

Project Pathway

VIAPATH HAS AN EXCITING FUTURE AS THE LEADING PROVIDER OF NHS PATHOLOGY

Viapath has now brought together the separate elements of our service (formerly KingsPath and GSTS) under a single new brand. This builds on our One Organisation Programme under which we have confirmed our vision and values as the leading provider of pathology services to the NHS. Whilst we still have much to do, One Organisation has demonstrated our commitment to quality, innovation and the development of our people.

We are an ambitious organisation as we see an exciting future for pathology in the modern NHS enabling best outcomes for NHS patients. We are majority owned by the NHS, with the commercial freedom to invest in growth and innovation, year on year. Our recent Annual Report & Accounts underscores a positive message for both customers and employees. It's one of growth, solid delivery, innovation and investment.

The recent staff survey confirms that our employees recognise the positive changes delivered thus far and share the values we aspire to. The expertise and commitment of our people is at the heart of our service to our NHS customers. We are committed to:

- ensuring the well-being of our people;
- investing in their professional development and
- offering an attractive "employee proposition".

This makes commercial sense as we need to be able to attract and retain the very best scientists and other staff if we are to grow and innovate as the leading provider of NHS pathology.

We will shortly begin to consult with everyone that is employed by, or seconded to GSTS regarding a transfer to Viapath

Having brought everyone together under the Viapath brand as one organisation, it is important to continue to address issues that get in the way of our being one organisation. An issue that is mentioned by staff frequently is the fact that not everyone works for Viapath on the same basis. We think the time is right to consider whether seconded employees from Kings College Hospital and Guys & St Thomas' should become directly employed by Viapath. This will build on the progress to date and accelerate the realisation of our vision as the leading provider of quality and

innovative pathology services within the NHS. This change is not only recommended by Viapath, but also by the NHS Trusts themselves (Kings College Hospital and Guys & St Thomas').

There are three separate but related reasons why we believe we should consider this change now:

- First and foremost, because it's in the interests of the pathology service and the employees. We are sure that this model offers the best prospects for the service to thrive as a growing, innovative pathology network. In turn this offers the best prospects for our people to enjoy a prosperous and rewarding career with a leading pathology provider. This change is also supported by the NHS Trusts themselves (Kings College Hospital and Guys & St Thomas').
- Secondly, as a consequence of the recent Department of Health (DH) policy enabling NHS pension scheme participation for NHS employees transferring to independent sector providers. This addresses the reason why the "Retention of Employment" (RoE) secondment model was adopted when GSTS was formed. However, as part of this change, the DH requires that existing RoE schemes be replaced by 2017 with 'fresh employment arrangements'. If such new arrangements are not established, future earnings will not be pensionable under the NHS Scheme. This change affects all RoE schemes not just Viapath, and we are not prepared to put our staff in position where their earnings are not pensionable under the NHS scheme.
- Direct employment with Viapath for former RoE staff also addresses the requirements for the restructuring as a result of HMRC changing the VAT tax status of pathology providers to the NHS. Similarly the VAT rule change affects all pathology providers not just Viapath.

The transfer to Viapath will protect and enhance the terms and conditions for all employees

- RoE staff transferring to Viapath are guaranteed by law protection of their existing terms and conditions; they will also retain their membership of the NHS pension scheme. Furthermore, as Viapath is majority NHS owned by GSTT and KCH, they have committed to use their shareholding to ensure that the quality of service and standards for staff are always maintained.
- Whilst we cannot offer direct hired Viapath employees membership of the NHS Pension Scheme, apart from this, over time we aim to harmonise as far as possible terms and conditions to avoid the continuation of a "two-tier" workforce.
- Our overriding ambition is to create a strong alignment with our workforce and the greatest motivation for Viapath to offer the very best service and value to our customers. For this to work we need to retain the values and employee protection afforded by the NHS, with some additional incentives and flexibility associated with best practise in the professional services sector.

- In addition to guaranteeing the current terms as stated above, our new employee proposition will seek to go beyond what a traditional NHS employer might offer. Staff will be aware that having some control over our own affairs has meant that we have been able to make a surplus to reinvest in the business and many of you will have been involved in discussions about where that investment should be made. In future we will look at how individual staff can share in the success of the organisation. This might mean exploring ideas such as a professional development programme to provide a career pathway for scientists and other job roles; and possibly direct financial rewards to staff if the company's targets are exceeded.

Next Steps

- Another SLT meeting is in the process of being arranged which will focus solely on Project Pathway. Our objective at this meeting is to discuss your comments, observations and brief you on the next steps of the consultation process along with a detailed timeline.