

**INTERSERVE BULLETIN**

**15 March 2019**

Interserve has failed to persuade shareholders to approve a rescue plan for the company and is expected to go into administration later today.

UNISON wishes to reassure members working for the 5 Interserve CRCs that we have been in discussion this week with officials at the Ministry of Justice to seek assurances over the job security and pay of staff. The Ministry of Justice has reassured us that there are contingency plans in place to ensure the continuity of probation services in the 5 Interserve CRC areas. We are pressing the MOJ for confirmation of these plans and for guarantees in relation to job security and pay.

Following the shareholders meeting it is anticipated that Interserve will go into administration this will be via a ‘pre-pack’ arrangement in which Interserve’s lenders will form a new company to run Interserve with an administrator. This arrangement should mean that the Interserve CRCs continue to operate for the immediate future. But going forward, the new company and its administrator may seek to dispose of loss-making companies and this might include the Interserve CRCs.

**WHAT HAPPENED WHEN WORKING LINKS WENT BUST?**

As members will be aware, the three Working Links CRCs went bust last month and went into administration. In this case the MOJ was able to persuade Seetec, which runs the Kent, Surrey, Sussex CRC to take over the three Working Links contracts. Working Links staff were then transferred via a statutory transfer order to the employment of Seetec on the day that Working Links went into administration. For a number of reasons, this sort of outcome would be very unlikely for the Interserve CRCs.

The other option which the MOJ was considering for Woking Links was to set up Government Companies to run the three Working Links CRCs. UNISON wanted this outcome, but the government clearly did not want to step back into running the Working Links CRCs

**WHAT’S UNISON ASKING FOR?**

UNISON has asked the MOJ to reassure Interserve CRC staff that that their jobs and pay are not at risk.

UNISON has also asked the MOJ to ensure that if Interserve does go bust, and if this leads to the Interserve CRCs being disposed of, then the work of the 5 Interserve CRCs must be brought back into public ownership via the establishment of Government Companies. As soon as we have any more detail we will let members know.