

### Project Pathway

Around 300 people attended one of the Employee Roadshow sessions led by Richard Jones last week. As well as giving an update on Viapath's performance so far this year and ongoing plans, the sessions spent some time talking about One Organisation and Project Pathway.

Our One Organisation programme has been focused on breaking down silos, strengthening staff engagement and improving our staff proposition. We've already taken some steps to address this through initiatives like giving clinicians and scientists a greater voice in our organisation, investing in laboratory infrastructure, improving our work environment, training & development and, of course, innovation. There is much more to do, but our recent staff survey suggests we are heading in the right direction.

Alongside all that there have been two key policy changes which we shared in The Onward Journey, Issue 1, copies are available from [communications@viapath.co.uk](mailto:communications@viapath.co.uk) if you missed this.

Project Pathway is addressing the implications of these policy changes – to the NHS Pension Scheme, which means Retention of Employment contracts need to be phased out and the impact of the way HMRC now require pathology providers to be classified for VAT.

The Viapath leadership has been working with the NHS Trust Members (GSTT & KCH) to consider all options that are best for the pathology service and those who rely on it, especially the workforce.

**The Viapath Board has concluded that the best interests of all Viapath's staff are served by restructuring our organisation and inviting all staff to transfer to Viapath under TUPE rules.**

We see this solution as being in the best interests of the service and staff – in particular it is the only way to protect the continued membership of the NHS pension scheme for NHS employees.

For many staff the re-structuring will take place 'in the background' but it does have more impact for those members of staff serving Viapath under a Retention of Employment (RoE) contract. These people would see a change in employer from the NHS to Viapath.

**This approach has not been agreed/announced by either of our member Trusts on behalf of their employees on Retention of Employment (RoE) contracts. It is for the Trusts to decide, communicate and consult with their workforce on this recommendation.**

We expect decisions on this to be made and communicated shortly.

### What is a Retention of Employment (RoE) contract?

When the joint venture contracts were set up with GSTT and KCH in 2009 and 2010 respectively, TUPE rules would have been applied. However, we recognised that if we had TUPE transferred all the Trust Pathology staff to GSTS/Viapath those staff would have lost access to their NHS pension.

To ensure this didn't happen, the joint venture agreed to second employees to GSTS/Viapath through the Retention of Employment (RoE) model. This meant the staff member remained employed by their Trust and 'seconded' to GSTS/Viapath and therefore could legitimately remain in the NHS pension scheme.

### Reassurance

- It is crucial to Viapath and its partners that any change we make safeguards the interests of our staff who are fundamental to the laboratory service we provide to our NHS patients and users
- No change will be made without listening to all view points, extensive communication with those affected and a formal consultation exercise
- Any transfer will protect staff existing terms of conditions, including pensions.

### More communication.....

We'll share much more about Project Pathway over the coming weeks and the Trusts will also communicate their decisions directly to their RoE staff. Your senior managers Have already been fully briefed on Pathway and are available to help you understand the changes.

### Contact us:

[communications@viapath.co.uk](mailto:communications@viapath.co.uk)

Look out for our dedicated Pathway web pages coming soon... video explanation, Q&As, updates...



## Why TUPE? In a nutshell....

Why we need to change	How the changes affect you
<p>The Department of Health has made changes to the NHS Pension Scheme to allow future TUPE transferees into the independent sector to retain access to the NHS Pension Scheme.</p> <p>As part of these changes the DoH requires work-around arrangements (such as RoE secondments) to end. Employers will need to establish 'fresh employment arrangements'.</p> <p>Failure to address this issue will result in RoE employees losing access to the NHS Pension Scheme in the longer term.</p>	<p>The re-structuring provides us with the opportunity to make the necessary fresh employment arrangements for RoE staff to safeguard their pension.</p> <p>What this means for ROE staff is...</p> <ul style="list-style-type: none"> <li>• All rights to the NHS pension Scheme will be retained</li> <li>• All existing terms and conditions for RoE staff will be <b>exactly</b> as before, including AfC, annual leave, increments etc.</li> <li>• Staff will continue doing the same work in the same place as before</li> <li>• Trusts will announce their decisions to RoE staff and fully brief and consult over any potential changes.</li> </ul>
<p>VAT is payable on the services our RoE employees provide and other services/consumables. Without changes in our legal structure, the new HMRC rules mean that the Trusts would no longer be able to reclaim VAT costs and Viapath would be left with a VAT bill that would be a serious risk to our service.</p> <p>We need to ensure our organisational structure is set up in the most tax efficient way to mitigate the risk of a large VAT bill. We have agreed with HMRC a new company legal structure that will largely offset the impact of the changes. Removing RoE contracts is part of this.</p>	<p>We propose to restructure Viapath LLP and TUPE transfer staff into one of the following new companies:</p> <ul style="list-style-type: none"> <li>• Viapath Group</li> <li>• Viapath Analytics</li> <li>• Viapath Services</li> </ul> <p>For many staff this will happen 'behind the scenes' with little noticeable effect. However, RoE contract employees would, in effect, have a new employer – Viapath.</p> <p>This transfer will take place on 1 January 2015, which is the date agreed by HMRC for completion of the restructure.</p>

## Employee Proposition

A key part of our journey to being the number one employer of clinical, biomedical scientists and support staff is to provide an employee proposition that resonates with our existing staff and helps us to attract and recruit new talent into Viapath. We've already taken some steps towards improving our proposition. Things like:

- Introducing our Scientific Learning & Development and Innovation Funds
- Increasing holiday entitlement for our direct hire people to harmonise more closely with those on RoE contracts
- Introducing Performance Related Pay
- Investing to improve our working environments Investing in our laboratories and technology and bringing clinicians and scientists back into the leadership of our organisation

Clearly there is much more to do and going forward we're keen to explore new ways for you to share in the success of our organisation. Some of this is work already in progress. You may be aware that we've recently held Employee Proposition workshops with around 70 employees where we tested out our ideas and gathered suggestions about priorities. We will now start to explore both this work and, of course, any other suggestions you may have in more depth, with the ambition of making Viapath the best place to work in Pathology.