



UNISON
Energy Service Group Executive
Annual Report

2015

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Foreword

We are pleased to present you with this year's Energy Service Group Executive Annual report. This report has only been possible because of your contributions over the past year for which I thank you all. I also give thanks for the active participation of your membership and stewards who work extremely hard to support the workforce – in the various energy industries that UNISON has members in.

It was with great pleasure that I was elected Chair of the Energy Service Group Executive and I believe it is vital for UNISON to have as strong a voice as possible, representing our members in the Energy companies who are facing attacks from various angles; firstly from the employers they work for in respect of their terms and conditions, and secondly in the media and with the general public who see the Energy companies as a “fat cat” industry, only interested in creating huge profits for their shareholders. It is imperative that we keep sight of the issues that our members are facing in the light of attacks by politicians and the media and that we campaign to support them through these difficult times.

On a positive note, UNISON launched its report called “Warm Homes into the Future”. The report called for a set of measures to address domestic energy efficiency issues in a comprehensive and systematic way, via a national domestic energy efficiency programme. This has been well received and again highlights UNISON's commitment to

supporting both members and consumers in the Energy industry. I am also proud to say that this campaign has been led by the Energy Service Group Executive which has continued to develop and strengthen in the last 12 months. Lay activists continue to recruit in very challenging times and where many areas of the public sector have seen union membership declined recruitment in the Energy sector remains strong. This is down to the hard work of branches and individual stewards and staff who support them. Finally I would also like to thank my colleagues on the SGE, who make up the collective leadership of the service group and those UNISON staff who support us. We will continue to work to support and campaign for all UNISON members in Energy both at local and national level and go forward stronger.

**Jenny Middleton,
Chair of the Energy Service Group Executive**

Objective One:

Recruiting, organising, representing and retaining members

1.1 Membership profile and recruitment

Despite the constant changes faced by members within the Energy industry, including numerous reorganisations and structural changes, the UNISON membership within the industry has been incredibly resilient. This is a credit to all the hard work that UNISON activists carry out day in and day out.

In some areas we have seen total membership growth, most notably within British Gas and in particular the Scottish Gas Branch, which has delivered significant membership improvement. This culminated in them receiving the Mike Jeram Trophy award for the most improved membership figures during the year.

The United Utilities Branch (energy section) is now currently the largest branch within the Energy Service Group, closely followed by the Scottish Gas Branch. We now have 9 branches with more than 1000 members spread across the UK.

At the Service Group Executive (SGE) level we continue to focus on the need to have an effective organising strategy within all the key energy employers and we have looked to support this activity through our various engagements with lay members and branches. This has included ensuring that organising and recruitment activity feature heavily in our annual energy branch seminar and in ensuring that these issues are on the agendas for all functioning national sector committees, with support provided for both activities via the national strategic organising unit. Over the past 12 months this has included specific work with both British Gas and National Grid sectors, with a view to looking at both E.ON and EDF in the next year.

Recruitment activity has been ongoing throughout the year and has linked in closely with the Essential Cover national recruitment campaign. This campaign has raised awareness of the union across all sectors and it remains important that we are able to take advantage of the increased advertising exposure that has been visible. To link more effectively with the essential cover campaign we have been working with our communications dept to produce simple leaflets to support recruitment activity amongst key employers. These are gradually being rolled out to support organising activity when led by national sector committees. The leaflet seeks to present a clear energy branding for members so that UNISON

is seen as the union for respective groupings within energy employers. More work on this will continue throughout the year.

1.2 Sector Committees and Branch Organisation

As part of the renewed focus on organising activity, the SGE discussed at length the need to take forward its requirement for national sector committees to operate with all key national energy employers. This culminated in a policy paper being developed and adopted by the SGE as the means to take this issue forward.

The SGE reaffirmed its position that National Sector Committees should exist with the clear purpose of bringing together representatives within national employers where one of the following exists:

- A common bargaining machinery with direct or indirect powers; or
- Shared bargaining characteristics and general approaches to pay bargaining.

Where national sector committees should exist within the Energy Service Group, they should also have the following functions:

- The right to determine policy in relation to pay and conditions of service and industrial relations issues;
- Autonomy over arrangements for negotiations, including bargaining machinery;
- The settlement of disputes and conduct of consultation exercises as determined by any NEC/SG guidelines;
- Autonomy over arrangements for elections as long as these conform to UNISON Aims and Values overall rulebook framework including NEC guidance. All sector representatives must be employed within that sector;
- Consultation with members on appropriate intermediate structures outside of the national committee which will promote effective participation and accountability;
- The establishment of Occupational Groups linked to the sector, where budgets and access allow and are appropriate.

They also provide a great opportunity to develop a pan-employer organising strategy that brings together branches, regions and the union nationally to work towards shared common objectives which would work in tandem to deliver improved recruitment and retention of members. This is particularly important in smaller service groups like Energy where additional focus can be required.

The present state of play remains mixed. Some national sector committees are in operation while in others different levels of progress are evident.

Work is now very much underway with both E.ON and EDF to support the existing functioning arrangements. Discussions have also begun with respect to SSE and Scottish Power. Resources dictate that progress will be prioritised to meet identified needs and also to complement existing activity.

After some delay the new National Grid Energy branch finally launched itself and has already begun to operate with a clear organising focus at its heart. Two branch development weekends have taken place and substantial resources have been allocated to support recruitment and organising activity. National Grid remains a key national employer for the union and it is important that we can reverse a long running trend of declining membership (largely due to organisational change).

Work continues to consolidate the development of the East Midlands Gas Branch Northern and Central into the leading branch for members in G4S Utility Solutions and meter readers.

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1.3 Regional development and support

Most regions continue to operate a regional forum/ committee for energy branches and the continuation of such bodies is essential to ensure linkage between energy branches and regional structures. We have not always been able to maximise regional resources to support organising and this does need to be more effective in the future. The national officer is committed to supporting regional engagements within UNISON wherever appropriate and invited to do so.

An example of what can be achieved was demonstrated in the West Midlands with a successful regional pool bid to do some important branch development work supporting the new National Grid energy branch.

The London region once again held a successful combined Energy and WET seminar over two days near Gatwick. The event was well attended and fully

supported by the region, allowing branches to participate.

The Scottish region continues to hold a very successful combined Utilities branch seminar which again was well supported and enables Scottish energy members to focus on the specific issues closer to home that require more detailed analysis.

During the past year we held two national meetings for regional officers dealing with Energy branches/ employers. These were useful events in sharing knowledge and insights from across the country. A range of topics were covered and a briefing was given by the national officer on national developments and engagements.

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1.4 Learning and development

The annual negotiating skills course for utility workers was again held in Birmingham during September 2014. The course was over-subscribed. As this is subsidised by LAOS, resources do not presently allow us to hold more than one per annum, although we continue to look at this option. We continue to engage with LAOS on how to ensure we can both support the demand for attendance but also look at new developments and learning opportunities for energy members.

The course was itself well received again with a strong level of positive feedback being received. The course is specifically tailored to meet the needs of utility workers with a good degree of role-playing involved.

The intention to hold an Energy specific national Health and Safety seminar was not realised for a variety of reasons including officer time and logistics. It is still the desire of the SGE to hold a specific H&S event, but key to ensuring its success is the requirement to develop appropriate subject matter which would be relevant to a diverse energy audience from customer operatives to chartered engineers.

We did hold a successful combined Utilities pension seminar. This event was another development opportunity for activists with pension leads/interests or trustees of private schemes. It is the second year running we have provided such an event led by Colin Meech who is a national pensions officer and leads on transactional costs and the governance of schemes.

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1.5 Communications

After a delay due to illness, we were able to get back on track with the production of a twice yearly

UNISON energy magazine. This magazine is designed to showcase the work of our members in the sector alongside key developments and engagements in the world in which our members work. The funding for this remains linked to a distributed physical hard copy which activists and branches can use to distribute to members and non members, raising the profile of UNISON in the energy industry. The magazine will remain an essential part of our national communication strategy for energy members. However, we continue to engage with members on its content and how we can maximise its use.

The UNISON Energy members' facebook page has steadily grown during the year and a further priority over the next 12 months is increasing its visibility. The page is updated on a regular basis and continues both local and global commentary on developments which could affect energy members.

The new UNISON website portal continues to develop and the introduction of the 'Organising Space' within the site was profiled at the energy branch seminar. This exciting development creates a dedicated space for activists to share good practice, develop what works, and support each other. It has been well received by activists and should help energy branches develop, further in 2015. The energy 'key issues' page on the UNISON website continues to develop with the main campaigning themes given coverage.

We are slowly developing a suite of communication materials to support the 'essential cover in Energy' campaign. We have in the past year developed material for National Grid, EDF and E.ON. We will continue to profile the key employers and also develop key occupational resources which are common in across a number of energy employers.

During the past year UNISON received wide ranging media coverage of the work it carried out on the back of the 'Warm Homes' report which UNISON published in 2014. This media coverage set a clear agenda of positive action, and we intend to keep the pressure on the government to deliver substantial improvements in domestic energy efficiency. The broader communication objective was met with this campaign, as it planted UNISON in the very heart of the developing energy debate.

We issued a series of energy related press releases which received coverage in the national media. We continue to work with the national press office to pursue opportunities when they present themselves. A press release alone does not guarantee media coverage, but we recognise the impact a positive mention of UNISON can have in relation to an energy news story can have.

Objective Two: Negotiating and bargaining on behalf of members and promoting equality

2.1 Introduction

The past 12 months has seen continued media attention and focus on the energy sector. The continued cost of domestic energy supply, combined with the various geo-political events that have taken place including those within the UK, mean that the sector has been very much part of the developing news agenda in a way that is rarely positive for members in terms of job security or pay and reward.

In the second half of the year the collapse in the global price of oil had led to a significant squeeze on energy companies whose investment plans are related to global prices well above the current market levels seen in 2015. This in turn has led to market conditions deteriorating sharply and fixed assets being written down in value. The net result of this turmoil is that the UK's largest energy companies are faced with falling profits and are considering recovery plans which may drive job losses, outsourcing and attacks to terms and conditions of workers. This remains very much a forward look and has not yet had a discernable impact on pay settlements over the past 12 months.

2.2 Pay and Reward

The last 12 months has seen UNISON securing some reasonable pay settlements for members. These have included above inflation settlements within British Gas, SSE, National Grid, Scottish Power, E.ON and EDF. These are the major employers of our members; however some of the smaller companies, especially those involved in the distribution of energy, will have seen pay rises which have been in many cases better than those in either generation or supply.

Within the wider world of our trade union, the pay increases for our members will be seen as a vast improvement on that which exists within the public sector. However, the pay of our members must be taken in the context of the world in which they are operating, which has become increasingly challenged and complicated, with reward more closely aligned to market rates, and pension provisions substantially watered down. It also needs to be seen in light of yet another year of bumper executive pay within the sector, which has seen the new Chief Exec of SSE, Mr Philips-Davies, receiving a 66% increase in total

reward, coming out with something approaching £2.7 million, whilst over at Centrica who own British Gas, the new Chief Executive Ian Conn, a former BP executive, looks likely to receive a total reward package worth up to £3.7 million.

Pay awards which UNISON negotiates within the sector do also reflect the good levels of trade union density, our organisational ability and the dedicated work of activists. Pay negotiations remain an excellent organising opportunity and one we need to exploit effectively.

2.3 Pensions

UNISON remains much focused in the area of pensions and sees this element as a priority and one which we should organise effectively around.

We will be leading a bespoke piece of work nationally (joint energy and pensions section) in 2015/16 based around the Defined Contribution (DC) schemes. These DC schemes pass on all the associated pension risks onto the worker. We have recognised that within the industry the DC pension is now the standard offering and almost all new entrants into this area will be in receipt of one. Only EDF currently retain a Defined Benefit (DB) scheme, which is open to new entrants but is presently under threat.

Although DC schemes are seen as less generous than the DB offering, there are actions we could take to improve them and ensure members have a chance of a decent retirement. One particular focus will be on transactional costs and ensuring that members' hardearned savings are not being wasted supporting costs which are unnecessary. We also need to raise awareness around the performance of schemes and develop a negotiating strategy which supports bargaining for actual improvements, such as was seen in the conclusion to the National Grid negotiations which raised maximum company contributions from 10% to 12%. However, we were less successful in our attempts to improve governance arrangements within that specific DC scheme, much to our disappointment. We will be updating members and branches on progress with respect to the DC organising campaign later in the year.

Following a positive conclusion to the National Grid DB pensions negotiations we were informed by EDF

that they would be seeking to address significant challenges within their DB schemes, one of which still remains open to new entrants. These discussions have started as this report is written and it is clear that again it is a complicated picture. EDF had reached agreement on its pension schemes in 2012 seeking to address its perceived problems but coming back just 3 years later. Once again we anticipate a difficult set of negotiations involving four trade unions. UNISON will be seeking to protect the interests of its members though these negotiations and if a deal can be achieved it must be a deal we can recommend as being in their best interests.

Fundamentally the performance of DB schemes remains problematic largely due to increasing life expectancy and falling gilt yields on which returns are planned. Undoubtedly we will continue to see challenges in the future as employers seek to balance off the cost of paying for this form of pension provision. Further complications will begin in earnest in 2016 when the Government moves to introduce its new single state pension provision. This will in part remove the national insurance rebate for both employer and scheme member, increasing yet further the costs associated with this provision. A number of employers have not yet begun discussion on how this will be managed in the future and we expect some difficult conversations ahead.

We remain committed to helping branches and regions navigate through this difficult area. The national officer is supported by the national pensions section so expert advice can be sought for a range of issues. External complex advice can be sought in exceptional circumstances and we have supported the MANWEB branch this way over the past year.

We committed last year to run again a joint utilities pension seminar for branches in WET and Energy, whose members are in a myriad of private sector schemes, both DB and DC. This was done successfully with a good level of turnout and engagement from attendees. The seminar was run by Colin Meech from the national pensions section and we had an important presentation from Chris Sears the Managing Director of KAS Bank UK, on transactional costs. We have committed to run this seminar on an annual basis and to further develop our network of UNISON pension contacts within the Energy and Water sector.

2.4 Holiday Pay

Following the announcement last year that the Courts of Justice of the European Union (CJEU) had ruled in favour of UNISON and its member Mr Lock (East Midlands Gas Branch) on the subject of commission

payments being reflected in holiday pay, UNISON sent out detailed bargaining advice on the subject. We also took steps to encourage branches to organise around this issue by waiving the time limits by which new joiners could ask for legal support. The net result was that a significant number of cases were registered across the UK, mostly against British Gas, and a spike in membership recruitment. The case has now returned to the UK for further deliberations and is still being contested by British Gas. However, moves have begun to look at incorporating regular payments such as commission into holiday pay, so we anticipate progress on this front soon. This alone represents a significant victory for the trade union and its members. British Gas are not alone in making this transition and we anticipate the majority of energy employers will have amended pay to incorporate future regular payments.

Subsequent to the Lock hearing a further ET hearing in respect of regular overtime also supported the CJEU verdict on the Lock case by making explicit reference to it. These later cases, which dealt with regular overtime re-enforced the position that individuals should not be disadvantaged by taking statutory leave as is their entitlement. However, they also potentially placed limits on how far back an individual could go in making a claim. This might be a material factor in future settlements.

UNISON has continued to update its bargaining advice to branches and sought to ensure activists are briefed on the merits of the case and associated arguments. This will continue as events unfold.

2.5 Promoting Equality – Business and Environment Equal Ops Working Group

This report sets out the activities of the committee in the last 12 months post the last service group conference. It is normal practice to remind conference delegates on the composition of the group, which is made up of representatives from both WET and Energy Service Group Executives.

The purpose of the committee is for representatives to identify equality priorities in line with the union's four objectives and also work with the Service Group Executives to promote and raise awareness of these issues in the workplace and ensure equality is incorporated in the union's bargaining agenda with employers. The following are some of the activities of the committee:

- To report the outcome of its meetings to WET and Energy Service Group Executives;
- To implement conference decisions with equality dimension as requested by the Executives, and

recommend actions to the Executives;

- To identify equality priorities and propose actions to meet these priorities and monitor progress;
- To benchmark and become influential equality champions in the workplace;
- To work with Self Organised Groups (SOGs) to ensure the service groups issues are incorporated into their agenda as may be required; invite National SOG Officers to meetings for updates on relevant developments;
- Monitor the diverse range of the union's membership, and to request analysis of the union's membership by all protected characteristics such as gender, disability etc;
- To compare workplace practices and share best practice to enable positive change to be supported.

energised in taking back what they have learnt to the workplace. As it was Win's last seminar, the officer thanked her for her support and contributions over the years and wished her well in her retirement. Win Wearmouth had been the chair of the committee for many years and retired at the end of July 2014. She had been instrumental to the formation of the Business and Environment Equal Ops Working Group, and took an active part in the organisation and delivery of successful seminars year on year.

The 2015 seminar took place over the weekend of 15-17th May 2015; however, as of the time of writing this report the Committee are yet to meet to ratify the report that was produced from that seminar. This will be reported in the 2016 annual report to conference.

2.6 Business and Environment Equalities Seminar 2014

The annual 2014 equalities seminar for members working in Business & Environment was held over the weekend of the 18-20th July in Bristol. The feedback was positive and most respondents said they enjoyed the seminar and would attend again in future.

The seminar serves as a platform for close interaction and education and provides an opportunity to empower lay activists on relevant equalities developments, with the hope of developing further dialogue and engagement with employers on issues concerning equality dimension. The Business and Environment Equalities seminar is an annual event which has become popular with lay activists over the years.

The theme for the seminar covered the important subject of mental health issues at work. It provided an in-depth understanding on the role of activists in supporting members with mental illness. Activists were also provided with information on how to spot different impairments and to work with employers to develop a robust procedure to assist in the recovery process such as reasonable adjustments for affected people. The last day of the seminar focused on participation and being confident to be out in the workplace as an LGBT person.

The social event at the seminar raised £170, which was donated to the President's charity 'Meningitis Now'.

The seminar closed with a final message from Win Wearmouth, a former Energy SGE chair, who expressed hope that participants would be

Regional, Sectoral and Company Reports

2.7 East Midland Region

The Regional Energy Committee has continued to meet in 2014. The committee represents the interests of the four Energy branches within the Region, namely:

East Midlands Gas – Northern and Central
 East Midlands Gas – Southern
 Energy Technology
 UNISON Power

The union within the Region has undertaken a range of pay negotiations on behalf of members in 2014/15 which are set out as follows:

G4S Utility and Outsourcing Services Limited 2014

The pay award for 2014, operative from 1st January, was 1.7% for all staff covered by Grey Book terms and conditions. The agreement was also applied to those employees who had transferred into G4S through various TUPE transfers, the most recent being from Siemens Metering Services in April 2013.

G4S Utility and Outsourcing Services Limited 2015

It has been agreed to pay all employees within the purview of the Grey Book, and those TUPE'd groups on other T&Cs, a pay award of 1.75% from 1st January 2015.

- It was further agreed that some 131 former agency meter readers hitherto transferred in on rates below the collectively agreed rate (£6.80 per hour), will now have their hourly rate increased by an average of 9%. This group will be formally part of the collective bargaining group.
- It was agreed that from 1st January 2015 average bonus will be paid for the first 4 weeks of annual leave.
- It was agreed that an equal pay audit will be conducted.

Fulcrum

A 2% pay award was agreed within Fulcrum for all staff, operative from 1st July 2014. The trade union side, which consists exclusively of UNISON, is proposing to submit a written pay claim for 2015, following an extensive survey of members.

Siemens Operational Services

The following was negotiated and agreed:

- 2.25% increase on basic pay and allowances. This pay review is effective from 1st January 2015 for employees subject to collective bargaining.
- An agreement to review the United Utilities Water DC bonus scheme to ensure it more effectively incentivises our field workforce. This review will involve employee representatives from the United Utilities Water Contract and will take place no later than end of January 2015. Any changes to this bonus scheme will be backdated to January 1st 2015.
- In recognition of some declining bonus levels within Water DC Field over the past 12 months, a one off payment of £250 will be paid to all Water DCs in January payroll.
- A commitment that there will be no detriment to terms and conditions in 2015.

2.8 British Gas Sector

British Gas business units have seen many changes over the last 12 months with the main ones centred around pay and reward, which are being reviewed by the company's Strategic Incentive Review (SIR). The changes are being introduced as at present there are over 140 different schemes – British Gas want to move to Job Families / Business Units reward schemes and ensure 100% compliance with FCA, Regulatory and Working Time Directive. Consultation continues whilst modeling of the schemes different business units takes place prior to an agreed launch of a pilot with the proposed scheme. The Lock case has generated a good internal response whereby the business are now looking to incorporate commission, as it is intrinsically linked to the tasks an employee is required to carry out under their contract of employment and should be taken into account when calculating holiday pay. Many branches found the Lock case a very good recruitment tool – Gas Branch Scotland led by Lindsay McNaught won the Mike Jeram Trophy for recruitment and retention.

Energy's biggest project of the last year was the Shift review across 4 call centres in Manchester, Leeds, Cardiff and Edinburgh named "There for You". The business felt that the review was necessary to match FTE with customer call demand and also to ensure agent alignment to Team Leaders/ Managers and no review had taken place for several years. 1,500 patterns across 3,000 agents were reduced to just 15 full-time and 20 part-time working patterns. UNISON has been involved in consultations regarding these

proposals. We have sought to work constructively with the company, business leads and HR, during the process and have raised a number of detailed concerns about the impact these proposals will have on certain groups, especially those with caring responsibilities. As a result of our direct involvement the company accepted a number of our challenges, these included:

- The inclusion of childcare as a defined priority in the special circumstance process;
- The inclusion of 12 month transitional arrangements to allow time for some individuals with agreed special circumstances to adjust to the shift changes;
- The protection of term time working arrangements for existing staff;
- The right of appeal for all staff affected by the new shift patterns proposals;
- Continued dialogue around adverse impacts and a review of the implementation.

UNISON was able to retain many jobs in British Gas Business which included re-deployment to alternative post on the same terms and conditions. The initial redundancies announced by the business were 220 this was reduced to 4 after consultations with thanks to the hard work of lay activists and full time officers.

The company have restructured its Management of Information (MI) teams which led to further redundancies. Consultations are being sought with UNISON to protect member's jobs by way of re-deployment where ever possible, looking for protection of jobs/ salary/terms and conditions.

Smart metering planned to expand its capacity in boiler installations whilst installation of hundreds of thousands of smart meters continues. This will help thousands of customers in the battle to save costs with improved energy efficiency. The digital age is a fast pace growing business with the introduction of Hive which is very popular. Hive Active Heating™, which allows customers to control their heating and hot water from their phone, is the first product from Hive, by British Gas.

British Gas continues with its well being agenda promoting healthy eating, diet and exercise, general health awareness, workshops and exhibition stands. Mental Health issues are on the increase within workplaces – some of these cases may be stress/ anxiety related.

UNISON now has a recognition agreement with Dyno as a result of great UNISON recruitment in Dyno which now comes under British Gas services.

2.8.1 British Gas Business

All employees covered under the two-year pay agreement will receive a 2.5% pay increase in 2015 effective in their April pay. The increase will apply to base pay. Any Living Wage adjustments will also be made at this time. For those people who have their salary reviewed as part of the Annual Reward Review process (e.g. L7 managers), the merit review process will apply as normal. We also agreed that a bonus would be paid to eligible Level 7 and Level 8 populations of up to £300 for performance in both 2014 and 2015 if specific customer-focused performance targets were met. The performance measures for the 2014 bonus are:

- A weighted average Net Promoter Score across British Gas
- A reduction in the number of total British Gas complaints from our customers

The bonus payment is £150 for each target. These are independent of each other, so if employees don't meet one target, that doesn't mean the company won't pay out on the other.

A £200 bonus was paid for 2014 performance against target.

2.8.2 British Gas Smart Meter

Over the next few years, smart meters are set to transform our business and revolutionise the way our customers see and use their energy. They allow customers to see how much energy is being used and an indication of how much it's costing in real-time, in pounds & pence. This should allow the customers to be more aware of their energy usage and see if they can reduce the amount of energy they are using or use it in a more cost effective manner.

2014 saw us at the forefront of the smart revolution. Developing technology so that both our credit and Pay As You Go customers enjoy the benefits that smart meters will bring, was a particular challenge. We've already installed over 1.7 million smart meters in Britain's homes and businesses, more than any other supplier. We are also improving our processes in order to streamline the journey from customer phone call all the way to the meter on the wall. This involves working closely with a variety of different job roles including frontline staff, planners and dispatchers and engineers.

2.9 National Grid

The National Grid Sector Committee met regularly throughout the year. The challenges impacting on the work of the sector committee over the past year have

been the bedding down of the UK RIIO (Revenue = Incentives + Innovation + Outputs) price control arrangements proposed by Ofgem and the consequent new UK operating model required to deliver RIIO. An early review of how it is working has prompted the different businesses to take a deep dive, resulting in more changes to structures in the different businesses to ensure they are fit for purpose to meet the challenges of RIIO going forward. All the support services are under review at present.

The launch and implementation of the new National Grid staff reward system is entering into the staff appraisal phase. UNISON senior reps have been heavily involved in the various sub groups of the National Grid Staff Forum, one of which was the overview of the new 'delivering performance system'. There are wide communications being released by the company to help staff through the process including a fast track appeals process (agreed with the unions) to deal with the staff performance reviews for this first end of year. Entering into its second year we will see the launch of a new online 'delivering performance' system which is welcomed by all.

Changes to the gas and electricity DB pension schemes are also entering into their second year (changes were introduced through pay and pensions negotiations, resulting in a future pensionable salary cap of 3% on future earnings only but no contribution increases).

UNISON was also at the forefront of negotiations to improve the DC pension scheme of its members. Improvements have been implemented but UNISON will continue to campaign on this front.

UNISON is continuing its major recruitment drive to secure greater workplace density and the reform of current branch structures to prioritise. This is proving very successful. Several new workplace stewards have been recruited and we are now concentrating on training.

Other activities requiring significant input from UNISON Sector Committee are:

- The new 'Call Centre Charter' at the National Grid Hinckley site;
- Renewed focus on UNISON Health and Safety Reps having a marked presence on the national arena;
- Review of all National Grid's policies and procedures.

2.10 Western Power Distribution (WPD)

The Electricity Business Forum, consisting of lay trade union representatives from the 4 recognized trade unions met several times to consider their pay claim.

At a meeting with the company on 17/01/2014 all unions voted to accept the formal 2-year pay offer and to recommend it to all members for endorsement in a ballot. The ballot closed on 21/02/2014 with a positive outcome. The offer is:

Year 1 – April 2014

- 3.75% on all salaries and 'flow-throughs' with effect from 1 April 2014
- Special payment for standby / shift on 26 December (equivalent to Christmas / New Year payments – EBA Clause 4.9) which is £119.23.
- Standardisation of shift payments as requested by trade unions

Year 2 – April 2015

- RPI* + 0.5% on all salaries and 'flow-throughs' with effect from 1 April 2015, with a guaranteed minimum of 3.25%
- With effect from 1 April 2015, an increase in base holiday entitlement from 26 days to 27 days per year for all employees, current and future, on the start of their holiday year after the completion of 5 years' continuous service.

*RPI to be calculated as the average July 2014 to December 2014 headline RPI.

Both the company and trade union felt that the above pay deal was a very positive result for all employees of WPD and positions the company well for the future.

2.11 SGN

This year saw the agreement of a 4 year pay deal for all staff employed under the SGN 'C' agreement. The key features are an above inflation increase of 2.33% in 2014, as well as guaranteed pay increases for the next three years based on average inflation (CPI), subject to a 'collar & cap' of 1% - 3.9%. Staff also received a £500 lump sum in August 2014 (if employed permanently on or before 1 July 2014). Other elements of the deal included improved sick pay and a no redundancies commitment, together with an agreement to jointly promote the company pension scheme.

We agreed a new Organisational Change policy with the company early in the year. It seems likely that the mains replacement programme will be reduced by

Ofgem at the mid term review in 2017, which could be a challenge. UNISON and GMB have raised a joint collective dispute with the company over holiday pay, as members are not paid for stand by, overtime and stagger shifts while on holiday. UNISON has submitted some cases to the tribunal for settlement. However, relations with the company and the working relationship with our sister union, GMB, continue to be positive.

In 2015 discussions will start on the 'D' business pay award as the current 3 year deal comes to an end in March. The current average RPI deal is the object of members with the addition of a 'plus', but the economic climate is likely to make this difficult. Additionally, 'D' business members, who are the longest serving employees, are reducing year on year as all new staff are employed under the 'C' agreement.

2.12 E.ON

On 1st December E.ON Group announced a new strategy for the company going forward. It is to spin off a large part of E.ON and set up a new company totally separate to E.ON. This is going to be biggest split in Europe Corporate history.

'E.ON has decided, after intensively examining the strategic options available, to split its widely diversified current business activities into two clearly focused companies. In future, E.ON will concentrate on the business areas of renewables, electricity and gas distribution, as well as energy sales and new, customer-focused energy solutions. To this end, conventional electricity generation, the gas upstream and midstream business, as well as global energy trading will be spun off and consolidated in a new company which will be independent in the future.'

Consultation has started on what this means to our members and this will be an ongoing project for about 18 months. The two companies will both have headquarters in Germany. Employees and assets will be assigned to each company between Q2 and Q4 2015.

The company has promised close employee involvement and co-determination in the project with consultations being at SE WC level and country based fora.

The joint trade unions understand the business rationale and have been given assurances regarding jobs, terms and conditions, policies etc. At point of transfer all this will be unchanged, but E.ON will divest itself of all attachment to the NEWCO at the earliest opportunity.

Pay 2014

Employees in Energy Solutions, which is the main part of E.ON in the UK and where the vast majority of our members sit, received a pay rise of 2.73% on 1st April. This was the second year of a two year deal which was the average of RPI in December 2013, January 2014 and February 2014. Negotiations for the next round of pay award is scheduled to commence in March 2015.

Generation negotiated a pay award of 2.75% which included an element of harmonisation.

Business Services & Centre negotiated a pay rise of 2.5%.

Ofgem Fine, Redundancies and Sales Transformation

E.ON was fined £12m which could rise to £20m because they did not have the checks and processes in place to prevent mis-selling. That was the result of the Ofgem investigation.

The consequences for UNISON members was their jobs. E.ON closed its Venue and Events Sales Channel (VECs). This resulted in 450 staff being made redundant.

Implications for other members included tremendous pressure to sell compliantly where one word out of place could see them in a disciplinary or capability hearing. Also, managers are being put under pressure to monitor compliancy and quality much more and are still expected to do everything else without additional resources.

We are in consultation on the Sales Transformation Project which is seeing major changes and investment on how we attract and retain customers in the future. Part of this is to create sections and develop advisors who will be the only people that can sell, and also we have agreed to change the terms & conditions of staff employed in sales operations from being low salary plus commission to a reward structure the same as other customer advisors.

Diversity Survey update

Following a diversity survey carried out early 2014, four work streams have been set up to look at the main issues that came out of the survey. These are work/life balance, fair recruitment, wellbeing (mental health) and treating everybody with respect. This project will continue into 2016 and UNISON has a seat on the Project Leadership Group and will oversee any developments.

E.ON Sector Committee

Work has been ongoing throughout the year to make

the E.ON Sector Committee work effectively to primacy for Pay Negotiations and to look strategically at all other issues affecting members in E.ON UK

A relocation of some staff from the Central London offices within the next 2 years is still planned, but no alternative accommodation has been identified.

2.13 EDF Energy

Introduction

The Ill Health Absence Management and Performance Management policies continue to be enforced within the contact centres, with increasing numbers of dismissals. We are particularly concerned about the impact on some of our disabled members.

Stress/anxiety/depression continues to be the main cause of primarily-work-related ill health absence. Recorded numbers of primarily work-related absences have dropped substantially, whilst work-aggravated absences have risen.

Pay & Pensions

We accepted a two year pay deal of 2.3% for April 2014/15 and CPI+0.3% for April 2015/16 with a cap of 2.3% and a floor of 1.8%. Both increases are applicable to allowances and standby payments as well as basic salaries. The company has drawn our attention to the deficits in both the old and new defined-benefit pension schemes and proposes a cap on final pensionable salary increases, with any excess to be non-pensionable. The current joint TU position is to contest both the need for change and the proposal made.

Reorganisations:

Efficiency savings continue to be sought throughout the business. In the Customer Service business unit a recruitment freeze has been in force for some time.

- Domestic Customers: the number of managers and team coaches has been cut. CSA numbers are falling due to 'churn'. The process of off-shoring as much back-office work as possible continues.
- Business customers: following the implementation of our new contract, billing and meter management system we expect to see efficiency savings to have impact on the customer-facing organisation and staff, and on systems support functions.
- Support functions have also seen redundancies and reorganisations continue.
- Meter Operator work associated with re-certifications has ceased and some MOP work relocated to Bexleyheath

2.14 Scottish Power

2.14.1 SP Energy Networks – Pay 2015

Pay negotiations have been delayed due to ongoing industrial action being undertaken by Unite & GMB over the removal of rostered day's off in the Manweb distribution area. Additionally, SP Energy Networks (SPEN) management requested a delay to await the outcome of the ED1 price review. It is anticipated that, while the industrial action is still ongoing, a pay claim will be submitted shortly and the resultant offer backdated to 1st January 2015.

Performance Management

Performance management was introduced as part of the 2012/14 pay settlement and has been problematic since day one. Other than being very time consuming, many members believe that the behavioural competencies are subjective and the outcome very much depends on your working relationship your manager.

Discussions with our sister unions confirms our view that Performance Management should not be linked to pay. The statistics from the first two years show that over 95% of staff met their objectives with only a couple of percent either failing or exceeding their goals.

We believe the time and effort required to manage the scheme would be much better spent supporting the business as we move into ED1.

ED1 – Distribution Price Review

SPEN submitted their proposals for the 2015-2023 price review but failed to be fast tracked by Ofgem. This resulted in the business requiring savings greater than anticipated as part of their original submission.

In October, our CEO spoke to the unions and advised us that the indirect costs were higher than acceptable under ED1. As a direct result the business will lose 200 indirect posts from the structures. This will be achieved by leaving vacancies unfilled, time writing and reallocation of duties – they do not expect any redundancies as part of this restructure. In addition to the cost savings within SPEN there will also be savings in the region of £17m from our corporate costs but it is too early in the process to specify exactly where the axe will fall.

We met with the business on Tuesday 24th February

2015 and can confirm that all senior management (L1 & L2) appointments have been completed and interviews are taking place for the few senior reporting (L3) vacancies. Over the next few months it will become clear which posts will disappear and any displaced staff will fall into the redeployment scheme as with previous restructures. The business is confident there will be a suitable role for all staff at the end of this process.

2.14.2 ScottishPower - Energy Retail

It has been a difficult year for Retail for a number of reasons. Energy Retail has went through a major voluntary redundancy programme, had to deal with the fallout from SAP implementation issues and deal with continual pressure from customers.

SAP

The following is from last year's Annual Report:

The introduction of SAP has caused issues across Energy Retail. All areas impacted are reporting increasing levels of pressure and stress due to the demands of learning a new system while having to deal with customers ... Staff are under a higher level of stress due to these demands.

Twelve months on and the same sentences can be used. Despite being a year later there are still defects and issues with the system which result in complaints, both internally and with the Ombudsman. In turn this impacts on staff that are expected to help with managing complaints while call centre and sales activity are outsourced. While the staff understand the need to play their part in assisting the Company to improve service and protect existing jobs, the levels of stress that people are under must be monitored. Stewards in Energy Retail are looking at a stress survey for members over the next couple of months so that we can raise the results with the Company through the relevant forums.

Voluntary Redundancy

The voluntary redundancy programme has been completed and approximately 400 staff have left the Company. About 260 of these leavers were Union members. The impact has been severe as the level of demand on customer service has been high due to the impact of complaints and the demands of meeting Ombudsman expectations.

Sales

Sales staff are currently assisting the business by dealing with complaints and change of tenancies and the sales role has been outsourced. There have also been major changes with respect to salary as the

Band 2 ghost band has been increased from 75 to 85%, but the guaranteed minimum commission has been removed and the maximum now capped at £18000 per annum. This, along with issues regarding objectives being used for commission payments have cause some concerns and there have been discussion with management to ensure that the process is fair.

An offer to transfer from a sales contract to a service contract has been made and a few staff have taken the new contract, which means that they get the full salary payment but will not get commission. They will not be able to go back to sales in the future.

There are approximately 70 staff with commission claims raised with reference to the Lock case verdict. The case is ongoing and hopefully will be heard in the near future.

General Issues

Managing Attendance is an ongoing issue within Energy Retail. The policy has been updated from the start of the year and the appeal process has now been included for all stages. Long Term Absence is also now included as part of MAP and there is an understanding of how this is treated as part of capability. Before action is taken against members under the long term absence procedures UNISON are advised beforehand so that we can ensure such action is fair and reasonable.

Disciplinary actions have not been a major issue over the past year.

The change to the objectives link with pay agreed as part of the pay deal is now in effect. Potentially there could be more staff not receiving a pay rise as rated as not fully or partially competent. So far there has been little contact looking for advice with regard to appeals. Whether due to people accepting the ratings they are given or apathy is unknown. It is disappointing that members accept the outcome and do not seek advice regarding the appeals procedure.

Membership numbers, as always, are an issue. With the reduction in numbers due to Voluntary redundancy we will need to recruit as heavily as possible this year. This will be impacted by the lack of time that Stewards have due to demands of work. Hopefully, the Branch development planned for later this year will concentrate on recruitment within Retail to help bolster our numbers and our visibility.

2.15 IBM

Project Services Contract

In December, IBM advised all employees that they had received an 'invitation to tender' document from Iberdrola in relation to the Project Services work currently delivered by IBM. One of the outcomes of the contract negotiations between IBM and Iberdrola in 2013/14 was that, as part of the headcount reduction, Iberdrola agreed that the contract from April 2014 would include a headcount comprising approximately 134 support and 59 project staff. These figures would be subject to review after 12 months.

IBM has advised the trade unions that despite all efforts to agree multi-year contract arrangements from April 2015, Iberdrola are unwilling to implement a multi-year deal without tendering the Project Services element.

The trade unions have expressed our strong concerns at this approach by Iberdrola. IT staff on the ScottishPower outsource contract have been subject to constant change and upheaval, and if the Project Services contract moves to a different supplier this would represent the third TUPE transfer in five years and the fifth change of company since the original outsource of IT services in May 2000.

In our view there is no logic or business benefit in attempting to divide the IT functions into "support" and "projects". Most staff work flexibly on both support and project activity, allowing the company to improve productivity and avoid the need for additional resourcing and training for key and niche skills.

ScottishPower are being lambasted in the press over their customer service and have acknowledged the need to focus on getting the customer services IT issues resolved. It seems inconceivable that Iberdrola would choose this time to embark on a major exercise which will create division and bitterness amongst the key workers it needs motivated to help address its business critical issues.

Redundancy Consultation

The trade unions and employee reps met the company on Wednesday 18th March. This was the first full face to face consultation meeting following the announcement by IBM that they wish to consult on another employee redundancy programme.

IBM advised that Iberdrola carry out an annual true-up process where they provide an update on the number of resources they need over the next 12 months. This is the driver for the current redundancy programme as the true-up discussions and Project Services Contract bid has allowed IBM to get a clear

view of the numbers now required.

Although the Project Services contract has not yet been awarded the base "Productive Hours" requirement translates into an equivalent of 65 heads with the ability to ramp up these numbers if required. The Project Services contract when awarded will be a 6 year contract.

As a result of major legacy application decommissioning the support requirement will fall to a headcount of 82 which gives a combined project and support requirement of 147. This translates to a headcount reduction of 46 from the 193 employees left after the last round of redundancies. Four of the 193 have already left so the company is seeking a further 42 volunteers. IBM believes this is expected to be the last major headcount reduction exercise for the remainder of the contract.

IBM confirmed that there were no plans to increase the volume of work carried out offshore and that further discussion about offshore numbers would take place over the coming weeks.

It was confirmed that although there has been a job reduction programme in the wider IBM there may be some limited vacancies and help will be offered to anyone who is interested in redeploying to the wider IBM.

The reps have carried out an analysis of the IBM ex gratia payment offer of one week's pay for every year's service but without the statutory cap. We advised that there are a number of categories of employee based on age, service and salary where the offer would actually be lower than statutory redundancy. The company stated if this is the case it would only apply to a few people and they would pay the statutory minimum.

The pensions matrix included in the package was still subject to joint discussion between the company and TU/ECC reps. None of the substantial issues or criticisms which were raised by employees and representatives have been addressed and there were a large number of employees whose protected pension entitlement did not appear to be properly recognised by the company. We have asked that urgent discussions are arranged with appropriately skilled IBM pensions staff to review the details of the pensions matrix.

For those whose contracts have a PILON clause (payment in lieu of notice) there is a tax liability. Reps asked that IBM consider amending contracts to remove the clause so that employees do not find themselves liable for tax on PILON payments. This would be cost neutral to IBM and would make the voluntary package more attractive for those whose ex gratia payment is less than £30k.

For those whose severance payment exceeds £30k we have asked that IBM offers an arrangement for employees to be able to have some or all of the payment above £30k to be transferred into their pension scheme, thus avoiding the tax liability. IBM will consider this.

Expression of Interest (EOI) window

The company are keen to keep the EOI window as short as possible to avoid the process dragging out and to ensure employees do not delay decision making unnecessarily. However, all agreed that the questions and issues raised in the consultation need to be properly addressed so any decisions are fully informed. It was agreed that a close date for the EIO window would be reviewed each week and an EOI close date agreed as soon as reasonably practical.

Selection Criteria – for this current voluntary exercise IBM confirmed that the two criteria which would be used for selection would be business impact and affordability.

2.16 UK Power Networks

Pay – year 2 of a 3 year deal – 2.5% based on July 2014 RIP figure plus an exceptional payment of £100 for achieving preferred bidder status with OFWAT.

2.17 SSE Sector

Pay: The four trade unions for staff on the Joint Agreement within SSE commenced pay negotiations between 23rd - 24th September and 3rd – 4th November 2014. Negotiations were for a 3 year deal to cover staff from most areas of the company. Management made an offer of 2.3% for each year within the deal period. All trade unions balloted their members, with the recommendation to accept the offer. Only UNISON members have accepted. It is not clear why members from the other unions rejected the offer. The other trade unions have issued a second ballot as a result. At the time of writing this report the closing date was set for 23rd March 2015.

Performance Management: UNISON has worked closely with the company to ensure the smooth implementation of Performance Management to all Joint Agreement staff. The company already had a Performance Management framework, as certain departments had been operating with this process for several years.

UNISON continues to support our members through this, and the working party meets on a regular basis to address any issues that are raised.

Legacy Review: The branch recently won a mass appeal against the companies for some members

within the engineer grade. This success means they will no longer go down two grades but remain on their current grades and be removed from 'legacy'.

Retail Shop Staff: Retail pay claim for 2014/2015 will commence on 2nd April 2015.

Engagement, recruitment and retention: Dates for 2015 recruitment days have been set. As the time of writing new recruitment material is awaited. The branch is looking at incentives such as cupcakes, Croyde Bay vouchers etc. The main focus in 2015 is to increase membership numbers. Whilst this is always the focus it has taken a back seat due to other issues, for example, moving staff onto the joint agreement, introducing performance management etc.

We also received notification that one of the lighting contracts down south has ended and is not being renewed; the south branch will be working closely with any members whether they opt for redeployment for voluntary redundancy.

Objective Three: Campaigning and promoting UNISON on behalf of members

3.1 Warm Homes Report

UNISON launched its warm home report at last year's energy conference, in time to present it to the secretary of state for energy and climate change Ed Davey MP. The report provided compelling evidence that addressing domestic energy efficiency issues in a comprehensive and systematic way is the most viable policy approach a UK government could take to address the multiple energy challenges that the UK faces.

These challenges include: fuel poverty, energy security, supply constraints and environmental targets. UNISON identified the solution to be one of ensuring all UK homes meet an energy performance certificate rating of band C by 2030, targeting those in most need first. This would be done by conducting free door to door assessments, providing low income householders with remedial works free at the point of delivery, and giving access to interest free loans for those householders who were able to pay.

Such a prescribed programme could eliminate fuel poverty in the UK, reduce reliance on imported or fracked gas, make significant inroads into meeting required cuts to carbon emissions, create over 130,000 sustainable jobs and save householders significant amounts of money.

The report was well received and was given widespread coverage in both mass media outlets and more professional journals. It also placed UNISON very much at the forefront of the intellectual debate on the strategic direction the UK needs to take to meet its energy obligations going forward. It highlights that while the focus remains solely on supply side measures we will continue to be at the mercy of global fluctuations in energy prices which determine overall pricing trends. UNISON is asking for a much greater focus to be placed on demand side management as the way to face up to these growing challenges.

UNISON was asked to present the findings to a range of stakeholders, including some energy companies, alongside the report being sent to all MP's and stakeholder groups. The UNISON general secretary Dave Prentis wrote to the leader of the opposition asking directly for the Labour Party to adopt its key findings. This letter was supported by all key energy trade unions. UNISON followed this up with a

significant level of engagement with the shadow secretary of state, Caroline Flint MP, and her team, culminating in her appearance at the UNISON energy seminar where she acknowledged the contribution UNISON had made to the present debate. Subsequently, and following a detailed response by UNISON, the Labour Party produced its green paper on energy efficiency, which included a number of key policy requests we had been asking for. Although the scale of action proposed is not ambitious enough it has moved the policy agenda along and we welcome this.

3.2 Living Wage

UNISON has continued to raise the Living Wage as a bargaining issue within the energy sector. It remains one of our key priorities and we have continued to press home the need to achieve a positive outcome. Almost all the major employers have pay rates for directly employed staff which are compliant, and the main focus centres around on-site contractors and supply side businesses. We have been able to convene meetings between the Living Wage foundation and key employers to support this objective and address employer concerns. We believe that solid progress is close and would hope that in the next 12 months a number of key employers will achieve full accreditation. Presently only SSE has achieved this important milestone.

3.3 Call Centre Charter

Following last year's success in getting British Gas to sign up to the charter we have again sought to engage with other major employers to get the charter adopted more widely. Within National Grid, a project is currently ongoing to develop the charter and the employer has been supporting this including giving additional facility time to support its development. Progress is also being made within both EDF and E.ON.

3.4 Meter Readers Charter

Following on from last year's conference work has begun on developing a meter readers' charter to

ensure specific challenges in this occupational grouping are addressed. Meter readers are facing a challenging future with the eventual roll-out of smart meters to all UK homes. It is important that existing meter readers are not disadvantaged in the roll-out of smart meters, in which a charter could underpin this issue. This work is being coordinated between the East Midlands region and the national officer.

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3.5 Political Engagement

We have had a good year of political engagement with stakeholders. The launch of the 'Warm Homes' report ensured that throughout the past 12 months we were very much at the heart of the strategic energy debate. Throughout the year a number of meetings were held with various shadow energy ministers including Caroline Flint. We also had engagements with the Secretary of State Ed Davey and his team. Alongside these engagements we have had discussions with both Ofgem and the CMA as regulators and a wide range of specific interest groups including the Institute for Public Policy Research and the Energy Bill Revolution.

We had on-going dialogue with the TUC and other trade unions within the sector on a wide range of policy issues and we have worked together within the TUSDAC grouping (Trade Unions Sustainable Development Action Committee) to develop broad based policy positions. Much of the recent focus has been on the pending climate change conference in Paris later in the year and the absolute need for any agreements to include a clear reference to the principle of 'just transition'.

Alongside TUSDAC we played an active role in the Connect PA Power 2020 debates, which brought together a wide range of industry voices to discuss the emerging energy themes ahead of the General Election, in recognition that energy could be a key topic of political debate.

UNISON General Secretary Dave Prentis played a key role in raising the union's political profile by raising directly the issue of energy efficiency with the Labour leader Ed Miliband. We also coordinated and sent a letter in the General Secretary's name on behalf of the main energy trade unions, demanding action and the implementation of a UNISON led agenda on energy policy.

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3.6 European Engagement

UNISON has continued to be active on the European front working closely with EPSU and other European

unions to progress agreed responses. UNISON continues to hold a seat on the European Sectoral Social Dialogue Committee for Electricity, a tripartite body bringing together the European Commission, employers and trade unions. Increasingly, energy policy is being driven by the drive to create the single market for energy and the European energy road map 2050. We continue to recognise that many energy employers in the sector operate across Europe such as EDF, E-ON, RWE and Iberdrola. Over the past 12 months we have led on key issues, including the need to have common standards for training and apprenticeships in the electricity sector, raising the bar for corporate social responsibility statements, developments within the single energy market, energy security and just transition.

We also now hold the vice president position (national officer) on the European Standing Committee for Utilities, which drives the trade union agenda for the SSDC and liaises with the European Commission to progress the agreed workplan.

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3.7 Health and Safety

UNISON is represented on electricity industry health and safety body HESAC by the national officer and John Fish (Western Power Distribution) from the SGE. This is an important industrywide forum supported by the HSE. Most eligible companies attend, along with the key trade unions. During the past year the meetings have been dominated by the industry campaign 'Powering Improvements' which has been now phased out. This campaign aims to make the UK electricity industry a world leader in health and safety. It is a joint project between the Energy Networks Association and Association of Electricity producers working with the trade unions and the HSE.

UNISON continues to press for a greater retail focus in the work of HESAC and this is likely to be matched by calls from the merged industry body Energy UK who also represent the retail side of the industry.

UNISON is also represented on HSE/TU Gas Liaison Committee which meets twice yearly to discuss health and safety developments in the gas industry. This covers all the IDN's and National Grid, although these meetings are not convened by the employers and they do not lead collectively in this area. A wide range of concerns have been discussed during the past year, and the outcome of RIIO (Revenue = Incentives + Innovation + Outputs) will lead to many more going forward. A particular focus of concern has been the role of contractors and subcontractors in incidents. The trade unions remain concerned that cost pressures are leading to potential and actual breaches and that this needs to be addressed.

Objective Four:

Developing an efficient and effective union

4.1 Introduction

The Executive's role is to develop and oversee the implementation of policy, monitor the budget and operational plan and give guidance to branches and regions as appropriate. The Executive also implement decisions carried at the service group conference. Much of the Executive's detailed work is carried out in sector committees, which oversee pay and conditions for specific groups. Regular information on the activities of the sector committees is sent out directly to the members concerned. Important work is also carried out in the Executive's sub-committees, as summarised in objective two of this report.

4.2 Obituary

The Executive is saddened to record the death of Helen Rose in October 2014.

Helen was an activist for many years with NORWEB, United Utilities, Vertex and E.ON. Helen represented the Energy Service Group on the NEC and she was also the first woman Chair of the Energy Service Group Executive. Helen was diagnosed with M.S. many years ago, but did not let that stop her from doing what she wanted to do and living life to the full. A special obituary to her was done at the Energy branches seminar and proceeds of the raffle were donated to the MS Research charity.

4.3 Chair and Vice-chair

Jenny Middleton was elected chair of the Executive for 2014-15. Michael Melia was elected vice-chair.

The Energy Service Group is represented on UNISON's National Executive Council (NEC) by Paul Glover who was re-elected in 2015 for a two year period. Paul reports on the activities of the NEC in writing to the Executive.

Membership of the Executive, sector committees and sub-committees for the period ending June 2014/15 is set out below.

4.4 Energy Service Group Executive: June 2014 to June 2015

Regional representatives

Eastern

Vacant: General seat

East Midlands

Ismail Dakri: General seat

Gillian Byron: Female seat

Greater London

Paul I Cawdell: General seat

Northern

Vacant: General seat

North West

Michael Melia: General seat

Angela Greenhalgh: Female seat

Scotland

Tony Grieve: General seat

Elaine Duffy: Female seat

South East

Mel Valder: General seat

South West

John Fish: General seat

Cymru/Wales

Kevin Thomas: General seat

West Midlands

Julie Hanna: General seat

Yorkshire and Humb

Jenny Middleton: General seat

Co-opted from sector committees

Tina Court: British Gas Sector

Ann Chappell: E-ON Sector

Vacant: RWE/NPower

Krystine Carolan: Scottish Power/Manweb

Lynsey Mcdougal: Scottish and Southern Energy

Eileen Griffin (Retired April): National Grid

Anne Beasley: EDF Sector

Sub-committee Membership

- i. Business and Environment Equal Opportunities Working Group: Angela Greenhalgh, Elaine Duffy, Tina Court, Jenny Middleton and Michael Melia. Gillian Byron (Sub)
- ii. NEC Appeals Panel: Jenny Middleton and Michael Melia.
- iii. ENA Health, Environment and Safety Committee (HESAC): Matt Lay and John Fish.
- iv. UNISON National Health and Safety Committee: John Fish and Paul Glover (substitute).

4.5 Energy Branch Seminar 2014

The 2014 branch seminar was attended by 82 branch delegates and 15 members of the Executive. 76 delegates returned their feedback forms and of those 73 said they would attend future seminars. There were 37 male delegates and 39 female. The overwhelming majority of delegates described themselves as white 95% with 1% describing themselves as Afro-Caribbean and 3% Asian.

Overall delegates enjoyed the seminar and found all sessions informative and empowering. Particularly well received were the opening remarks by Dave Prentis, UNISON general secretary on the state of the union and the attacks by the coalition government on the trade union movement as a whole.

There was also a key-note speaker Caroline Flint, the Shadow Secretary of State for energy & climate change, who addressed the seminar and highlighted the policies the Labour Party would follow should they be elected at the next general election. She commended the work done by the union on the warm homes policy report and hoped to continue building relationships between her party and UNISON. The questions and answers session generated a lively debate, especially on Energy policy should the Labour Party win the next general election.

The 2014 Mike Jeram Trophy was awarded to the Scotland Gas Branch for outstanding growth in membership numbers.

At the social event on Saturday the raffle raised £650. This amount was matched to make a total of £1300 which was donated to Multiple Sclerosis charity in memory of Helen Rose.

Action on motions passed at the 2014 Energy conference

Motion 1: Taking a Lead on Recruitment in the Energy Service Group

Actions in motion

- i. Initiate a national recruitment campaign within energy.
- ii. Provide a strategic overview of membership numbers within the service group.
- iii. Encourage branches to undertake mapping exercises to identify recruitment areas and also recruit from outsource centres.
- iv. Actively engage with branches to appoint a Young Members Officer and engage with young workers in their workplaces.
- v. Consider a "Recruiter of the Year" award to help incentivise recruitment.

Status

- Membership data shared at SGE and sector level. Series of bespoke materials has been and is being produced for key employers in aid of organising and recruitment activities. The Strategic Organising unit have been supporting some of the national sector committees and also had a significant presence at the annual energy seminar. There is a yearly incentive in place for the branch with the highest recruitment figures. This is called the Mike Jeram trophy. The 2014 award went to the Scotland Gas branch.

Motion 2: Support and Training for Meter Readers

Actions in motion

The energy Service Group Executive to work in conjunction with the NEC, employers, suppliers and government agencies to deal with the pressing issue of developing adequate support, including re-skilling, for meter representatives through a period of decline in their industry due to the growth of smart metering.

Status

- Meetings held with East Midlands region and lead lay rep to progress the development of meter readers charter to pull together the various challenges faced by members. Work is ongoing.

Motion 3: Getting Equality on the Bargaining Table and Winning it for Members

Actions in motion

- i. Seek to ensure that all policies include agreements on publicity, implementation and monitoring.
- ii. Seek to ensure that when and where appropriate, all equality monitoring is shared with trade unions. Branches should refer to the UNISON LGBT Monitoring factsheet to ensure that monitoring is only used to help identify discrimination and build equality.
- iii. Seek to ensure that employers assess the impact of any proposals such as restructuring, redundancies or changes in employment contracts with the trade unions before making any decisions.

Status

- A bargaining guide was produced and distributed to branches. The 2015 Equality seminar had a slot on this issue to educate activists which provided an opportunity in understanding their role within the guide.
- The Equal Ops Committee will continue to monitor progress and provide regular updates to branches on equality legislation. At the back of the motion a quarterly monitoring information will be requested from branches on membership composition by the protected characteristics, i.e. gender, ethnicity and disability.

Motion 4: Celebrating Equality in Energy Workplaces

Actions in motion

- i. Provide information to energy branches on these various months and days.
- ii. Encourage branches to raise the marking of these with managers and employers.
- iii. Promote the involvement of the self-organised groups and young members in such activities.

Status

- Completed. A circular was issued to branches with a diversity calendar to promote in the branch and raise awareness of these events.

Composite Motion A: Call Centre Charter

Actions in motion

- i. Re-invigorate promotion of the call centre charter to branches, and encourage them to utilise the knowledge and skills of UNISON reps and branch officers within the companies to negotiate with other companies to sign up to the charter.
- ii. Ensure that branches have the necessary advice and guidance to support them in negotiating reasonable standards in line with the charter.
- iii. Continue to oppose offshoring of call centre services.

Status

- Ongoing: The charter has been signed by British Gas, ongoing dialogue with other Energy employers to sign up to the charter whilst we ensure that issues with equality dimensions are incorporated in the charter prior to signing an agreement.

Motion 5: Tackling Stress in Energy Workplaces

Actions in motion

- i. Urge energy branches to revisit well-being, harassment and equality policies and make sure they are inclusive and up to date.
- ii. Seek to ensure that policies and practices are monitored and evaluated, including giving staff an opportunity to report in confidence their

experiences of stress and harassment.

- iii. Promote UNISON's Call Centre Charter, which seeks to establish a decency agenda for staff working in call handling, urging energy branches to encourage their employers to sign up to the Charter.
- iv. Publicise the resources and support on offer from UNISON's self-organised and young members groups amongst members.
- v. (Amended) – Develop training through the national energy branch seminar to enable activists to provide appropriate support to members suffering from stress and to signpost to appropriate organisations such as occupational health and to develop sickness absence policies that emphasise the need for support and welfare as opposed to the routine management of sickness absence.

Status

- As of the time of writing guidance is being put together to be circulated to branches. Also working with sector committees to ensure workplace health and safety policy is fit for purpose and where there are concerns to initiate a review of existing policy.

Motion 6: Offshoring in Energy

Actions in motion

- i. Support branches in their efforts to resist offshoring.
- ii. Work in liaison with other UNISON service groups and the NEC to develop strategies designed to combat offshoring or where necessary to protect members interests.
- iii. Urge all energy companies to avoid offshoring and to instead invest in the skills and knowledge of their UK workforce.
- iv. To liaise with the NEC to campaign to ensure that Government undertakes a full and thorough assessment of the impact of offshoring on the UK economy and puts in place measures to deal with the social consequences of offshoring to include retraining grants, relocation assistance and skills retention schemes.

Status

- An agreement was reached with British Gas during the 2013/15 pay round to reduce the impacts of offshoring on its workforce. This has

- proved useful and seen jobs return to the UK.
- We have also engaged with National Grid and again succeeded in getting commitments around direct labour as the preferred provider.
- Elsewhere the position is more challenging and we need to raise this issue when we are able to progress pay or pension changes.

Motion 7: Green Deal and the Need to Insulate UK Homes

Actions in motion

- i. Continue to develop a clear policy narrative that supports a systematic national programme of home insulation measures delivered on a door to door basis and funded from the proceeds of carbon taxes and other monies currently set aside for home insulation programmes.
- ii. Work with Energy Bill Revolution to campaign on the issue and raise the profile of any campaign.
- iii. Lobby the government and shadow energy team to pursue policy in support of the above objectives to ensure they are delivered.
- iv. Work with UNISON charity 'there for you' to find ways to support members suffering from fuel poverty.

Status

- As a result of a motion 'Green Deal' that was carried at the 2013 conference, a report titled 'Warm Homes' was produced and launched at the 2014 conference. It was also presented to the Secretary of State Ed Davey. So far the report has been well received by employers, the government and the Labour shadow energy team. Further engagement work is continuing to ensure the proposals from the report are incorporated as part of energy policy for the next parliament.
- A key issue section on the UNISON website now deals with the 'Warm Homes' report and provides a key resources for members to access.

Motion 8: Storms of Protest

Actions in motion

- Work with Ofgem to address the negative publication in the media on how Distribution Network Organisation Companies and their front line support staff have responded to the recent weather issues.

- A request for Ofgem to produce a report highlighting performance by individual companies. The report should also include good working practices to share with any companies whose response where inadequate.
- Ofgem to provide greater and additional regulatory allowances within the current and future price reviews to ensure companies can mobilize its resources to both prepare and respond to extreme and volatile weather conditions.

Status

- We have raised the key points from this motion directly with both Ofgem and the Labour Shadow Energy team including the shadow secretary of state.
- We continue to engage with Ofgem and this relationship will be important going forward.

Motion 9: Energy Policy

Actions in motion

- i. Continue to campaign on behalf of our members in the Energy service group and to raise awareness with all stakeholders, that criticism of the industry in general can have consequences for members' jobs and livelihoods.
- ii. Continue to engage with the shadow energy team to ensure they are aware of the impacts any policy development might have on our members.
- iii. Seek to work with the broader union and NEC to ensure the views of members in the service group are understood when deliberating on and making policy concerning the energy sector.
- iv. Pursue as a key policy objective with all stakeholders the call for a full national enquiry as set up in the text of the motion.

Status

- Widespread political engagement with a range of stakeholders to highlight concerns of members and out policy perspective.
- Extensive contact with the Labour shadow energy team.
- Publication of UNISON report 'warm homes into the future' and extensive media coverage around the findings.
- Adoption by the NEC policy committee of the specific requests for changes to energy policy and objectives as set out in report.



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