tssa the union for people in transport and travel

Transport Salaried Staffs' Association

Claim for Improvements to Pay and Conditions of Service for

London Underground Ltd

Including Ex-Tubelines

Feb 2019

INTRODUCTION

This document sets out our formal claim for improvements to rates of pay and various other conditions of service for all staff covered within the collective bargained machinery employed by London Underground in respect of the forthcoming negotiations.

With effect from the pay anniversary date of 1 April 2019 our union 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. Whilst pay is obviously the main element of this claim we are also asking for the company to meet our members' aspirations in the following areas:

- A substantial increase in the basic rates of pay and other allowances with a minimum increase of £3,000 per annum within a fair and equal pay system;
- Alignment of LUL annual leave with TfL;
- Band 1 and above staff to have at least 2 days extra paid holidays;
- A substantial increase in pay and associated allowances for working on the 26 December;
- A reduction in the working week to a maximum of 32 hours in a 4 day week;
- Introduction of a 'recovery day' (rather than a rest day) at the end of a rostered run of night duties;
- Improvements in travel facilities including 75% discounted rail travel for all staff and benefits following retirement;
- A review of equal opportunities and diversities policies with a view to raising standards in line with best practice;
- Extend the Medical Assistance Programme to all;
- A review of flexible working including arrangements for those who can work from home and family friendly policies, with a view to improving maternity, paternity, adoption and family leave arrangements and making access to flexible working open to all;
- Recognition of the problems faced by employees with neurodiverse conditions and a commitment to provide them with practical help and support;
- A review of the company's arrangements for employees approaching retirement.

It is appreciated that these negotiations take place against a background of a growing economy since our last deal was signed in 2015.

Our union believes that our members/London Underground employees should benefit materially from this improvement and this should be reflected by improvements to their pay and other terms and conditions of employment.

Furthermore, we are conscious that discussions during this pay and bargaining round take place against the background of a much improved (and improving) labour market as unemployment continues to fall. This has obvious implications for the workplace as more staff are likely to consider their future prospects with the company.

We are therefore looking to the company to respond to our claim positively in a manner that will help improve our members living standards and also improve staff retention/less staff turnover and a more highly motivated and productive workforce who feel properly rewarded and valued.

1) CLAIM FOR 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

We are looking for an increase that takes account of the annual increase in the Retail Prices Index (RPI), and the increase in average earnings, company performance and other settlements in the industry. Any offer or increase below the level of the RPI is a real terms pay cut because it will reduce the purchasing power of our members. We are also seeking a minimum increase of £3000 per annum to help those of our members on the lowest salaries as housing costs continue to outstrip earnings.

Economic outlook

Our claim is made at a time of a strengthening economic outlook across the world. In the International Monetary Fund's World Economic Outlook (WEO), published in January 2018, states: "Global growth for 2017 is now estimated at 3.7 percent, 0.1 percentage point higher than projected in the Autumn. Upside growth surprises were particularly pronounced in Europe and Asia but broad based, with out-turns for both the advanced and the emerging market and developing economy groups exceeding the fall forecasts by 0.1 percentage point. The stronger momentum experienced in 2017 is expected to carry into 2018 and 2019, with global growth revised up to 3.9

percent for both years (0.2 percentage point higher relative to the Autumn forecasts. For the two-year forecast horizon, the upward revisions to the global outlook result mainly from advanced economies, where growth is now expected to exceed 2 percent in 2018 and 2019.

The IMF has maintained its previous forecast that UK economic growth rose by 1.7% in 2017 but will fall back to 1.5% for 2018 and 2019. These figures, however, are below those across the world as well as in advanced economies not to mention the Euro Area. The IMF figure is also slightly below the UK Treasury's published list of average independent forecasts which sets growth at 1.6% in 2018 before the drop to 1.5% in 2019.

- **<u>Resurgence of property market</u>**

We are also concerned about the impact of the resurgence of the property market and the increased costs to our members of buying or renting a home, not to mention the prospect of gradually increasing mortgage interest rates.

According to the latest LSL Property Services Index, the cost of buying a house in England and Wales January 2018 increased by 0.2% on the previous month which means the average house in England and Wales is worth £301,477.

- **<u>Increase in property rents</u>**

In the latest figures available (December 2017), the cost of renting a home in England and Wales increased to an average of £850 a month in the year ending December 2017, a rise of 2.3% compared to a year earlier. However, this average masks regional difference. In London, the average rent is £1,277 a month.

- **<u>Increase in people renting, especially amongst 20-39 age group</u>**

What is particularly significant about the rental figures is that levels of home ownership are dropping whilst more people are renting from private landlords.

Recent research by the Local Government Association, reported on in the Guardian newspaper, showed that "home ownership across all age groups has fallen by 4.4% since 2008, while private renters increased by 5.1%."

The same newspaper[i] reported on findings from another study by the Resolution Foundation which disputes the way that the Office for National Statistics collects its household data and led it to claim that a more accurate way was to define a family as "a single adult or a couple along with any dependent children" with the result that "calculating the figures on that basis meant that owner occupation had fallen to just 51%, compared with 63% in the early 2000s."

The English Housing Survey for 2018,released by UK Government's Department for Communities and Local Government in February 2018, shows that:

Younger people (aged 25-34) are more likely to rent privately than to be buying with a mortgage:

In 2006-07, 27% of those aged 25-34 lived in the private rented sector. By 2016-17 this had increased to 46%. Over the same period, the proportion of 25-34 year olds in owner occupation decreased from 57% to 37%. In other words, younger households aged 25-34 are more likely to be renting privately than buying their own home, a continuation of a trend first identified in 2012-13. The proportion of 25-34 year olds in the social rented sector did not change;

This trend is also becoming apparent for people aged 35-44:

In 2006-07, about three quarters (72%) of those aged 35-44 were owner occupiers but ten years later this had fallen to half (52%). While owner occupation remains the most prevalent tenure for this age group, there has been a considerable increase in the proportion of 35-44 year olds in the private rented sector (11% to 29%). The proportion in the social rented sector did not change;

The cost of renting privately

73.5% of private renters are working but have to spend 39% of their household income on their rent, over twice the 18.2% that those with a mortgage have to find each month. 13.7% of those working and renting privately have to claim housing benefit because they cannot afford the rent;

Over the ten years 2006-07 to 2016-17, the average age of first time buyers increased from 30 to 33;
In 2016-17, 20% (4.7 million) of households were renting privately, while 17% (3.9 million) of households lived in the social rented sector;
There has been an increase in the number of families with dependent children in the private rented sector:

Between 2006-07 and 2016-17, the number of households with dependent children in the private rented sector increased by about 966,000. Over the same 10 year period, there was a corresponding decrease of 1.0 million in the number of households with children who are buying their home with a mortgage;

Owner occupation

Of the estimated 23.1 million households in England, 14.4 million or 63% were owner occupiers. This figure has not changed for four years but is down from 71% in 2003. What has changed, however, is the composition of owner occupiers, with a continuing steady increase in those who own their property outright (34% in 2017) as compared with the resulting decrease amongst people with a mortgage still in payment (29%). The increase in the number and proportion of outright owners is at least partly explained by population ageing as large numbers of the baby boomer generation reach retirement age and pay off their mortgages.

- **Pay settlements**

  The latest figures from the Labour Research Department's Payline database of collective agreements show an increase in the value of pay settlements. This comes amid predictions of average inflation of 3.2% in 2019.

- **Welfare reforms:**

  Bearing in mind the fact that in-work welfare benefits are paid to large numbers of workers in the UK, we remain particularly concerned about the additional financial pressure brought to bear as a direct result of government policy. LRD has reported research undertaken on behalf of the TUC by Howard Reed at Landman Economics which concluded that the majority of social security cuts announced by the Coalition Government fell on working families, who have suffered twice the level of benefit losses as out of work families.

  The Conservative Government, elected in May 2015, continued with these policies despite having to withdraw plans to reduce tax credits, in the face of concerted opposition, in an endeavour to cut £12 billion from the welfare budget. The Entitledto website lists a series of welfare benefit changes that took place from April 2016 and which have undermined in-work benefits by cutting the allowances that enable entitlement. In addition, research by the highly respect Institute of Fiscal Studies (IFS) under the title of "Are we all in this together? concluded that there has been "significant losses for those of working age in the bottom half of the income distribution. That is not surprising as a result of various cuts to working age benefits having taken effect." Many of those cuts took place in April 2017.

  Following the June 2017 General Election and the Chancellor's Budget in November of that year, Conservative intentions to maintain the four year freeze on in-work benefits was confirmed as lasting until 2020-21. In the face of rising living costs, analysis by the Resolution Foundation and the IFS predict real terms cuts in income for millions of people across the country.

- **BREXIT:**

  The full effects of the result of the EU Referendum are yet to be felt by most people and it won't be until the UK Government has completed its negotiations to exit the European Union that we will fully begin to know its effects. In the meantime, however, there is a lot of uncertainty about the future as we embark on something of a Phoney War. At this stage, the EY Item Club are forecasting that the impact of Brexit on the UK economy may be softer and more business friendly (or at least not unfriendly) than originally feared following the outcome of the 2017 General Election that has introduced a high degree of political uncertainty into the Article 50 negotiations.

In its Winter Forecast. published in February 2018, the EY Item Club asks "Will the UK economy hold up as Brexit nears?" and then goes onto forecast:

> "The GDP growth forecast for 2018 is raised from 1.4% to 1.7%. This reflects the stronger end to 2017 and the probability that the UK and EU will agree a transition arrangement in the first half to come into effect when Brexit occurs in late-March 2019, which will provide greater certainty to businesses and support investment. Nevertheless, considerable uncertainties are expected to persist over what form the UK's longer-term relationship with the EU is likely to take. Domestic political uncertainties could also weigh down on economic activity.

- **Debt:**

Across the UK families are still really struggling to make their money go far enough - and are often having to go into debt - as they continue to experience a squeeze on their household incomes. As a result, many people are being forced to use their credit cards or their dwindling savings if they need to purchase anything beyond the most every day of items.

Research by the TUC and UNISON, the public sector union, published in August 2016 highlighted how more than a million families with a household income below £30,000 are in extreme debt, and ongoing wage stagnation is making the problem worse. The report, "Britain in the Red," found that:

a) 3.2 million households are in 'problem debt' – defined as paying out more than 25% of their gross household income on unsecured debt repayments (3.2m is equivalent to 1 in 8 households);

b) Another 1.6 million households are in 'extreme problem debt' –defined as paying out more than 40% of their gross household income on unsecured debt repayments (1.6m is equivalent to 1 in 16 households). Many low-income households are under particularly severe pressure. Of the 1.6 million households in extreme problem debt, it is estimated that 1.2 million have a household income below £30,000;

c) Low-income households in employment, extreme problem debt is growing fast. In 2015 9% of low-income households in employment were in extreme problem debt, nearly doubling from 5% in 2014.

More recently, on 4th January 2017, the BBC produced an article under the title of "Household debt rises to post credit crunch high" which highlighted how official figures from the Bank of England showed that "personal debt grew 10.8% in the year to 30 November to £192.2bn in the UK - the highest level since December 2008." The statistics from the Bank of England show that personal debt, including credit cards and bank loans but not including mortgages or student loans, has been growing at a yearly rate of 10% for the past six months.

Research by the TUC in January 2017 using data published by the Office for National Statistics (ONS) that included the effect of student loans, showed an average household in the UK now owes a record amount of £12,887, even before mortgages are taken into account. The ONS figures used by the TUC were based on the three month period that ended in September 2016 and showed that total unsecured debt had hit an all-time high of £349bn which the TUC calculated as meaning that debt, as a percentage of household income, has now reached 27.4%, the highest figure for eight years. The TUC attributed the weak growth in wages as the cause of the issue because it had left more families reliant on borrowing with TUC General Secretary, Frances O'Grady, saying: "These increases in household debt are a warning that families are struggling to get by on their pay alone.

Our union remains disappointed and concerned about the lack of progress on working towards achieving one of our major goals – fair pay and equal pay. In order to develop an equal pay structure our union has developed an Industry Bargaining Standard and is asking the company to work in partnership with the Union to examine its existing pay practices and structures before agreeing to implement a series of practical mechanisms to overcome the issue where it exists.

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.

- **<u>Scale of the issue in the UK</u>**

In a news article published on 26th October 2017, the Equal Pay Portal has highlighted how the Office of National Statistic's latest Annual Survey of Hours and Earnings (ASHE 2017) in the year to April 2017 showed that "the gender pay gap based on median hourly earnings for full-time employees decreased to 9.1per cent, from 9.4 per cent in 2016. This is the lowest gap since the survey began in 1997."

In the private sector, the gender pay gap for full-time employees has decreased from 16.7 per cent in 2016 to 15.9 per cent in 2017. In the public sector the reverse is true with an increased from 11.1 per cent to 13.1 per cent.

When part time employees are included with full time workers, there is a marginal increase in the gap for all employees, from 18.2 per cent in 2016 to 18.4 per cent in 2017.

The article goes on to look at a variety of factors that make the issue complex, including differences between full time and part time employees, how the gap widens particularly from age 40 onwards for women, hours worked, etc.

<u>Under a heading of "Women work for free for a fifth of the year," the TUC has published analysis that shows that the average woman has to wait nearly a fifth of a year (66 days) before she starts to get paid, compared to the average man. This claim is based on the gender pay gap for all full-time and part-time male and female employees as reported in ASHE 2016.</u>

➢ 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 came into force in April 2017. This means that by April 2018 employers with 250 or more employees are required to publish (on a company website that is accessible to employees and the public) the:

(a) average gender pay gap as a mean average
(b) average gender pay gap as a median average
(c) average bonus gender pay gap as a mean average
(d) average bonus gender pay gap as a median average
(e) proportion of males receiving a bonus payment and proportion of females receiving a bonus payment
(f) proportion of males and females when divided into four groups ordered from lowest to highest pay.

Similar regulations have been introduced for the public sector (Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017).

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 losses an equal pay claim under the terms of the Equality Act 2010 (Equal Pay Audits) Regulations 2014).

Our initiative in Network Rail

We would also like to draw attention to the real progress we have made in Network Rail (NR) that is now taking the issue seriously.

NR has four managerial bands for which our union has sole recognition. In NR there are c8,800 managers, one in five of who are women. All job titles have the same generic job description. Historically pay has been determined on appointment by the interviewing manager. When we raised the question with them initially during pay talks we were assured there was no gender pay problem, everything was OK and NR refused to discuss a proper system with us.

Our union conducted an anonymous survey among members that confirmed most women were at the bottom of each scale. Subsequently, members circulated the survey more widely amongst colleagues and a statistical analysis of the results was undertaken by an academic with expertise in this field. This was followed up by a series of surveys (by job title) that members were asked for names, location and other relevant details. Sample of many hundreds of equal pay questionnaires /grievances were lodged with NR whose response was inadequate. We are pleased to report that the company did eventually accept that there was a problem and agreed to engage constructively with our union to try to resolve the issue. This includes:

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

All the above have contributed to a final proposal for a new pay system for implementation in the near future. While negotiations continue before then, NR has finally conceded that there will be a single spine pay system for all NR managerial grades.

Adopting a constructive approach: jointly addressing the issue

We are urging London Underground to consider adopting a similar constructive approach as the one agreed with NR. 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 potential reputational damage to LUL.

2) ALIGNMENT OF LUL ANNUAL LEAVE WITH TfL

LUL have a basic 29 days leave entitlement, while TfL have a 30 days basic entitlement. We are seeking an increase in the basic leave entitlement to 30 days so there is parity between LUL and TfL.

3) INCREASED PAID LEAVE FOR BANDS 1 AND ABOVE

Our members within these grades are increasingly doing more with less as there has been a significant reduction in headcount. In addition, their flexibility has never been greater including their on-call commitments. In recognition of their efforts, we are seeking an increase of at least two days paid leave.

4) A SUBSTANTIAL INCREASE IN PAY AND ASSOCIATED ALLOWANCES FOR WORKING ON THE 26 DECEMBER

Our union remains concerned at the disparity in pay across many grades for working on the 26 December each year. Therefore our claim is for a substantial increase in pay and allowances for ALL grades who have to work on this day and to make working this day voluntary.

5) A REDUCTION IN THE WORKING WEEK TO A MAXIMUM OF 32 HOURS IN A 4-DAY WEEK

Our objective is for a reduction in the working week to a maximum of 32 hours in a 4-day working week. In order to achieve this the Association is willing to participate in a Joint Working Party to discuss real working time reductions linked to higher investment, improved training and skills and new patterns of work.

6) INTRODUCTION OF A ‘RECOVERY DAY’ (RATHER THAN A REST DAY) AT THE END OF A ROSTERED RUN OF NIGHT DUTIES

our members who work night shifts have for many years in that the final night shift they work into their rest day. This means that members give the company up to nine hours of their time on their rest day, and the quality time afforded by this rest day is severely compromised.

We therefore believe that the day following the final night duty in rosters should be designated as a ‘recovery day’ and considered separate from the existing rest day entitlement.

7) IMPROVEMENTS IN TRAVEL FACILITIES FOR ALL STAFF AND BENEFITS FOLLOWING RETIREMENT.

Our members continue to feel very strongly with regard to the erosion of the value of their travel facilities and the persistence of a two-tier entitlement structure that is unfair and divisive. Set below are our demands to eliminate the 2 tier structure:

- Extending PTAC to cover all staff
- Additional boxes on ATOC free tickets
- Provision for those staff carrying a Standard Class National Rail staff travel card to be allowed to keep them in retirement
- 75% discount on season tickets to not be taxed twice

We would again like to take this opportunity to emphasise the growing discontent and dissatisfaction within the workforce relating to the different levels of travel facility entitlements afforded to safe and non-safeguarded employees. Our union considers that these problems are not going to go away and urges the company to seek to resolve the issue as part of these negotiations. We would also like to see the benefits on 'My TfL' to be extended to staff following retirement.

8) A REVIEW OF EQUAL OPPORTUNITIES AND DIVERSITIES POLICIES AND EQUALITY AUDIT REQUIREMENTS WITH A VIEW TO RAISING STANDARDS IN LINE WITH BEST PRACTICE

Our union considers that an equal opportunity policy (or equality/diversity policy) is an important framework for the development of a programme on diversity and equality in the workplace.

Equal opportunities and diversity issues remain high on our bargaining agenda and we strongly favour a joint union/employer approach. Evidence shows that adopting a positive attitude and promoting diversity is good for workers and good for business. Companies that look beyond the 'usual suspects' for staff and employ people on the basis of their abilities and potential, regardless of their sex, race, age, disability, sexual orientation or religion can benefit in many ways, including:

- Higher morale and productivity, improved retention rates and lower recruitment costs;
- Better understanding of customers' needs and greater insight to reach untapped markets;
- Help in addressing skills shortages.

<u>Being proactive over diversity and equality</u>

We consider that organisations that are proactive in taking steps to improve diversity in the workplace earn real business benefits. This is borne out according to a joint report from the CBI and the TUC published in June 2008. The report, ‘Talent not Tokenism’ remains relevant and shows that promoting diversity need not be expensive, complex or a legal minefield for business. It also identifies some key ingredients for bringing about change, including leadership from senior management and employee involvement, especially through unions and other workforce representatives.

Furthermore, it demonstrates that diversity can be improved through positive action - such as removing bias against older workers, developing strong links with local communities and offering flexible shift patterns to help working parents - not positive discrimination. We also want London Underground to sign-up to TSSA LGBT+ Bargaining Standard.

9) EXTEND THE MEDICAL ASSISTANCE PROGRAMME TO ALL

Having access to this Programme for all staff will help to minimise long-term absence. It will also undo the unfairness of having a service which can improve the health and well-being of staff bur restricting its eligibility to only some of them.

10) A REVIEW OF FLEXIBLE WORKING INCLUDING ARRANGEMENTS FOR THOSE WHO CAN WORK FROM HOME AND FAMILY FRIENDLY POLICIES, WITH A VIEW TO IMPROVING MATERNITY, PATERNITY, ADOPTION AND FAMILY LEAVE ARRANGEMENTS IN LINE WITH BEST PRACTICE AND MAKING ACCESS TO FLEXIBLE WORKING OPEN TO ALL

➢ **Advantages of improvements in family friendly policies**

Over recent years there have been a number of welcome improvements in the area of family friendly working rights emanating from government legislation. These need to be built on and used to full effect. We consider modern, flexible, family friendly working practices have advantages for both employees and employers. These advantages are numerous including:

- keeping skills and experience (return on investment)
- boosting morale by giving people more choice and control over their hours
- keeping a successful team intact
- having staff you know and can trust to delegate to
- saving time and money recruiting and developing a replacement
- aligning work time with individual peak-productivity time
- keeping people on-board once they start a family or take on other caring responsibilities
- increasing diversity to reflect customer/client base
- strengthening the business by having a mixture of talent and leadership styles
- flexibility to cover a wider span of hours to meet 24/7 demand
- lowering stress and/or the impact of personal issues on productivity
- reductions in travel expenses, office space costs and impact on the environment
- improving employee wellbeing as a result of a good balance between work and home life. This can positively impact on absenteeism rates, discretionary effort, loyalty, motivation and morale.

➢ **Improvements to family friendly rights: Shared Parental Leave and Pay**

Statutory arrangements have been introduced from 5th April 2015 entitling parents to Shared Parental Leave (SPL) for up to a maximum of 52 weeks from the birth of the baby on the basis that the mother/partner agrees to curtail her maternity leave.

In addition to SPL, Shared Parental Pay (SPP) has been introduced (paid at £140.98 a week or 90% of the employee's average weekly earnings (whichever is lower) from 5th April 2015 when SPL replaced Additional Paternity Leave. The rate was frozen by the government in 2016 but increased to £140.98 in April 2017.
To qualify for SPL, the mother or adopter has to curtail their entitlement to maternity/adoption pay or maternity allowance (total entitlement is for 39 weeks) before they have used their full entitlement.

In both of these cases, both partners have to fulfil an earnings and employment test.

Yet, even before its introduction, a report ("No More Baby Steps/ A Strategy for Revolutionising Childcare") published by the Institute for Public Policy Research in June 2014 quoted "the government's own projections estimate that only 2–8 per cent of eligible fathers are likely to take some 'shared parental leave' when it becomes available, which seriously undermines its objective of ensuring that fathers have the opportunity to spend time with their baby and family." In addition, the issue of the rate of statutory pay could undermine take-up, along with the problems caused by "the gender pay gap where many families will make financial decisions that will contribute to the reproduction of existing gender norms of work and care."

➢ Take up of Shared Parental leave

In fact, these fears have been confirmed in research published in December 2016 by the CIPD which indicates that "just 5 per cent of new fathers and 8 per cent of new mothers have taken up shared parental leave (SPL) since it was introduced in April 2015," blaming the low take up on the practical financial difficulties caused by the deterrent effect of the inadequate level of statutory Shared Parental Pay.

In earlier research, conducted by XpertHR, published by Personnel Today in June 2016,[ii] it was found that there is a correlation between take up levels of shared parental leave and whether the employer has enhanced parental pay above the minimum statutory amount.

The survey of 397 employers (with a combined workforce of 827,083 employees) showed that whilst 72% of respondents thought they had staff eligible to make requests for shared parental leave, only one third of workers had done so. The article in Personnel Today highlighted how "employers believe that affordability is a key reason for the low uptake of shared parental leave" and went on to report that:

> "Employers that enhance shared parental pay are twice as likely to receive a shared parental leave request as those who offer only the statutory rate. The proportion of employers with eligible employees making shared parental leave requests rises from one-third across the whole sample to more than half [55.9%] of those offering enhanced shared parental pay. But it falls to only a quarter [25.7%] of employers that do not enhance shared parental pay."

The survey also found that where an employer did not offer enhanced shared parental leave, staff took paid annual leave rather than statutory shared parental leave which was pitched too low to present a viable option.

Personnel Today noted that a key objective of shared parental leave was to "encourage more fathers to play a greater caring role in the first year, via longer, more flexible shared leave." Three-fifths of surveyed employers believe that the new right has been unsuccessful in achieving this objective.

More recently, the government's Department for Business, Energy and Industrial Strategy has published figures indicating that take up of shared parentl leave could be as low as 2% which has prompted it to launch a campaign publicising the benefits of the scheme.[iii]

➢ Issues with introducing new rights: ingrained attitudes

In advance of the introduction of legislation of Shared Parental Leave in 2015, the Institute of Leadership & Management (ILM) found that a lack of support from employers was blamed for the low take up of paternity leave.

The survey, reported in March 2014 indicated that a quarter of new fathers took no paternity leave at all whilst fewer than one in 10 took more than their two weeks statutory leave. Respondents blamed "ingrained" attitudes among employers that amounted to a "cultural expectation" that women rather than men were the ones taking extended periods away from the workplace. Some new fathers also expressed concerns that they could not afford to take leave. But the ILM said its research suggested the changes would have little impact if attitudes of employers were not addressed as well.

- **<u>TUC proposal</u>**

The TUC has proposed an extension of paternity leave and pay from two to six weeks, paid at 90% of the father or partner's average earnings. We consider that such an improvement would massively improve the take-up and is urging the company to improve its paternity arrangements along these lines.

Female economic participation remains at high levels. Many progressive employers are increasingly recognising the importance of family friendly policies in retaining the key skills of these workers. Such efforts are resulting in high return to work rates after maternity leave and can boost an organisation's standing as an employer of choice.

- **Maternity, Paternity and Shared Parental Pay to become contractual and paid at full basic pay.**

    <u>Maternity:</u> Some companies already pay a large proportion of the 39 weeks of Maternity Leave at full basic pay and we wish to see this standardised as a minimum across the industry.

    <u>Paternity:</u> Similarly, statutory Paternity Leave that fathers/partners receive should be extended to up to six weeks and all paid at full basic pay.

    <u>Shared Parental Leave:</u> With the advent of the Shared Parental Leave and Pay arrangements our claim is also that when the mother curtails her leave before the end of 39 weeks, the father/partner should receive pay at full basic salary for the remaining period as a way to encourage take up of the system and to avoid accusations of discrimination against men.

- **Overall improvement in parental leave arrangements:** We are also requesting a parental leave agreement which:

    - applies to all parents, including adoptive and same sex partners, regardless of length of service or type of employment;
    - applies to all parents who have children under school age;
    - will be paid, at least in part;
    - will be flexible enough to allow agreement between staff and managers over the way that leave can be taken to meet the needs of the employee.

    (3) Overall improvement in adoption leave arrangements: We are seeking a move towards the development of contractual adoption arrangements that run parallel with contractual maternity arrangements

    (4) Improvements in childcare provision: Whilst the UK Government has introduced its scheme in England (for Wales, Scotland and Northern Ireland –

see: https://www.gov.uk/help-with-childcare-costs) for 30 hours of tax free childcare for 3 and 4 year old (on condition both parents are working), for most people access to childcare in the UK is clearly related to the ability of families to pay for the services. The help promised by the government under the Tax Free Childcare (TFC) scheme means that working parents will only be able to receive a 20% discount on their costs.[iv]

We are therefore seeking assistance from the company for those employees who have childcare needs by either supporting workplace childcare provision and/or where this is not feasible, by providing childcare vouchers (noting that the government has committed that until April 2018 the current childcare voucher scheme[v] will remain open for new joiners whilst the TFC is rolled out).

Finding good quality, dependable and affordable childcare can prove critical in determining how working parents, and in particular working mothers, balance family life with employment or, indeed, whether they continue to work at all.

By offering some type of childcare assistance, employers demonstrate to staff that they recognise the often considerable financial commitment made by working parents. Moreover, by doing so, they can improve staff retention and benefit from an enhanced image as an employer of choice. By easing some of the strain – be it financial or practical – of finding suitable childcare, employers are likely to have more engaged and less absence-prone staff.

Soaring cost of childcare

Our union remains extremely concerned about the soaring cost of childcare. Reports continue to indicate that the pressure is still on. Above we mentioned in some detail the impact of the government's economic policy on the standards of living of millions of in-work people. One area where this is particularly relevant is those workers who have to access paid childcare facilities for their children – these workers have been hit by a multiple whammy as childcare costs continue to soar and changes to things like tax credits and other benefits have the cumulative effect to make things worse. TFC will mean that whilst parents could gain in tax savings, those who currently qualify for Childcare Tax Credits will lose their eligibility.

Reports indicate that the situation, if anything, has got worse as these costs continue to outstrip increases in pay and earnings. In its Childcare Costs Survey 2018, The Family and Childcare Trust has revealed that:

(a) Childcare prices for children under three have risen above inflation and wages this year (see table below);
(b) After school club prices have risen by a smaller amount (see table below)

	Price	Increase since 2017
25 hours a week nursery for child under two	£122	7%
25 hours a week nursery for child age two	£119	6%
5 days a week after school club	£56	3%

(c) Working parents of three and four year olds in England can now get 30 hours of free childcare a week. If they need 20 extra hours to take this up to 50 hours a week, the average price will be £94.

(d) The average price of 25 hours of care a week for a child under two in a nursery is £122 across Great Britain, or £6300 per year.

The following table summarises some of the report's findings:

Price of 25 hours a week childcare for children under three

	Nursery		Childminder	
	Under two	Two	Under two	Two+
Great Britain	£122.46	£119.47	£107.41	£109.44
England	£124.73	£120.66	£110.61	£109.95
Wales	£116.18	£116.02	£100.22	£100.38
Scotland	£109.68	£108.60	£114.33	£112.75

Price of 50 hours a week childcare for children under three

	Nursery		Childminder	
	Under two	Two	Under two	Two+
Great Britain	£232.84	£229.33	£217.30	£216.10
England	£236.19	£231.75	£218.22	£217.06
Wales	£218.73	£220.77	£202.61	£203.10
Scotland	£205.18	£200.66	£228.00	£224.85

Weekly price of an after school club or childminder for children age 5-11

	After school club	Childminder (to 6pm)
Great Britain	£56.38	£62.25
England	£56.82	£62.95
Wales	£50.64	£54.47
Scotland	£56.74	£61.92

Childcare support can prove particularly attractive to women considering returning to work following maternity leave, concerned about the expense and paucity of good-quality childcare. Offering childcare assistance – perhaps as part of a broader package of family-friendly policies – can be a key differentiator in the quest to attract and retain highly-skilled staff.

A growing number of organisations offer some sort of childcare assistance. This support can take a variety of forms including:

- running a workplace nursery
- buying or reserving places in an external nursery
- providing out-of-school care (holiday play schemes and after school clubs)
- offering childcare allowances and vouchers
- offering a childcare advisory and referral service
- accommodating flexible working patterns

The above options need not be mutually exclusive. Used together they can offer employees the flexibility to find a solution that best suits their own particular childcare needs.

e) Joint discussions on the possible extension of flexible working within the organisation: we are seeking a Joint Working Party to discuss the possible extension of flexible working within the organisation. Employers must take account of the right to request and the duty to 'reasonably' consider placed on them by the Work and Families Act. TSSA is calling for discussions with employers with a view to allowing all employees to have access to flexible working arrangements, including part time working, flexitime, working from home and compressed hours.

Flexible Working Research

Our union remains firmly of the view that flexible working is good for the business as well as for workers and their families. For example:

(a) Sickness absence. Working with railway companies and trade unions, the RSSB has estimated that cost to the rail industry of direct and indirect sickness absence is £316m per annum, a situation that is likely to get worse with an ageing workforce and changes in its composition that will increase the costs of employee management. On top of this, the rising costs of chronic disease and ill-health are expected to alter current arrangements for health management.

In research conducted by the CIPD, working with Simplyhealth, and published in its 17th National Absence Management Survey in November 2016, it was found that "those that use flexible working or leave for family circumstances (such as carer/ emergency/dependant leave) to manage absence are somewhat less likely to include illegitimate absence among their top five causes of short-term absence…The private sector is more likely than the public or non-profit sectors to include illegitimate absence and home/family/carer responsibilities among their top causes of short- and long-term absence. This may be at least partly attributable to more widespread flexible working practices in the public and non-profit sectors."

In support of this assertion, CIPD's survey showed that 53% of all organisations adopt flexible working as an approach to managing short and long term absence but only 47% of private sector firms used this method against 68% of public sector ones (for long term absence the figures were 50% of private sector against 65% of public);

(b) Mental health. Mental health has become one of the three most significant workplace health concerns in the railway industry and features heavily in the Office of Rail and Road's current industry wide Health and Wellbeing Programme that calls for improved stress management. Associated with this is the question of presenteeism, often the result of work place pressure, which in 2014 the RSSB estimated as costing the railway industry £480 million a year.

In the CIPD and Simplyhealth research highlighted above it was identified that "the majority of organisations are taking some action to promote good mental health, most commonly through flexible working options/improved work– life balance employee assistance programmes and counselling." The use of flexible working was reported as the second most used way to identify and reduce stress in the workplace and was the most favoured way of providing support to employees with mental health problems.

(c) **<u>Employee perspective.</u> In earlier research under the title of "Employee Views on Working Life," published by the CIPD in April 2016, it was reported that from the employee perspective, flexible working contributed to heightened job satisfaction, helped relieve pressure at work, reduced the time and expense of commuting and also significantly enhanced individual's work-life balance. On the last of these, for instance, 65% of workers able to work flexibly were satisfied or very satisfied with their work-life balance but this dropped to only 47% of those unable to work flexibly.**

11) CLAIM FOR RECOGNITION OF THE PROBLEMS FACED BY EMPLOYEES WITH NEURODIVERSE CONDITIONS AND A COMMITMENT TO PROVIDE THEM WITH A PRACTICAL HELP AND SUPPORT

London Underground may be aware of the work our union has been undertaking on this issue for the last few years. Neurodiversity is an umbrella term referring to a group of neurological development disorders which share common features, in particular differences in how people learn and process information. Definitions vary, but here we use the term to refer to dyslexia, dyspraxia, dyscalculia, Attention Deficit Disorders (ADD/ADHD), and Autistic Spectrum (Autism/ Asperger's syndrome). Under the law these conditions are collectively known as 'hidden disabilities', a useful term for gaining and securing disability discrimination rights under the Equality Act 2010.

The word neurodiversity has been adopted by us because many, or even most, people with information-processing differences do not consider themselves disabled, but prefer to describe themselves as having a different set of skills, abilities and ways of seeing the world which may be very helpful in some situations and less so in others. With appropriate support it is possible to be highly successful and many people find niches in which they can flourish.

Neuro diverse issues can have massive effects on people within their workplace such as damaging career prospects, raising serious health and safety issues and preventing people getting into the workplace in the first place. Sufferers of neuro *diverse issues can feel embarrassed to come forward within the workplace because of the stigma that can often be associated.*

12) CLAIM TO REVIEW THE COMPANY'S ARRANGEMENTS FOR EMPLOYEES APPROACHING RETIREMENT

Our 2013 Annual Conference noted "*with regret that many employers no longer offer any form of retirement preparation for members about to retire. Furthermore, where courses or seminars are available, they do not necessarily address the key issues that will face members when they retire. Conference therefore urges members to encourage employers to review their retirement policies with a view to establishing appropriate and relevant courses….".*

Section 8 of this submission went into some detail about the problems and needs of an ageing workforce. We are asking the company to consider its current arrangements for supporting staff approaching retirement and how these can be improved to better meet their needs to manage the transition between work retirement and life after work.

A recent article 'Planning ahead can cushion transition at end of working life' (LRD Workplace Report: No.119, December 2013) says "The UK workforce may be destined to work longer, nevertheless, the change from working life to retirement can be problematic. For the moment employers are still willing to help their employees prepare for retirement" and examines pre-retirement schemes. Schemes designed to help workers prepare for retirement are not new to the pay and conditions agenda. Over the past decade or so, LRD *Workplace Report* has reported on electricity companies that offer up to 35 days' paid leave in the final year, engineering firms and universities with a progressively shorter working week, and industry-level agreements that guarantee a minimum of five or 10 days off with pay. LRD give detail of the Tata Steel's scheme that is part of a national pre-retirement agreement effective from January 2012. It aims to ensure a smooth transition to retirement for employees, as well as complimenting business processes (succession planning and knowledge transfer) by:

- establishing a common business process/structured timeline that clearly outlines the requirements and timescales of employees and their line managers;
- providing paid time off to attend counselling or seminars to support staff in preparation for their retirement (pre-retirement seminar, financial advice, lifestyle coaching);
- providing a range of flexible options that the employee can review with their manager that provide mutual benefits to the individual and business prior to the retirement date; and
- providing up to five additional days' leave to be taken in the final three months of employment, which can be enhanced through the use of accrued holiday days.

CONCLUSION

Our union is fully cognisant of the economic climate and job market under which these negotiations will take place and the impact government policy continues to have on our members' standards of living. We believe that the company has a responsibility to protect and improve matters for its employees. We are therefore, looking for the company to respond constructively in a positive manner to the various demands set out in this submission.

We consider that by addressing the standard of living, fairness and quality of life issues covered in this document will have a beneficial impact on the company's performance by creating a more highly motivated and productive workforce that at the same time is more representative of present day Britain's diverse society. As the economy returns to growth and competition between employers for the best workers, we believe that improvements agreed as part of our negotiations will also increase the likelihood of retaining these staff.

We remain of the view that the workforce is the company's most important asset and contend that the improvements being sought are both reasonable, proportionate and a requirement for a progressive, forward-looking organisation that is fit for purpose.