



Transport Salaried Staffs' Association

**Claim for Improvements to Pay & Conditions of
Service for staff within**

Great Western Railways

January 2017

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1) Introduction

This document sets out TSSA's formal claim for improvements to rates of pay and various other conditions of service for staff employed by Great Western Railways in respect of the forthcoming negotiations.

With effect from the pay anniversary dates of **1 April, 6 April, 4 May, 1 July, 1 October 2017** TSSA is seeking a substantial increase in the basic rates of pay and other allowances that will lead to a material improvement in the standard of living of our members, including addressing any problems of low pay within the organisation.

As in previous years TSSA has surveyed its members to see what their priorities are and they have made it clear that pay is their main priority but as you would expect there are a number of other issues/priorities which need to be resolved as part of any deal.

2) 2017 Pay claim

In line with recent pay claims we have decided this year to adopt a more simplified approach with a view to resolving these negotiations quickly.

We note that in the previous pay deal GWR was able to offer 4% over 2 years (2% in each year) when Retail Prices index (RPI) sat at 1% (Feb 2015) and 1.3% (Feb 2016) respectively with the inclusion of additional items for example the no compulsory redundancy agreement till May 2017. Indeed, it is the expectation of our members that they should receive more than the rate of inflation. We note that 2016 has seen a steady rise in the cost of living of our members, as represented by RPI reaching 2.5% in December 2016. Current predictions on Inflation from the office of Budgetary Responsibility predict Inflation to be above 3% in the coming years - 3.2% in 2017, 3.5% in 2018, 3.2% in 2019 and 3.1% in 2020. We also note that GWR (First Greater Western Ltd) recently published a very favourable set of accounts for the year ended 31 March 2016. All these factors combined move us to a position where there should be a substantial pay rise and increase in the protections of our members. Our reps and members have also raised concerns about those on the lowest pay needing

assistance to have a decent uplift recognising that percentage increases have least benefit for those on the lowest pay.

Therefore, our headline pay claim for 2017 is for:

1 year no strings pay offer of 3.5% as long as this is no less than February's RPI figure with a minimum payment of £1,200 from the 1st of April 2017 for all grades.

This pay offer should apply to all allowances that are received by staff as per the usual arrangements.

3) Other Priorities

Regardless of the span of the pay offer TSSA members have outlined other priorities for their Negotiators to pursue alongside the headline pay increase, namely:

- a) Parity and Fairness - TSSA are looking for any pay offer to be extended in its entirety to all grades inclusive of the Management grades and we are looking for early written commitment from GWR that this will be the case.
- b) Job Security - An extension of the no compulsory redundancy agreement is of high priority to our members for them going forward and TSSA are looking for this to be extended till the end of the Franchise.
- c) Fair pay: Claim for comprehensive analysis of pay systems, grading structures and the operation of recruitment and selection. Our members believe that the current pay and grading structures are not fit for purpose and that they need to be revisited in order to ensure that they are equality proofed and fair for all regardless of gender, colour or creed especially important in light of recent changes in legislation requiring GWR to report on the gender pay gap. Please see Appendix A for more information on this topic.
- d) Health Shield - A continuation of the Health Shield provisions for the life of the pay deal.
- e) Harmonisation of Pay anniversary dates - We believe after many years of talks on this topic with no resolution, GWR needs to make a commitment to

resolve the harmonisation of anniversary dates and move everyone's anniversary date to 1 April as part and parcel of this year's deal. We do not want to see a situation where implementation on this is delayed until after the pay talks are concluded and a repetition of what happened after the 2015/16 pay deal.

- f) Pay protected members - as part of our members survey a group of staff falling under pay protection as part of the Revenue Protection Harmonisation who were previously Revenue Protection Officers raised concerns about the number of years that they haven't received a pay rise. We would look for this group to receive an ex-gratia payment equivalent to the deal offered to other grades and would look to analyse how we can progress bringing the others in the group up to their pay level ASAP.

4) Conclusion

We have deliberately kept this year's pay claim short in order to concentrate on the priority pay related issues for our members and we hope that this assists us in having productive talks which are due to start on the 2nd March 2017.

We would ask that the company review this and the other Trade unions claims in advance of the meeting so that we do not need to spend time pouring over our individual claims but rather concentrate on clarifying any specific points and concentrating on starting meaningful talks from the point of the first meeting. TSSA respectfully request that GWR prepare a pay offer to present to the first pay meeting to enable this to take place.

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Appendix A:

FAIR PAY: CLAIM FOR COMPREHENSIVE ANALYSIS OF PAY SYSTEMS, GRADING STRUCTURES AND THE OPERATION OF RECRUITMENT AND SELECTION

TSSA remains disappointed and concerned about the lack of progress on working towards achieving one of our major goals - equal pay. In order to develop an equal pay structure TSSA is asking the company to work in partnership with TSSA in examining the existing pay practices and structures. Much of the comment and coverage of the pay gap between men and women still tends to concentrate on the 'glass ceiling' that affects women at the most senior level. Important as this is, it is an issue that affects women at all levels.

(a) Scale of the issue in the UK

In research updated on 30th September 2016, the Equal Pay Portal has highlighted how the Office of National Statistic's latest Annual Survey of Hours and Earnings (ASHE 2015) in the year to April 2015 showed average earnings for full-time employees had increased by 1.8 per cent. The same report also found that "the gender pay gap for median earnings of full-time employees decreased to 9.4 per cent, from 9.6 per cent in 2014. This is the lowest since the survey began in 1997, although the gap has changed relatively little over the last 4 years. A similar trend is seen when full-time and part-time employees are combined, although the gap is unchanged from 2014, at 19.2 per cent."ⁱ

The gender pay gap is not even in that for some age groups there is a much closer correlation. Research published on 14th October 2016 by the TUCⁱⁱ based on ASHE 2015 shows that:

- The gender pay gap begins as soon as women start their careers – an 18-year-old woman working full-time earns on average £1,395 a year less than her male peers.
- This increases steadily through her 20s, when a woman earns on average £1,944 less a year than men of a similar age, and 30s, when the annual pay gap hits £3,034 – meaning a 30-year-old woman loses £30,340 over the next decade.
- The gap in annual earnings more than doubles when women enter their 40s, leaping up from £3,034 to £7,234 a year – or £72,340 over the decade of her 40s.
- The pay gap widens further for women in their 50s, hitting £8,504 a year, or £85,040 through the decade, as caring responsibilities – including for older relatives – continue to have an impact.

All of these figures are based on averages which will mean that they cannot be taken as absolutes for every individual, reinforcing the need to address the issue of equal pay.

There are also differences in the gender pay gap that exists for full-time employees in the private sector and public sector. In the private sector there has been a modest decrease from 17.6 per cent in 2014 to 17.2 per cent in 2015, the lowest since the series began in 1997 and continuing the long-term downward

trend. However, the gender pay gap in the public sector increased for the second consecutive year from 11.0 per cent to 11.4 per cent.ⁱⁱⁱ

Despite some gradual improvements, the most startling headline is that recently published in the Guardian newspaper^{iv} reporting on a survey carried out by Deloitte which concluded that the gender pay gap in the UK would not be sorted out for some women until 2069!^v

These worrying figures should act as a wake-up call that progress has to be made and cannot be taken for granted. It should also alert both sides of industry - workers and employers - of the need to accelerate measures to remedy the situation and move the issue to the top of the agenda.

(b) Request to sign up to government initiative

Another initiative that remains relevant - the Voluntary Gender Equality Analysis and Reporting initiative (see: <http://www.acas.org.uk/index.aspx?articleid=3439>) - was launched by the government in September 2011. The initiative is aimed at private sector and voluntary organisations with more than 150 employees who would like to address issues of equality between men and women but are unsure about how to proceed. The government says that it has a commitment to develop a fairer and more flexible labour market that draws on the talents of all and builds a stronger economy as part of its growth agenda. To coincide with the launch of the initiative, the Government published a framework - 'Addressing Gender Equality: 'Think, Act, Report''. This sets out the principles that business, unions, voluntary sector and other partners have agreed to encourage a new voluntary approach to gender equality reporting available to all private and voluntary sector organisations.

(c) Gender Pay Gap Reporting

The government has now introduced the Equality Act 2010 (Gender Pay Gap Information) Regulations for private and voluntary-sector employers which are expected to come into force in early 2017. This means that by April 2018 employers with 250 or more employees are required to:

- publish details of the average difference between men and women's aggregate hourly pay;
- gender bonus gap
- proportion of men and women receiving a bonus
- proportion of men and women working at each quartile of the organisation's pay distribution.

According to an article in Personnel Today,^{vi} published in August 2016, this means that employers should be collecting data on pay from April 2017 and to comply with the legislation publish the figures on the organisation's website and submit evidence of compliance annually to the Government.

We acknowledge that Gender Pay Gap Reporting is not the same thing as Equal Pay or Pay Discrimination but this is clearly a step into exposing how employers can treat workers differently on the grounds of their gender.

TSSA strongly supports mandatory reporting and proper, full pay audits (noting the change in legislation that became operative from 1st October 2014 that makes pay audits compulsory after a company loses an equal pay claim under the terms of the Equality Act 2010 (Equal Pay Audits) Regulations 2014).

(d) TSSA initiative in Network Rail

TSSA would also like to draw attention to the real progress we have made in Network Rail (NR) following the Union's initiative and which has led to the introduction of a revised pay system (known as Transparent Pay) for managerial grades where TSSA has sole recognition. NR initially refused to recognise the issue despite having a significant number of equal pay claims lodged against it but this changed after a concerted campaign that led the company to enter into meaningful discussions and the introduction of a revised pay system. Included in the initial discussions was agreement for:

- A company equality forum to discuss issues
- Equality reps across the affected grades
- A commitment to develop an equality proof pay system for managerial grades with TSSA involvement – and consider this can be done within two years
- A commitment to take central HR control of the matter
- A pay system based on job evaluation

All of the above have contributed to a developing proposal that has been implemented.

(e) Adopting a constructive approach: jointly addressing the issue

A core part of our claim is to address the issue of equal pay across the company, including for managerial grades.

We are, therefore, urging Great Western Railways to consider adopting a similar constructive approach that TSSA has agreed with NR. The Union has developed a series of principles that we would expect to see in an effective equal pay system and if Great Western Railways is committed to addressing equal pay, we would like to meet to discuss the matter further. This will avoid the need for a more confrontational approach that could ultimately prove more resource intensive and costly to the company - not to mention the potential reputational damage or a judicial order to conduct a pay audit, with consequent fines for non-compliance.

ⁱ See: <http://www.equalpayportal.co.uk/statistics/>

ⁱⁱ See: <https://www.tuc.org.uk/node/125784>

ⁱⁱⁱ See: <http://www.equalpayportal.co.uk/statistics/>

^{iv} See: <https://www.theguardian.com/society/2016/sep/24/gender-pay-gap-wont-close-until-2069-says-deloitte>

^v See: <http://www2.deloitte.com/uk/en/pages/growth/articles/technology-career-pathways-gender-pay-gap.html>

^{vi} See: <http://www.personneltoday.com/hr/gender-pay-gap-reporting-timeline-key-dates-hr/>