.25	£19,250	£10.58	£21,354	£11.70	4.0%	10.9%	£821	£2,104
PCO (35) 2- 3 years	93	5.0%	£20,919	£11.46	£19,250	£10.58	£21,756	£11.92	4.0%	13.0%	£837	£2,506
PCO (35) > 3 years	541	28.9%	£21,308	£11.68	£19,250	£10.58	£22,160	£12.14	4.0%	15.1%	£852	£2,910
PCO (40) <1 year	121	6.5%	£22,896	£10.98	£22,000	£10.58	£23,812	£11.42	4.0%	8.2%	£916	£1,812
PCO (40) 1-2 years	35	1.9%	£23,466	£11.25	£22,000	£10.58	£24,404	£11.70	4.0%	10.9%	£939	£2,404
PCO (40) 2- 3 years	52	2.8%	£23,907	£11.46	£22,000	£10.58	£24,864	£11.92	4.0%	13.0%	£956	£2,864
PCO (40) > 3 years	274	14.6%	£24,352	£11.68	£22,000	£10.58	£25,326	£12.14	4.0%	15.1%	£974	£3,326
Deputy Court Custody Manager	46	2.5%	£25,369	£12.20	£23,521	£11.31	£26,384	£12.68	4.0%	12.2%	£1,015	£2,863
Court Custody Manager	104	5.6%	£28,413	£13.66	£26,478	£13.40	£29,550	£14.21	4.0%	11.6%	£1,137	£3,072
Deputy Vehicle Base Manager	20	1.1%	£25,394	£12.21	£22,557	£11.42	£26,410	£12.70	4.0%	17.1%	£1,016	£3,853
Vehicle Base Manager	15	0.8%	£30,400	£14.62	£27,875	£14.11	£31,616	£15.20	4.0%	13.4%	£1,216	£3,741
Area Operations Manager	15	0.8%	£42,738	£20.55	£42,738	£20.55	£44,448	£21.37	4.0%	4.0%	£1,710	£1,710
Training officer	12	0.6%	£30,970	£14.89	£26,904	£13.62	£32,209	£15.49	4.0%	19.7%	£1,239	£5,305
Quality & Compliance auditor	2	0.1%	£33,011	£17.16	NA	NA	£34,331	£17.84	4.0%	NA	£1,320	NA
Investigations & Security Office	2	0.1%	£32,989	£17.15	NA	NA	£34,309	£17.83	4.0%	NA	£1,320	NA
OCC operative	20	1.1%	£26,772	£12.87	NA	NA	£27,843	£13.39	4.0%	NA	£1,071	NA
OCC supervisor	10	0.5%	£30,129	£14.49	NA	NA	£31,334	£15.06	4.0%	NA	£1,205	NA
Stock controller	3	0.2%	£25,817	£12.41	£21,165	£10.18	£26,850	£12.91	4.0%	26.9%	£1,033	£5,685
Business support assistant	9	0.5%	£22,380	£10.76	NA	NA	£23,275	£11.19	4.0%	NA	£895	NA
1,873		100.0%										

APPENDIX 2 - Allowances

New allowance

Driver's Allowance

All former GA PCOs who regularly drive PECS vehicles will receive a six-monthly (payable June and December) based on their driving licence category and the type of vehicle they drive, as follows:

Category B licence – 3 cell vehicles / MPV	£400 per annum
Category C licence – 6 cell vehicles	£800 per annum
Category D licence – 12 cell vehicles	£1,800 per annum

It should be noted that many of our locations do not have the full suite of vehicles detailed above, in such instances then even when an individual may hold a licence of a higher category the allowance paid will be directly linked to the vehicle used. We estimate the introduction of this allowance will benefit approximately 200 former GA drivers, remuneration of ~**2.5%**.

Allowance alignment

The following variable allowances will be aligned to the Serco policies which relate to the payment of these allowances, with effect from 1st April 2022:

Allowance	Geo Amey	Serco
Acting – up / higher duty allowance	Additional payment per hour for acting up dependant on grade of court/vehicle base Grade 1 - £1.10 Grade 2 - £1.30 Grade 3 - £1.50 Grade 4 - £1.70	Difference between PCO/ECO/DBO and acting up role's hourly rate

	Minimum £8 per day	
Load Marshall allowance	Dependant on T&C. £3/day or £63.75 per month	£1,000 annual allowance, which will be paid in monthly instalments
Tornado / Hostage allowance	£65 paid for a Tornado call out not during working hours. Normal hourly rates apply for hours worked between 06.00 Monday to 18.00 Saturday. Double hourly rates for hours worked between 18.00 Saturday and 06.00 Monday and Bank Holidays. Hours worked after contracted hours paid at time and half.	Additional payment of up to £100 to attend each requested Tornado service: <ul style="list-style-type: none"> • If the employee is put on 'stand-by' at the start of a potential Tornado event and the Tornado event does not actually happen, the employee will receive £50 to remain available for call-out whilst the decision is made on the Tornado event. The remaining £50 of the incentive will be paid out if the employee is subsequently deployed at the Tornado. • All PCO and OCC Supervisor and Controller staff, working on a Tornado outside their rostered hours or any hours between 19:00-06:00, will receive £22 per hour. This payment will also apply on any non-rostered days including any relevant Saturdays and Sundays • In call out situations, the enhanced hourly rate is triggered from the time the staff member arrives at the Serco vehicle base or OCC.
Exceptional circumstances payment/ Out of Hours Allowance	Dependant on T&C. Single or x1.5 rate after 22:00	Any time worked past midnight will be paid at an overtime rate of x1.5 of the individual's basic pay, the following month. Any allowances paid to the individual will not be included in this calculation
Stand down process	If advised of stand down after the end of previous shift or if the individual has attended work 2 hours is credited	If arrived at work but sent home credited 2 hours
PCV Allowance	Dependant on T&Cs £2.31 or £6.72 or £8 per day Or £384-1836 per year	Cat B - £400 per annum Cat C1 + DCPC Card - £ 800 pa Cat D1 + DCPC card - £1800 pa (Only for those that took their test prior to 19 Jan 2013) Cat D + DCPC Card - £1800 pa Entitlement to the allowance / bonus will commence when the individual has completed the required training and actively takes up full driving duties.

		Amounts subject to deductions for offences, complaints and accidents
PCO to ECO or DBO duty allowance	£1.50 per hour when completing ECO duties	Certified vehicle base DBO's £900 per year

Allowance withdrawal

The following former Geo Amey allowances are not recognised by Serco and will cease on 1st April 2022:

Allowance	Description/Amounts
Trainer's allowance	£20 per day
Geographic /Demographic allowance	Dependant on T&Cs and location. Amounts ranging from £523 - £2952 per year
Transitional allowance	Dependant on T&Cs. £31.45 per month
Shift allowance	£25 per shift swap or start time moved by more than an hour
Travel time allowance	Dependant on T&Cs. 0 to 30 miles - 1/2 an hour = total return time 1 hour 31 to 50 miles - 1 hour = total return time 2 hours 51 to 100 miles - 1 1/2 hours = total return time 3 hours 101 + miles - discuss and agree with regional manager as exceptional.
Meal allowance	Dependant on T&Cs. £3.50 after 10 hours or £3.50 after 12 hours or £6.50 after 12.25 hours or £7.50 after 14 hours
Absence incentive allowance	Dependant on T&Cs. £100 if nil sickness Jan-June £100 if nil sickness Jul-Dec Additional £100 if nil sickness for full year Or £25 if nil sickness for 12 months Or £25 if nil sickness for 3 months, £50 if nil sickness for 6 months and £100 if nil sickness for 12 months
Accident at work allowance	Dependant on T&Cs. Reliance pre 1999: 2 weeks accident at work pay then CSP Post 1999: CSP only
Bank holiday pay	Dependant on T&Cs. Single time & TOIL or 4 hours minimum at single time & TOIL or 4 hours minimum plus double time & TOIL or contracted hours minimum
Assault on duty allowance	Dependant on T&Cs. Up to 6 months pay or up to 104 weeks or 26 full pay and 26 half pay offset against SSP
Busy court allowance	Dependant on T&C.

	£765 per annum / £63.75 per month
Driver assessment allowance	Dependant on T&Cs. £10 per day or £5.00 per half day or £10.00 per full day
Long Day allowance	Dependant on T&Cs. £12.15 per day if workday exceeds 14 hours
PCO in charge of van allowance	Dependant on T&Cs. £1.50 per day
Periodic court allowance	Dependant on T&Cs. £8 per day or £6 per day or £3 per day
Sunday working allowance	Dependant on T&Cs. Double time or Double time with 4 hours minimum
Temporary assignment to a court outside of region allowance	Dependant on T&Cs. Fixed £50 per week plus max £6 breakfast receipted claim, max £5 lunch receipted claim and max £25 evening meal receipted claim
Fuel allowance	£81.05 per month