

18 August 2023

37-hour contracts in MOD

Compensation was paid by MOD DE&S and SDA for errors in pay system.

Emails and phone calls are coming into DSG regarding the payments made to 37-hour staff that had undertaken overtime between 2016 and May 2022. The department issued FAQs on this in July 2023, setting out the MOD's position. PCS did not agree that the payments should be limited to 28 months as our 37-hour members were not getting all the money they were owed, but once again legal precedent prevented us taking legal action.

The MOD statement shows the payments covered a 28-month period (not the total amount of the detriment), the payments were for errors in the calculation of overtime, this was making up a deficit in pay that these members had suffered for 6 years. **The average payment in MOD meant a worker suffering the incorrect amount of overtime got compensation at £17.79 per calendar month.**

This situation has raised the issue of the differences in pay between the hourly rate for 37 and 42-hour staff. The employer wants to get rid of the 42-hour rate, it is rare that the employer wants to retain something that advantages you. MOD want you all on the 37-hour contract and for MGS all on OMEC. From this the conclusion may be that the 42-hour contract delivers a gain for those who are still on it.

To clarify:

- The MGS OMEC contract should be withdrawn and OMEC staff offered a contract in line with other Civil Servants. Contract hours for all 42-hour Defence staff have not changed. MOD MyHR defaults to 37 hours.
- MOD eventually want all staff on 37 hours meaning 5 hours per week less hourly increase every time min wage increases. AAs and most AOs have been lifted above the minimum wage in the recent offer from MOD.
- Over the year 42 hour staff benefit from 260 hours of pay rise that the 37-hour colleagues don't get. PCS are not agreeing to any contractual changes, we did not agree the 2016 change to 37 hours or OMEC.

Another aspect to consider is that when the Department for Transport changed their staff's contract in 2015, they paid them £2000 and raised all the AAs to AO grade. That happened for free in MOD by driving your pay to rock bottom, that's why you were balloted for action twice.

If the department wants to change your contracts, (they have tried and they have backed off from this position) then it is fair to say that there should be compensatory payment, or they leave you on the contract that you are on. There is precedent in other government departments, staff in the DWP were not forced onto the new contract, there were consequences to members in terms of future pay awards. Staff were allowed to stay on their original terms and conditions - they were given a choice, that's what PCS is fighting for you to have too.

Action you can take now.

- [Join and be active in PCS](#)
- Read all the comms from PCS and the employer,
- Contact your PCS reps or DSG@pcs.org.uk if anything changes.
- Attend the meeting PCS is organising to discuss the issues you face.
- Get your colleagues to join PCS
- Sign up to be the rep in your workplace.