

City regulator faces prospect of industrial action following union vote

Members of the Unite union at City regulator the Financial Conduct Authority (FCA) have voted to back industrial action in a dispute over changes to their pay and conditions.

The union said it was the first time that members of the organisation responsible for overseeing the financial sector had backed strike action.

While 75% were in favour of such a move, almost 90% supported action short of walkouts.

Unite said the ballot followed months of talks and consultation over proposed changes to pay and conditions, which included scrapping performance-related bonuses and pay grade shifts that would leave some workers worse off.



Image:

The FCA's chief executive Nikhil Rathi succeeded Andrew

Bailey, who left the regulator in 2020 to run the Bank of England

It is understood that under the planned shake-up, around 800 of the FCA's lowest-paid staff will receive average salary increases of £4,310, with further additions netting them an average £1,200 more.

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A spokeswoman for the FCA said: "Our new employment package is highly competitive, providing fair, competitive pay at all levels and rewards strong, consistent performance.

"Most colleagues are receiving an average 7% increase in base pay this year and over 12% over the next two years, with an additional one-off cash payment of 4% in May.

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“Our lowest paid and strongest performers will receive more.

“The changes we have made ensure the FCA’s pay and benefits package remains one of the best, if not the best, of any regulatory or enforcement agency in the UK.

“While we acknowledge the recent vote, we respect colleagues’ decision and understand the strength of feeling about some of the changes we have made.”

Unite said the result of the ballot meant that management had no choice but to “address the serious concerns of their employees” and it had contacted the conciliation service ACAS for help in resolving the dispute.

Alan Scott, Unite officer said: “FCA staff have not taken the decision to vote for industrial action lightly.

“Unite has made it clear that the pay cuts and unfair appraisals are extremely detrimental to thousands of staff and it is time for the FCA to rethink these plans.

“The continued refusal to recognise an independent trade union further damages the standing of the organisation.

“The management could still avoid the reputational and business damage caused by strike action by meeting with Unite to resolve the dispute.”