

# NO TO A PAY FREEZE

**Southern Cross claims it can't afford to pay its care home staff a living wage. GMB says it can't afford not to.**

Southern Cross announced that all pay rates will be frozen—or only increased in line with the National Minimum Wage for 2010. GMB has told the company that this is completely unacceptable and have expressed the anger and frustration that we know you feel about this.

**GMB has a plan to get Southern Cross to pay up and asks you to help.**

- 1 In the next few weeks GMB will be asking you to support GMB's campaign to pay you a living wage. This can be funded by reducing the excessive rents and staff turnover. You will receive a GMB voting paper in the post so you can have your say.**
- 2 Organise a GMB meeting in your Southern Cross Home. Contact your GMB Officer whose number is overleaf.**
- 3 Get in touch with your local Councillor and MP and let them know about the high rents and low pay, invite them to your meeting. They can see the details at [www.gmb.org.uk](http://www.gmb.org.uk) or by contacting your GMB Officer for details.**
- 4 If you are concerned about understaffing in your home call GMB on 020 8971 6933 to make a report.**
- 5 Residents' families and local Social Workers should call the Care Quality Commission (CQC) on 03000 616161 if they have concerns about understaffing.**

## LOW PAY = STAFF SHORTAGES

GMB keep telling Southern Cross that it would save money by reducing staff turnover if it paid the GMB members 2010 pay claim in full and guaranteed minimum pay over £6 per hour. The company needs to invest in its staff. That would add up to lower staff turnover and more continuity of care for the residents.

## RESIDENTS AT RISK

**Low pay forces a third of Southern Cross staff to leave each year.**

The National Minimum Wage (NMW) has become the maximum wage for some staff in Southern Cross care homes, forcing them to leave. The result is chronic understaffing in many homes.

Low wages over many years in the end force even long standing, committed and professional care workers to vote with their feet. Southern Cross now expects 1 in 3 of its staff to leave its employment each year because they cannot afford to work for such low pay. Chronic understaffing is an every day event for GMB members working in Southern Cross care homes across the UK.

Residents too suffer as a result of this 'revolving door' workforce, as do the staff who stick with it. It is costing Southern Cross a fortune in constant recruitment and re-training costs, expensive agency staff and management time. GMB research has shown that the care industry itself estimates these costs could be as high as £18 million a year for Southern Cross. Paying staff above £6 per hour and meeting GMB's claim in full would cost no more than £10 million a year and would reduce staff turnover. Increasing pay would save the company money.

Join online today at [www.gmb.org.uk/join](http://www.gmb.org.uk/join)

As GMB predicted Southern Cross has been caught out in a vicious cycle as a result of a combination of factors:

- 1 Disastrous financial engineering over many years, including selling its care homes and renting them back at over the odds rents and getting over-dependent on loans from banks during the years of the financial bubble.
- 2 Failure to bring in enough paying residents to off-set cost cutting by Government and local Councils for the care of the elderly. Southern Cross is now almost entirely dependent on public funding in a climate of massive cuts and faces a major challenge to keep occupancy levels up. 1 in 5 residents pay for their care themselves.
- 3 A pay policy that rewards Senior Managers and Directors of the company with 6 figure salaries and banker sized bonuses while keeping wages for care staff low.

## WHAT IS GMB DOING?

GMB has fought a long and hard battle to make sure every Southern Cross home pays the nationally agreed pay rates to staff.

GMB has represented hundreds of members facing unfair disciplinary action.

GMB has encouraged members to take their legal right to a break and defended members who have been denied this by their managers.

GMB has forced Southern Cross to pay sick pay and secured above inflation pay rises for 3 years.

GMB has written to every council in the country setting out your concerns over the quality of care at Southern Cross. We have lobbied MPs and Government Ministers, and targeted shareholders and investors in the City to explain how overcharging for rent of £60 per week, per bed by the landlords of Southern Cross homes leads directly to low wages, high staff turnover and threatens the quality of care. Many councils have taken GMB's advice and begun to look more carefully at understaffing and care standards in the homes. They all report that they have rarely met a more dedicated, committed but badly rewarded staff team in Southern Cross Homes.

## WHERE DOES ALL THE MONEY GO?

Some people are doing very well out of Southern Cross—the bankers, The Qatari Royal family and the Senior Managers. All funded and subsidised by the care staff who suffer low pay and sacrifice meal breaks to keep the above in the manner to which they have become accustomed.

## WHO GETS PAID WHAT?

### 2009 EXECUTIVE DIRECTOR BONUSES

- £215,000 for Chief Executive Officer, Jamie Buchan (50% of salary);
- £184,800 for Finance Director, Richard Midmer (48% of salary) and;
- £132,000 for Kamma Foulkes (44% of salary).

### Basic Pay and Conditions for Executive Directors

- Jamie Buchan receives a basic salary of £430,000 per annum,
- Richard Midmer receives a basic salary of £385,000 per annum plus car allowance
- All Executive Directors are entitled to life and healthcare insurance.

### New Appointments in 2010

- Patricia Williamson, the Group Human Resources Director;
- Irene Gray, Director of Care and;
- Martin Keeler, Head of ER and Engagement.

**GMB calculates that Executive Directors pay themselves almost 70 times as much as the lowest paid in the company.**

## GMB SAYS: “CUT AGENCY COSTS AND RENTS—NOT OUR PAY”

In 2008 & 2009 Southern Cross spent £18 million on agency staff according to their own company report.

Not increasing pay in 2010 means a pay cut in real terms for Southern Cross staff as wages do not keep pace with inflation.

Instead of paying GMB members time and a half or double time to cover vacant shifts, Southern Cross management would rather pay an agency up to £30 per hour to send staff with no knowledge of your residents.

We say to Mr. Buchan; “Give this money to your loyal hard working staff or you will lose them.”

# GMB'S CAMPAIGNING AT THE LABOUR PARTY CONFERENCE

MANCHESTER, SEPTEMBER 2010

Ed Miliband, Leader of the Labour Party specifically praised the work of care workers and highlighted their low pay in his speech, pointing out how unfair it is that bankers earned more in a day than care workers earned in a year.

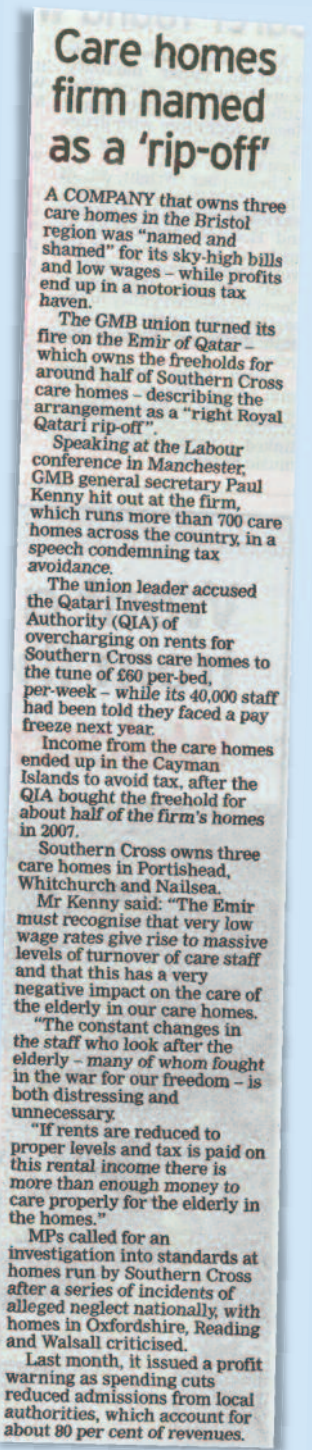
Paul Kenny, GMB General Secretary told the Conference that Southern Cross staff and residents are paying the price for sky-high rents and profits being off-shored, to avoid tax and paying decent wages.



The Sun Tuesday 28th September 2010



The Sun Friday 24th, September 2010



Bristol Evening Post Friday 1st October 2010

## GMB DEMO AT ROYAL VISIT

The Emir of Qatar is due to meet the Queen on a state visit to Britain on 26th October 2010 and will be with the Queen at Windsor. GMB is planning a reception committee. The slogan will be **'Emir, Open Your Eyes to Rip-offs in Your Care Homes'**.



GMB demonstration August 2010 at Harrods over Qatari Investment Authority overcharging rents on freeholds of Southern Cross care homes

# GMB—THE INDEPENDENT UNION FOR SOUTHERN CROSS STAFF

610,000 GMB members can't be wrong, 11,000 of your colleagues working for Southern Cross are already GMB members. Whether you work full-time or part-time—whatever job you do—join GMB to make your workplace stronger.

## CONTACT US—LOCAL GMB OFFICES

### Birmingham & West Midland Region

Sharon Wilde 0121 550 4888

### GMB Scotland

Barry Fletcher 0141 332 8641

### London Region

Shaun Graham 01462 499650

### Midland & East Coast Region

Martin McGinley 0115 960 7171

### Northern Region

Suzanne Reid 0191 233 3930

### North West & Irish Region

Karen Atkinson 0161 627 3062

Alan Perry 02890 393 340

### Southern Region

Jim McDermott 020 8303 3407

### South Western Region

Kelly Andrews 02920 491 260

### Yorkshire & North Derbyshire Region

Jon Smith 01924 882255

**FOR UNION USE ONLY** Section    Branch No    Membership No           Date of joining

## GMB membership application form PLEASE USE BLOCK CAPITALS

### 1 TELL US ABOUT YOU

Surname	<input type="text"/>	First name	<input type="text"/>	Title	<input type="text"/> Mrs/Miss/Ms/Mr	Date of birth	<input type="text"/>	<input type="text"/>	<input type="text"/>
Home address	<input type="text"/>		Home Tel	<input type="text"/>	Email	<input type="text"/>			
	Postcode		Mobile	<input type="text"/>	I agree to abide by GMB rules	Signature <input type="text"/>			
Date	<input type="text"/>	<input type="text"/>	<input type="text"/>	We ask for your ethnic origins as part of our equal opportunities policy of improving services to all members				<input type="text"/>	
	Bangladeshi <input type="checkbox"/> /Black African <input type="checkbox"/> /Black Caribbean <input type="checkbox"/> /Black British <input type="checkbox"/> /Chinese <input type="checkbox"/> /Indian <input type="checkbox"/> /Irish <input type="checkbox"/> /Pakistani <input type="checkbox"/> /White <input type="checkbox"/> /Other: <input type="text"/>								

### 2 TELL US ABOUT YOUR JOB

Employer	<input type="text"/>	Your job	<input type="text"/>						
Address where you work	<input type="text"/>		How many hours a week do you work?	<input type="text"/>	Pay No	<input type="text"/>			
	Postcode		Work Tel	<input type="text"/>		Pay Date	<input type="text"/>	<input type="text"/>	<input type="text"/>

### 3 CHOOSE EITHER AUTHORISATION OF DEDUCTION OF YOUR TRADE UNION CONTRIBUTIONS FROM YOUR PAY

*Section 68, Trade Union and Labour Relations (Consolidated) Act 1992 as amended*

I authorise my employer to deduct from my pay each week/month the sum of  £  or other amounts as may be fixed by GMB from time to time.

Please start the deductions immediately and pay the amounts to GMB.

I note that this agreement may be cancelled by one month's notice in writing.

I give permission to my employer to notify GMB of any future change of address.

Signed  Date

Cash

### 4 OR INSTRUCTION TO YOUR BANK OR BUILDING SOCIETY TO PAY BY DIRECT DEBIT



Please fill in the form and send to **GMB**, 22–24 Worple Road, London SW19 4DD

Name and full postal address of your Bank or Building Society branch

To the Manager of	<input type="text"/>	Bank/Building Society
Address	<input type="text"/>	
	Postcode <input type="text"/>	

Name(s) of account holder(s)

Bank/Building Society Account Number

Bank/Building Society Sort Code

Reference number (Office use only)

Originator's Identification Number

For GMB official use only. This is not part of the instruction to your Bank/Building Society. If your A/C number is not available fill in your address below.

**Instructions to your Bank or Building Society.** Please pay GMB Direct Debits from the account detailed in this Instruction subject to the safeguards assured by the Direct Debit Guarantee. I understand that this Instruction may remain with GMB and, if so, details will be passed electronically to my Bank/Building Society.

Signature(s)

Date

Banks or Building Societies may not accept Direct Debit instructions for some types of account