

PCS briefing Ministry of Justice Shared Services

PCS members working in MoJ Shared Service centres in Bootle, Merseyside and Newport, South Wales will be taking further industrial action against privatisation.

The 120 members based in Bootle will be taking 6 days of strike action from 24-31 July. There is also a 1-day strike by MOJ shared services members in Newport on 31 July and an overtime ban that will extend until the end of August.

PCS is concerned that the government's agenda of privatising shared services is already leading to job cuts, office closures and the off-shoring of jobs and personal data.

Shared Services are corporate services provided for staff such as IT, human resources, pay and payroll, procurement, and finance.

On 23 June the Ministry of Justice became the latest department to announce it is to privatise its shared services centres in Newport and Bootle – which covers the Home Office, NOMS as well as the Prison and Probation Services – to SSCL.

Steria (who own 75% control of SSCL) was one of three companies responsible for creating the Oracle Enterprise Resource Planning IT system for MoJ shared services that was ultimately shelved. MoJ's 2013/14 accounts show that £56m in costs associated with setting up this in-house IT programme have been written off.

When PCS asked Steria about this they said the new SSCL contract will not be using this legacy system, nor anything being developed for the DWP and Defra contract that this deal is tied to - which seems incredible.

We believe that Steria are now being rewarded for their failure by having been awarded this new contract.

£56m would pay for a decent pay rise for every single Ministry of Justice employee for the next four years – but the government say they cannot afford even a pay rise that will keep up with the cost of living. The average MoJ Shared Services employee earns £16,000 per year.

What makes matters even worse for the 1,000 staff based in Newport and Bootle is that the Steria-led joint venture company SSCL have already have a record of cutting jobs, closing offices and offshoring jobs and data.

This is extremely worrying as SSCL – a joint venture company, 75% of which is owned by French multinational Steria and the remaining 25% by the government - announced in March that it would cut hundreds of jobs, close three offices and even offshore jobs to India.

In November last year SSCL took over the shared services contract for DWP, DEFRA and the Environment Agency, transferring 1,000 civil servants together with the data they handle into

the private sector. Less than six months after this the company had announced 500 job cuts and the closure of three offices in Cardiff, Leeds and Sheffield. Current plans mean that BIS will also transfer these functions and staff in 2015.

At the time of the takeover Steria admitted it planned to send some of the work overseas and in March it confirmed that over 200 jobs are to be offshored to India.

Our strategy for action is proportionate to the very real threat to job security. PCS members previously took action over this issue on 30 June and despite this being very well supported the employer has failed to engage in constructive dialogue of our issues.

We would like the employer to meet with us for talks over the privatisation and threat to jobs so that we can suspend the action.

We are asking MPs to contact the Justice Secretary Chris Grayling, the Cabinet Secretary Francis Maude and Steria Chief Executive John Torrie asking them to ensure negotiations are entered into with a view to resolving this dispute and protecting jobs, services and data.

For more information please contact PCS campaigns officer James Davies on 020 7801 2820 or james@pcs.org.uk.

18 July 2014