UNISON Companies UPDATE
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This bulletin provides the latest reported developments over the month on companies in which UNISON is interested. The information is mainly taken from press reports and does not necessarily represent UNISON's views. Comments and further information on the companies mentioned should be posted to the Bargaining Support Group, 1 Mabledon Place, London WC1H 9AJ or e-mailed to the address at the foot of the page.

AMEY

Bringing rail maintenance back in-house has begun to pay off for **Network Rail**. Delays in the first region affected are down by almost a half. In summer 2003 Network Rail dismissed **Amey**, its contractor in the Reading area, which includes inter-city lines into London Paddington. Delays caused by track problems in the region dropped by 47% in the past four months, compared to 26% nationally. Better co-ordination was cited as a key factor. The remainder of rail maintenance, involving 18,500 employees, is planned to return in-house by mid-summer 2004.

BUPA

A **BUPA** nursing home in Hertfordshire is being investigated following the death last October of an elderly woman, The patient died of hypothermia beside an open window. The nurse in charge, who has been suspended, had already worked a full shift at another BUPA nursing home in Watford, against Bupa's working guidelines.

A DTI summit with business and trades unions is being held to discuss the increasing numbers of UK companies transferring jobs to Asia. **BUPA** is among one of the many UK companies to have transferred call centres to India.

CAPITA

Capita is one of the two companies bidding for a £40m DfES contract to manage the National Primary and Key Stage 3 Strategies. It will involve hiring thousands of reading and maths consultants to advise schools and LEAs on measures to raise under-achievement pupils and test scores at ages 11 and 14. Head teachers are saying it is a waste of money. Another concern is the fact that, despite its significantly poor performance or failure on some major projects (ILA, CRB and congestion charge) Capita still gets more than half its income from the public sector. The other contender for the contract is **CfBT**, which holds the current improvement contract. A decision will be made in autumn 2004.

The **Capita Group** has won a £125m DTI contract to administer miners' personal injury claims. They relate to medical conditions caused by working in the mines of former state-owned British Coal. The contract will run to July 2006 and more than 1,250 staff will transfer to Capita's insurance business from the previous contractor, **Aon**. Capita is paying Aon £8m for contract infrastructure, including sites in Sheffield, Cardiff, Manchester and Edinburgh.

Profits for **Capita Group** leapt by nearly 25% to £121.2m, the highest gain in a 15-year record of increases. Capita's financial success compares poorly with its recent performance record on high profile public sector contracts. As administrators of the London congestion charge, Capita infuriated thousands of drivers who struggled to pay for it through the call centre. Others were sent £80 fines in error. Users of the Criminal Records Bureau are battling a system that cannot cope with the demand for background checks. Defending its record, Capita says its implementation of the congestion charge has been "highly successful", with traffic congestion reduced by 30%. Furthermore, it is exceeding its call centre target of 80% of calls being answered in less than 30 seconds, by 11%.

The **Capita Group** plc has acquired **Symonds Group Holdings** Limited, a property consultancy and services company. Symonds will be merged with Capita's existing property business, Capita Property Consultancy, to form a new company, Capita Symonds Ltd. The new company will have close to 2,700 employees (700 transferring from Symonds to Capita), and an expected annual income of £160m. Capita acknowledges that this purchase is part of the group's successful strategy of buying up small and medium sized companies to complement and extend existing businesses. Symonds directors will share £31m after the sale.

CARILLION

Carillion has been awarded a £12m a year highway maintenance contract for Warwickshire County Council. It covers the areas of areas of Rugby, Warwick, Nuneaton & Bedworth, Stratford-upon-Avon and North Warwickshire. The contract will commence in early May 2004 initially for four years, but could be extended for a further three.

A PFI contract to build a new road bridge over The Swale between Sheppey and North Kent has been won by **Sheppey Route Limited**, the DBFO Company set up by **Carillion Private Finance**. Under the terms of the DBFO contract, Carillion will receive payments from the Highways Agency according to journey reliability and safety of the A249 for a period of 30 years.

CEA

Southwark council has appointed **Cambridge Education Associates** (CEA) to run the LEA until July 2005. After **WS Atkins** pulled out of the contract in summer 2003, three years early, CEA was appointed as an interim measure. School heads claim that CEA has been even worse than Atkins. They complain about rude and aggressive behaviour and its target-driven approach, and would prefer a not-for-profit trust in the Hackney model to take over when CEA leaves.

CLEANAWAY

Kingston upon Thames has awarded a new 10-year street-cleaning contract to **Cleanaway**. Starting in April 2004 the contract, worth £1.35m, could be extended by another 5 years. Cleanaway replaces **Sita**.

Refuse contractor **Cleanaway**, has agreed to a pay award which will mean an increase of upto 40% in some cases. However, Havering Council is taking legal advice as the new pay rise will not come into effect until after the contract ends in April.

Kingston upon Thames has awarded a 10-year cleaning contract to **Cleanaway**. Eighteen companies bid for the work, which will be carried out with an annual budget of £1.35m for 10 years with a possible extension to 15.

Brambles, the parent company of waste specialist **Cleanaway**, posted a 44% drop in interim profits, prompting a share fall of 6.3%.

COMPASS

The board of **Compass Group** has come under fire from shareholders for allowing some share options it has granted to executives to be "retested". This allows companies to extend the period under which executives can meet targets for the option awards. It is a sensitive issue for investors who claim retesting could see executives collect large sums even when their company has underperformed.

More than a quarter of shareholders voted against a £4m pay package for the head of **Compass Group plc**. The Remuneration Committee proposed a performance-related bonus of £1.6m to add to Michael Bailey's annual salary of £910,000 for 2003. The board argued that it was in recognition of the firm's performance expectations being met last year. Mr Bailey also made a £333,000 profit from share options and was awarded free shares worth £1m, conditional on hitting further performance targets this year.

EDS

EDS could make more than 5,000 redundancies in the UK due a continuing fall in public sector business. Although it is still the Government's largest IT supplier and is one of its 14 "strategic partners" for large IT projects, it has lost a number of significant contracts recently.

GROUP 4 FALCK

Group 4 Falck is preparing to take over **Securicor**. The merger between Group 4 Falck and the smaller Securicor would create a transnational with a turnover of close to £4.5bn and a market value of more than £1.6bn. The new group would be called **Group 4 Securicor plc** and would be based in the UK. Group 4 Securicor would be owned 57.5% by former Group 4 Falck shareholders and 42.5% by former Securicor shareholders. It would have about 340,000 employees in 108 countries.

The proposed merger of **Group 4 Falck** and **Securicor** is being challenged by the American union, Service Employees International Union (SEIU). The SEIU is concerned about the extension of Group 4's poor employment practices over a wider area. The union also plans to lobby shareholders and possibly pursue legal action under new European Union legislation that allows third parties to oppose mergers. About 90 cases have been brought against Group 4, say the SEIU, who also claim that Group 4 intimidates and discriminates against employees who wanted to join the union.

The number of job cuts to be made after the merger of **Group 4 Falck** and **Securicor** has not yet been announced but the motive of saving £35m on the merger, will have an impact on the combined workforce of 34,000 in all of UK, of which 1,500 are in Scotland. A Securicor spokesperson said the cuts would not be substantial and that the company had not yet decided where they would be made. The company would attempt to "make them unenforced where possible", and that it had not yet begun to "liaise with the work councils".

Labour MEP Stephen Hughes has convinced the secretary general of the European Parliament to question **Group 4 Falck** about accusations by the SEIU of poor working conditions in the US. Group 4 has the security contract for the European Parliament.

Group 4 Falck is in talks to sell **Global Solutions Ltd**, which operates three UK prisons, a management buy-out. GSL made the news a year ago when the Yarl's Wood detention centre in Bedfordshire was partially destroyed by fire after a revolt by detainees.

RENTOKIL INITIAL

UNISON members employed by **Rentokil Initial** at Stepping Hill Hospital, Stockport have won a significant pay dispute. The dispute started by Rentokil Initial failing to pay the 2003 increases. Porters, domestics and security staff achieved a pay award of 30p per hour more, gained time and a half rate for overtime, and guaranteed that Agenda for Change rates will be paid from October 2004. As a result, some members will have seen a rise of 90p per hour. A recruitment campaign, based on the claim, doubled membership overall and trebled the membership among porters.

A deal has been agreed by contract cleaning staff at Barnsley District General Hospital on the eve of a planned strike against contractor **Initial Hospital Services**. The agreement provides for a staged increase to £5 an hour by 1 October 2004 and improvements in sick pay and annual leave. Initial has also made a commitment to work to further close the terms and conditions gap with NHS staff and to work jointly towards implementation of Agenda for Change.

Rentokil shares fell 4.7% as group profits rose by only 1.6%. The company was attributing the slump to weaker than expected sales, especially in its hygiene (supplies to washrooms) and parcel deliveries businesses.

ITNET

Shares in **Itnet** rose by 12.5p as soon as the IT services company announced a rise in pre-tax profits of more than £10m to £17.9m in the year to December. The new business has come largely from local government, transport and services. A contract to supply the Cabinet Office has also helped establish Itnet in central government.

Itnet has won another large contract, this time with the National Air Traffic Service for back office IT systems support. The contract is worth £8.1m, bringing the order book up to £357m. Over the year, Itnet has seen an 8% rise in local government business, £91.7m in turnover.

CRAEGMOOR

A care home in Long Preston near Bradford, for adults with learning difficulties will be closed by **Craegmoor Healthcare** at the end of March 2004. The 17 employees will lose their jobs. Craegmoor cited low levels of occupancy and the remote location of the home, which is not in line with new care standards.

Craegmoor Healthcare is closing a Lincolnshire care home for people with learning disabilities in March 2004 because of the amount of investment needed to bring it up to national standards. It gave the council 28 days' notice.

A Plymouth care home for physically disabled people will be sold by **Craegmoor Healthcare** because it does not have enough clients and the cost of the refurbishments required to meet new national standards are too great.

Large security firms like **Securicor** and **Group 4 Falck** are moving away from guarding and cash handling and into more profitable areas of work, such as management of prisons and detention centres and support services for areas of the civil service concerned with intelligence. Handling of asylum cases is regarded as an important growth area.

INTERSERVE

The Liverpool social housing maintenance contract has finally transferred to **Enterprise** from **Interserve** after a collapse of the contract. About 430 employees transferred to Enterprise Liverpool, the public-private joint venture that already provides highway maintenance and street cleansing. The transfer follows industrial action by Interserve employees mainly over redundancies. News that **Enterprise plc** was taking the £60 million social housing maintenance contract with Liverpoool City Council from Interserve, put 14p on its hare price overnight. Interserve's went down by 4p.

Interserve says it was because the reduction in the city's housing stock made their contract unviable.

A Ryedale factory had to shut down after the workshop was flooded. The Environment Agency said flood defences, built by **Interserve** were sound and the problem was one of rising groundwater. Councillor Di Keal communications director for the National Flood Forum and public relations officer for Interserve, also said natural springs, not faulty flood defences, could be responsible for the flooding.

JARVIS

Part of the roof of a Haringey, school blew off in a gale. White Hart Lane School was built and maintained by **Jarvis** under PFI. Critics of the scheme are asking why routine maintenance did not pick up on its poor condition.

The head of **Jarvis**' accommodation services division has resigned from the board. Although no reasons were given, the business, which is involved in school rebuilding, university halls of residence and other PFI projects, has been the subject of mounting client criticism for the past several months.

In June 2003 a National Audit Office report gave a generally favourable verdict but queried the system of monitoring the way the premises were run. In February 2003, service delivery in three main categories was deemed unacceptable but no fines were levied as other scores raised the overall rating to above the acceptable level. **Consul**, the courthouse consortium is made up of two Ulster firms and **Jarvis Facilities Management**.

Jarvis plans to use another name – **Engenda -** for its PFI work with schools and health services. The company has been the subject of damning publicity regarding delays and dissatisfaction with many of its PFI schools projects and contracts to build university student accommodation. Bids for contracts to build and maintain university accommodation, will still use the Jarvis name. The name of Jarvis Primary Health, a healthcare joint venture between Jarvis and the **Montrose Partnership**, has been changed to **PatientFirst Partnerships**.

Speculation is rife that the ailing **Jarvis** might be broken up and sold.

LIBERATA

Sir Andrew Foster, former chief executive of the Audit Commission, has been appointed a non-executive director of **Liberata plc**. His experience of working at the Audit Commission for 10 years, and in local government and the NHS for 25 years, is seen as a considerable asset to Liberata, most of whose business is in the public sector.

Liberata also announced that **General Atlantic Partners**, the US private equity group, has invested £28m on top of its original £160m in 2002.

Housing benefit processing time in Swindon BC is expected to soon reach the government target of 35 days. **Liberata**, took over the contract from **WS Atkins** in 2002 because levels were so low.

SCOLAREST

Scolarest has abandoned its seven year contract to provide school meals for 66 schools in Wandsworth. The company had been criticised for the quality of the meals being served and so just 15 months into the contract the firm has walked away. Wandsworth Council is now trying to organise a replacement meals service for after the February half term break.

Islington school meals staff are planning a strike in the week after the February mid-term break. The action against **Scolarest** is supported by heads and other school staff. Scolarest has threatened pay cuts. A week earlier Scolarest said it was quitting its seven year contract with Southwark after only 15 months.

SERCO

Serco's Premier Custodial Group has been named preferred supplier to the Prison Service, for prisoner transport in Greater London, south-east of England and Essex regions, in a seven-year contract worth £300m. In another bid, **Reliance Group's Secure Task Management Ltd** has been named preferred bidder for a seven-year contract worth £250m to supply prisoner escorting and court services for South Wales and west of England regions.

Critics of the decision to award more high-value security contracts to **Serco** point out that this was the firm responsible for making Ashfield Young Offenders' Institution Britain's worst prison in 2002. And a report published by the National Audit Office last summer revealed Serco had been fined nearly £1m for its poor performance at the two jails it was responsible for.

A consultant's report on the provision of special needs education in Bradford condemned the service run by **Serco QAA** as **Education Bradford**. The report pointed to a lack of educational psychologists and issues with the funding process, which had led to an apparent lack of faith by teachers in the company.

Serco subsidiary **Premier Custodial Group** has been named preferred supplier to deliver the Prison Escort and Custody Services contract for London and the South East of England. The contract will begin at the end of August 2004 and run for seven years. The contract will raise the company's share of the UK market to 25%.

WS ATKINS

Contrary to expectations a year ago, **WS Atkins** announced its support services business would produce full-year profits "somewhat" ahead of forecasts. The company has implemented a policy of cost cutting, disposals and has appointed a new chief executive.

CATERING

Aramark the multinational catering company and third largest contract caterer in the UK has bought **Catering Alliance**. Both companies currently hold catering contracts in the education sector. Bill Toner, Chief Executive, of Aramark UK said "This strategic acquisition reflects our continuing commitment to grow in the UK.

A recognition and procedural agreement has been signed in Greater London Region with **ABM Catering Ltd**, covering staff employed at Greenwich University, and effective from 1 December 2003.

CAREERS

Sheffield Futures, which runs the city's Connexions service, plan to make 10% of staff redundant. The company argues increased pension contributions and flat government funding has led to the crisis while the unions claim financial mismanagement. In any case, 50 advisors could lose their jobs.

ENERGY & ENVIRONMENT

Centrica's advertising campaign to get its customers to sign up to billing by email rather than by post has been getting 15,000 a week. The company expects to have 1 million of its 17 million customers signed up by 2005.

Powergen has also persuaded 100,000 of its customers to receive their bills via email. Both companies are saying that it will pass savings on to the customer but it is expected there will be staff cuts as well.

South Herts Waste Management is taking over a waste recycling contract from **Biffa**. Staffordshire County has awarded the £10 million five-year contract. South Herts Waste Management was originally a LAWDAC and later went through a management buy-out.

HEALTH

Capio Diagnostics, a division of Swedish healthcare company **Capio AB** has acquired the UK laboratory **Independent Histopathology Services Ltd**. London-based

Independent Histopathology Services provides laboratory services within histopathology and cytopathology. It has 35 employees and a turnover of approximately £2.9m.

Capio SA, has sold its Swedish and Norwegian occupational health business **Previa** as part of a group reorganisation to focus on core operations - healthcare and diagnostics. Not only does the sale free up capital for expansion elsewhere, the group believes the business did not give the same opportunities for economies of scale as health care.

Neither **Nestor Healthcare Group** and its main rival **Reed Health Group** are performing as well as expected as suppliers of nursing and medical staff, and business prospects for the coming year are said by analysts to be less than optimistic. New pricing policies in the NHS are said to be cutting margins.

The Department of Health has announced **Mercury Healthcare Ltd** will run treatment centres in Haywards Heath, Havant, Medway, Portsmouth and High Wycombe, carrying out a mixture of general surgery, trauma, orthopaedic, and diagnostic procedures. Together, the five treatment centres will treat almost 19,000 patients each year for five years, in a mixture of new build, refurbished facilities and existing NHS facilities. Nearly 5,000 per year of these operations and procedures will be entirely new activity; the remainder will transfer from the NHS, freeing up local NHS facilities. All of the new treatment centres will start operating in April 2005.
In September 2003 **Capio UK** replaced **Mercury Healthcare** as the preferred bidder for treatment centres in East Cornwall, East Lincolnshire, West Lincolnshire Horton Hospital, North Oxford, North East Yorkshire / North Lincolnshire, Southampton, Northumberland, Tyne and Wear Heatherwood, East Berkshire, South West Oxfordshire, Ashford, Surrey.

Recruitment company, **Reed Health Group**, says new DoH compliance regulations for healthcare workers would affect profits. After a steep drop in profits, and consequently in share price, the company complained that it now had to make 27 separate compliance checks on any healthcare worker it supplies. As a result it had to withdraw some of its nurses in London. The growth in permanent employment in the NHS is also blamed for its poor result.

IT

Siemens' longstanding IT contract with Coventry City Council is coming to an end. Siemens is cutting staff.

Bradford Council IT staff will not transfer to contractors when the service is outsourced later this year. Instead they will be seconded and keep their local government employee status. A hundred staff were forced to threaten strike action after management had initiated the shortlisting without consulting staff. The shortlisted companies include IT giants **Atos, KPMG** and **Cap Gemini Ernst & Young**, with a joint bid coming in from **IBM** and **Itnet**.

Tata Consultancy Services won £120m worth of contracts for the NHS IT project, as part of a consortium led by **Fujitsu**. The Fujitsu contract will cover local IT services in the south of England for the next 10 years. Other than Wipro, **Tata** is the first offshore firm to win a major public sector contract.

Sainburys is to buy back the IT company it set up three years ago when it outsourced its IT infrastructure to **Accenture**. The reversal will save £25m a year through better accounting practices. Accenture will continue to service the operations and will keep the 800 staff involved.

In Scotland, **Wipro Technologies** has come under intense political scrutiny. "There have been almost weekly questions in parliament," says the company's business development director Tom McCormack. "These range from enquiries about whether overseas IT workers have access to confidential information, to whether IT has been responsible for the delays in moving parliament into its new home at Holyrood House."

Anite Public Sector has been awarded a contract to supply Newham LBC with an electronic document management and workflow system. The system, supplied over 10 years for £1.5m will join up over 5,000 council employees.

Civica, the new name for the **Sanderson IT group**, is being floated by its owners **Alchemy Partners**. Civica supplies systems for local authority parking fines, CCTV for bus lanes and software used by some local authorities to administer tax and benefits. The group operates within the private sector with 85% of UK police forces, 250 NHS trusts and more than 30 LEAs among its clients. Civica is the holding company for the former Sander IT group.

HOUSING

The **Peabody Trust** has closed down the £3.15m fund used by its 36 local estate offices to cover repairs and moved it to its centralised repairs service, **Peabody Maintenance Partnership**. The efficiency measure follows 51 redundancies in December 2003, said to be part of an attempt to focus on meeting the decent homes target. Five estate offices have also closed. But an insider claimed the changes were an attempt to cut down on the money Peabody spends on emergency repairs. The Audit Commission is due to publish its inspection findings from Peabody's repairs and maintenance service in March 2004.

Haywards Property Services, part of **Erinaceous Group plc**, has been awarded two major contracts with Brighton & Hove District Council for its annual planned maintenance programme to some 12,500 properties and the procurement of term contracts and mechanical engineering. The five year contract starts in April 2004 and the fee for the five year period is in excess of £5m.

Hounslow Homes, an Arms Length Management Organisation, has appointed Haywards for comprehensive professional services and technical support to the management, maintenance and improvement of Westminster's council housing stock. The five-year contract starts in April 2004 for a fee of £1.5m. The council's in-house staff currently providing the service will TUPE transfer to Haywards. Westminster Council is on inflation-linked contracts. Haywards has also been contracted by the South Midlands and Greater London Housing Society and the Notting Hill Housing Association for specific work.

LEISURE

DC Leisure Management has won two contracts to run leisure services in North Somerset, beginning in April for eight years. The contract covers Parish Wharf leisure centre and the seafront open-air pool, both at Portishead, and Strode leisure centre in Clevedon. DC Leisure also has a two year contract to run Backwell leisure centre and swimming pool and Nailsea's Scotch Horn Centre. The firm already manages the services at the Hutton Moor leisure complex in Weston. A local firm, **Quadron**, pulled out of the bidding because the terms of the contract had changed and the company would have had to assume too great a risk for a company its size. Quadron recently won contracts with Bournemouth Borough Council, Spelthorne and Wokingham.

NURSERIES

Leapfrog Day Nurseries is considering a stock market flotation again after an unsuccessful attempt 18 months ago. Another of the major nursery chains to also be considering the same is **Busy Bees**. Analysts believe that if even just one of these is successful more nursery companies will follow.

PARKING

The Sun newspaper is running a campaign against excessive and aggressive ticketing practices by traffic wardens. An undercover reporter allegedly found evidence of training and incentives by the company **Apcoa** to target hospital visitors and to push the boundaries of legality in order to issue a higher number of tickets. Apcoa deny any wrong doing.

An employment tribunal has been won by a team of seven refuse workers made redundant before being offered their old jobs back, with less pay and fewer holidays. A year ago **Sita UK** said the men, working at a waste transfer site in Gateshead, were being laid off because of cost cutting. Then they were asked to apply for their old jobs for less pay, a longer week, less holiday and no sick pay. UNISON backed the group.

PFI

The National Audit Office noted that the "public sector comparator" exercise for Belfast's Laganside courthouse development concluded that the PFI scheme would be marginally less expensive than funding the new building from the public purse. However, the public finance estimate included £7m for looking after the disused Crumlin Road courthouse for 25 years. The Crumlin Road building was later sold off to the private sector for a nominal sum.

Public opinion is split on who to award a PFI contract for the rebuilding of Broomfield Hospital in Essex. The **Bouygues Consortium** and the **Pyramid Healthcare Consortium** have both submitted bids and after a public consultation, Mid Essex Hospitals Trust said a decision would be taken by the end of February.

Ballast, the failed PFI contractor is being consulted by the Scottish Executive on new propsals to turn other health facilities over to private joint ventures. Ballast's sudden withdrawal from a £43m PFI school project last year left a number of sub-contractors in deep financial difficulty.

In the past five years, the PFI built Royal Victoria Hospital, Belfast, has paid more than £2.2m for staff car parking. An Audit Office report says profits paid to **Car Park Services Ltd** are some 200% higher than predicted, more than the cost of the building itself. The number of car park spaces was deemed "hopelessly inadequate".
Due to the high proportion of very large IT project failures in the civil service, a review by the Office of Government Commerce said that all future projects must have a fallback position at every stage of project review. Long delays in the Tax Credits system, run by **EDS**, prompted the review of procedures. Launched in April 2002, the system is not expected to be running again until March 2005.

A consortium led by **Galliford Try plc** has been selected as the preferred bidder for the £45m new 1,500-place Caludon Castle School and Community College PFI Project in Coventry. Coventry Education Partnership will run the DBO project over the next two years. In January a Galliford Try consortium signed a similar PFI schools contract with Bedfordshire County Council.

Tribal Group lost nearly a quarter of its value after the NHS changed the terms of its plan to set up a national network of walk-in treatment centres. Tribal pulled out of contract talks when the NHS said it wanted the centres to make provision for putting up their patients overnight. The DoH said this made the contract "more suitable" for the Swedish healthcare firm **Capio**. Tribal will still have to be paid £2m in costs as it has been the preferred bidder since September 2003. So far, it will still manage and revamp five other NHS centres.

VOLUNTARY SECTOR

Maca, the Mental After Care Association, has agreed to UNISON representation from each Maca region on the national staff consultative committee with immediate effect. The staff consultative committee meets 4 times a year. This has been agreed in advance of recognition.

Mencap Royal Society - England, Wales and Northern Ireland has agreed to 2 hours facility time per week for UNISON activities in line with the current agreement for staff/UNISON reps on the business unit employee forums. This agreement has been reached in advance of recognition.

OTHER NEWS

The Government says Wandsworth Council has too little educational vision. For this reason it will not be allowed to renovate the borough's run-down secondary schools under the first wave of the new £2.2billion Building Schools for the Future scheme starting in 2005.

A third of the Tory frontbench team have paid directorships or consultancies outside Parliament. LRD found that those with the most extensive business commitments are in the Opposition economics team. David Willetts, Shadow Work and Pensions Secretary, is an economic adviser to merchant bank **Dresdner Kleinwort Benson** and chairman of **Universal Biosensors**. Howard Flight, Shadow Chief Secretary to the Treasury, is a director of seven companies, four of them linked to **Investec Asset Management**. Mr Flight is also paid as a consultant to the **Pep and Isa Managers Association.** Andrew Mitchell, another member of the Tory economics team, has five directorships with **Lazard and Co**, the investment bank, and is a strategic adviser to **Accenture**, the management consultancy and services company, for which he receives up to £25,000. Andrew Tyrie, Shadow Minister for Economic Affairs, is a director of the publicly quoted investment management company **BWD Rensburg** and the property firm **Rugby Estates**.

Financial services union UNIFI have signed an agreement with **HSBC** which provides a framework to avoid compulsory redundancies following the bank's decision announced last October to offshore 4,000 jobs. It sets up a process to secure re-deployment for those who wish to remain with the company and the process will be managed with union input at both local and national level. It also gives the union early access to early decision making and an ability to minimise job losses. Last month, a similar agreement was signed with **Barclays**.