



TSSA CLAIM FOR
IMPROVEMENTS TO PAY,
CONDITIONS AND THE
INTRODUCTION OF
A NO COMPULSORY
REDUNDANCY AGREEMENT

Transport Salaried Staffs' Association

Claim for Improvements to Pay, Conditions of Service and for a No Compulsory Redundancy Agreement for Amey Rail staff (including all staff covered by TSSA collective bargaining agreements).

Anniversary date: 1st March 2024

Date of submission: 3 January 2024

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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 and for a No Compulsory Redundancy Agreement for staff employed by Amey in respect of the forthcoming negotiations.

With effect from the pay anniversary date (1 March 2024) 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.

Pay is one of two main elements of the claim, the other being a No Compulsory Redundancy Agreement.

We are also asking for the company to meet TSSA members' aspirations in the following areas:

- Provision of improved company pension contributions and benefits
- A review of company policies and procedures, including flexible working and family friendly policies in line with best practice
- A reduction in the working week to a maximum of 35 hours in a 5-day week
- Increase the basic annual leave entitlement to thirty days
- Collectively bargained terms and conditions of employment for all grades covered by collective agreements
- A negotiated agreement on a sustainable workplace framework agreement
- Request that Amey signs up to the Dying to Work campaign and adopts its charter
- Work with TSSA to introduce a Menopause policy
- Commit to supply free Period Products

TSSA also wants to make it clear that our claim covers anyone employed during the bargaining year either in part or full, including those who have received a promotion.

Member engagement

As in previous years, this claim has been formulated to represent the collective will, experience, and views of TSSA members employed by Amey.

Our reps have surveyed staff to gauge the importance of various aspects of pay policy and the needs of members in the ongoing cost of living crisis. Combined with TSSA policy determined through the democratic structures of our members, this document sets out our negotiating position for Amey in 2024.

Our members' survey identified an overwhelming majority of members who are suffering from the impact of below inflation pay settlements in the last two years. A crisis that began with increasing fuel, food and energy prices left members struggling to maintain their ability to pay for essential goods. Although inflation shows signs of increasing at a slower rate than the last two years, prices continue to increase as members look to 2024 in fear of how to pay the rent or the mortgage as Bank of England base interest rates increase at historic rates. A bank

rate of 5.25% at the time of submission, the highest rate since the 2008 financial crisis¹, is contributing to an increase of 61% for the average semi-detached home in the UK². A decade of 0.25% to 0.75% mean that those who don't own their home outright are seeing two-to-five-year fixed rate loans on the roof over their head as a ticking time bomb that could destroy their ability to afford the essentials, let alone live comfortably and save for the future. Members are not prepared to accept a further reduction in the value of their wages when they are living in a state of worsening crisis.

TSSA Survey respondents' individual comments reported increasingly grim experiences of increasing misery: turning down the thermostat. Seeing their hard-earned savings wiped out. Searching for jobs elsewhere. Working maximum overtime to maintain a standard of living previously possible from contracted hours with overtime to pay for holidays. Abandoning plans to move out of the parents' home. Putting optional leisure on hold for "another year, again". Putting off starting a family and feeling they would be even worse off had they not done so. Struggling to afford childcare necessary to facilitate going to work. Apprentices worse off at the end of their studies than they were at the outset. Those with caring responsibilities choosing between giving essential care or working overtime to make ends meet. Expectant parents anticipating the arrival of a newborn with apprehension at the prospect of reduced family income and maternity pay and soaring childcare costs. Spouses being made redundant in the pandemic and single income households reliant on Amey wages.

The results showed three broad categories of members:

- a) Those approaching the end of their career, typically with adult children, maturing defined benefit pensions, and reducing, or paid off, mortgages who are doing ok and recognise that others have it much worse because of when they were born.
- b) Those with mortgages and other household debts and bills that are increasing at an ever-increasing rate that outstrips earning. These members have rapidly fallen from relatively comfortable good earners to struggling now and increasingly fearful about the future.
- c) Young members at the start of their career who expected that by now they would be in a similar position to those in b) at a similar age. In a position to move out of the family home or to stop losing money on rent to have saved enough for a deposit to buy a property, start getting equity and to start a family. These members are typically struggling to maintain their situation and are seeing their hopes and plans pushed further away, not brought closer, with each year.

Members in each category expect their negotiators to achieve a deal that puts Amey staff in a more secure position for the future.

¹ <https://www.bankofengland.co.uk/explainers/what-are-interest-rates>

²

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/articles/monthlymortgagerepaymentsup61foraverage semidetachedhomeintheuk/2023-03-08>

Company Performance

Since the sale of Amey by Ferrovial to Buckthorn and One Equity Partners for £264.2m last year, members will be aware of industry press coverage of Amey's increasing stability, growth and future prosperity since the takeover. In October this year, www.constructionnews.co.uk reported:

“In the latest accounts, [CEO, Andy] Milner said the acquisition “brings to an end a long period of uncertainty since 2018”, when Ferrovial announced its intention to dispose of its services portfolio.

He added: “With the support of our new shareholders, Amey is now in an excellent position to leverage opportunities offered by the UK Government’s £600bn commitment to infrastructure spending, ongoing investment in levelling-up funding and in the energy-transition journey to reach net zero.”

...increased revenue from the firm’s transport infrastructure and consulting units, which “capitalised on new business wins”...

Amey won new transport infrastructure business in 2022 totalling £834m...The firm’s transport infrastructure order book stood at £3.88bn at the year-end.

On the firm’s future ambitions, Milner said: “We are excited about the enhanced opportunities for growth that Amey will have as an independent company.”

...Milner said: “Amey is a healthy business with a strong pipeline of existing work. The shift in our future direction will be an evolution and we remain committed to delivering for our existing contracts. But 2023 does mark the beginning of a new chapter as we focus on growing the business and helping our clients to tackle some of the biggest challenges of our time.”³

TSSA is, therefore, looking to the company to respond to our claim positively in a manner that will help improve our members’ standards of living and their quality of life. In doing so, we consider that the company will benefit also by a more highly motivated and productive workforce who feel properly rewarded and valued, especially at this highly uncertain and, for many, deeply worrying time.

³ <https://www.constructionnews.co.uk/financial/amey-profit-rises-despite-109m-provision-18-10-2023/>



2) 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, TSSA regards as real terms pay cut because it will reduce the purchasing power of our members' pay.

(a) RPI Inflation

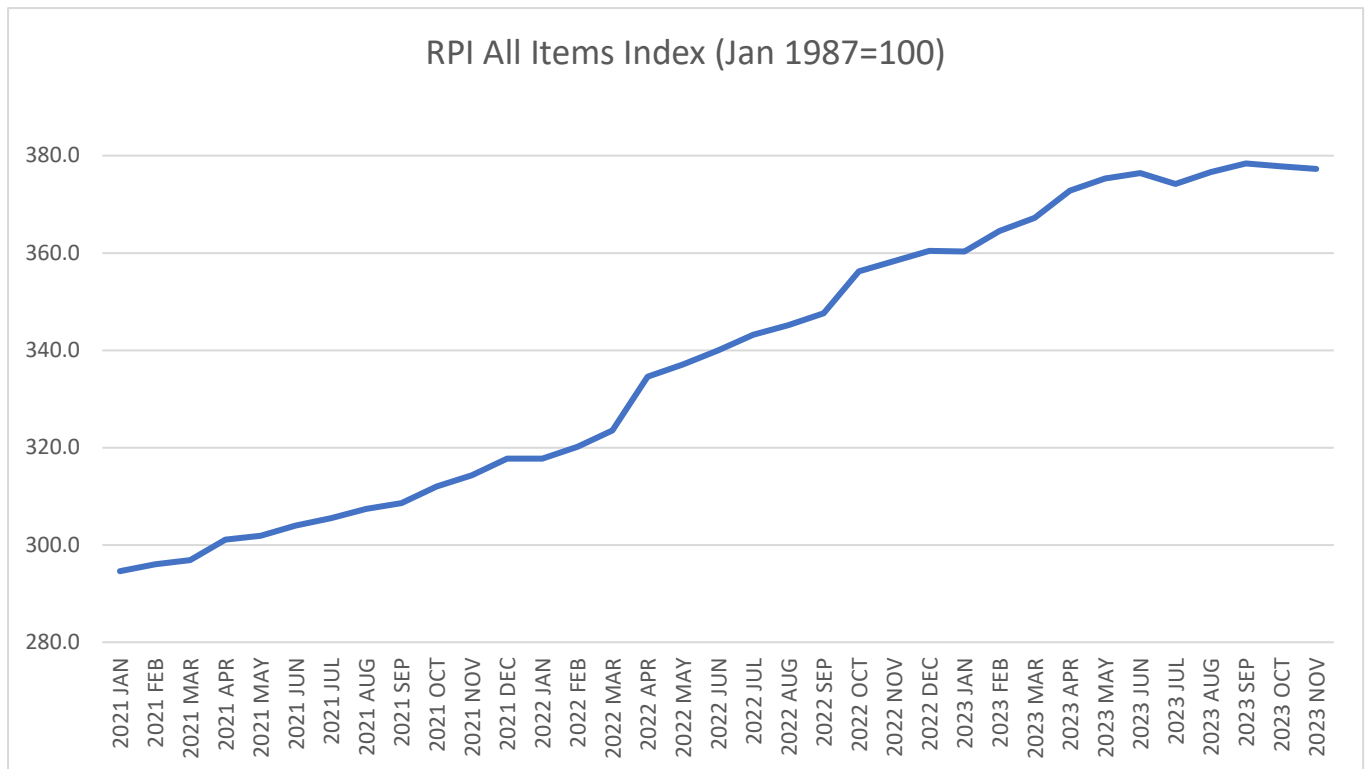
The table below illustrates the monthly RPI compared to the previous year equivalent as a percentage rate since the beginning of 2021. The following graph shows the monthly RPI value, where 100 = January 1987.

RPI percentage rates from 2021

2021	RPI %	2022	RPI %	2023	RPI %
January	1.4%	January	7.8%	January	13.4%
February	1.4%	February	8.2%	February	13.8%
March	1.5%	March	9.0%	March	13.5%
April	2.9%	April	11.1%	April	11.4%
May	3.3%	May	11.7%	May	11.3%
June	3.9%	June	11.8%	June	10.7%
July	3.8%	July	12.3%	July	9.0%
August	4.8%	August	12.3%	August	9.1%
September	4.9%	September	12.6%	September	8.9%
October	6.0%	October	14.2%	October	6.1%
November	7.1%	November	14.0%	November	5.3%
December	7.5%	December	13.4%	December	17/01/24

RPI Values from 2021

2021	RPI	2022	RPI	2023	RPI
January	294.6	January	317.7	January	360.3
February	296	February	320.2	February	364.5
March	296.9	March	323.5	March	367.2
April	301.1	April	334.6	April	372.8
May	301.9	May	337.1	May	375.3
June	304	June	340.0	June	376.4
July	305.5	July	343.2	July	374.2
August	307.4	August	345.2	August	376.6
September	308.6	September	347.6	September	378.4
October	312.0	October	356.2	October	377.8
November	314.3	November	358.3	November	377.3
December	317.7	December	360.4	December	17/01/24



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(b) Increases in Mortgage Interest Rates

At its last meeting, the Bank of England’s Monetary Policy Committee (MPC) decided to pause further increases to the Base Rate (Mortgage Interest Rate) above the 5.25% introduced in August 2023.

The Mortgage Interest Rate has been increased fourteen times in a row which means that workers like TSSA members have to contend with ever higher housing costs

Four out of five mortgages in the UK are fixed rates which means that borrowers will not see an increase in the cost of their mortgage until their current product ends and it’s time to re-mortgage. Research published by New Mortgage Finance⁵ published after the latest MPC meeting described how:

In June 2021 the average 2-year fixed rate was 2.17%, in June 2023 the average 2 year fixed rate was 6.85%.

It then went on to describe how home owners seeking a renewal now would experience a change in their repayments on a 25 year mortgage:

⁴ <https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/chaw/mm23>

⁵ See: <https://nmfinance.co.uk/bank-of-england-base-rate-2023/>

- Outstanding mortgage balance of £152,000. An increase in mortgage rate from 2.17% to 6.85% will increase his monthly payment by £408
- Outstanding mortgage balance of £325,000. An increase in mortgage rate from 2.17% to 6.85% will increase their monthly payment by £861
- Outstanding mortgage balance of £479,000. An increase in mortgage rate from 2.17% to 6.85% will increase her monthly payment by £1,270

Many members will be affected if either they own their own home or, if they rent, their private landlord decides to pass on the extra cost of the charge in the form of increased rent. Ultimately, it could add to household worries about debt and affect decisions in terms of food and heating.

(c) Pay settlements

The latest figures from the Labour Research Department's Payline database of collective agreements show a midpoint increase of 7.5% in the three months to August 2023.

3) CLAIM FOR A NO COMPULSORY REDUNDANCY AGREEMENT

TSSA members in Amey have placed great importance on job security, as a close second to a headline pay increase.

TSSA would rather come to an agreement with employers to avoid compulsory redundancies including around re-deployment and re-training schemes.

We want to make it clear that on top of pay issues, TSSA members view the issue of no compulsory redundancies lasting no less than the duration of the 2024 pay deal as a core demand.

However, in the event of a failure to reach an agreement, TSSA will remain committed to protect its members' future employment and will do what it needs to do to achieve that end, including through balloting our members for industrial action in the event that Amey seeks to introduce compulsory redundancies.

4) CLAIM FOR REVIEW OF COMPANY PENSION POLICY

On deferred wages, Amey have continued to fail to keep pace with other rail employers. This year, the company have a novel opportunity to resolve this.

Network Rail and the Train Operating Companies continue to offer sustainable defined benefit (DB) pension arrangements with attractive employer contribution rates. These arrangements reward members' loyalty with a valuable incentive to build up pensionable service. Sections of the Railway Pension Scheme (RPS) and other DB arrangements remain open to new entrants, whereas Amey have a declining membership of DB schemes which are closed to new entrants.

The latest valuation of Amey's RPS sections reduce proposed future service contribution rates (FSJCR) to extremely affordable levels. The Amey Rail section has a joint rate of 3.1%, 1.24% employee and 1.86% employer contributions, while the Owen Williams section FSJCR is 18.8%, with 7.52% employee and 11.28% employer contributions.

For those without a legal right to the RPS, Amey continue to apply the lowest employer contribution rate permitted by law, with 3% employer contributions to defined contribution pensions: the deferred equivalent of a National Minimum Wage.

We ask Amey to look carefully at providing a more attractive pension offering, with improved employer contribution rates and more attractive benefits to reward long service and to aid staff retention.

5) CLAIM FOR A REVIEW OF COMPANY POLICIES AND PROCEDURES, INCLUDING FLEXIBLE WORKING AND FAMILY FRIENDLY POLICIES IN LINE WITH BEST PRACTICE

TSSA members are repeating the demands set out in the 2023 pay claim, after agreements in principal but no progress to date.

Members and reps have reported difficulties arising from inconsistent application of policies and procedures necessary to support colleagues at various stages in their career and in life.

Amey's history of seeking to introduce and amend group-wide policies and procedures without the collective consultation required by our collective bargaining agreements has created a labyrinth for members, union reps, local managers, and HR professionals to navigate.

Members have found accessing a clear and consistent position on matters as basic as calculating their paid maternity leave entitlements to be unnecessarily challenging, while access to training, professional development and accreditation have varied widely depending on the attitude of line managers and a variety of subjective factors.

TSSA members need access to modern, fit for purpose and fair company policies and procedures, which our representatives and managers can understand and which ensure that opportunities for support and development are available and applied fairly and reasonably.

We welcome Amey's previous commitments to review company policies but recognise that the protracted negotiations in 2022 hindered implementation. We propose that the company agree targets and timescales to review, discuss and improve policies and procedures, and work with the Association to achieve this within the collective bargaining machinery.

6) CLAIM FOR A REDUCTION IN THE WORKING WEEK TO A MAXIMUM OF 35 HOURS IN A 5-DAY WEEK

TSSA's objective is for a reduction in the working week to a maximum of 35 hours in a 5-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.

7) CLAIM TO INCREASE THE BASIC ANNUAL LEAVE ENTITLEMENT TO 30 DAYS

TSSA policy is to strengthen the convention that bank and public holidays are in addition to the basic holiday entitlement and to seek to increase the basic entitlement towards 30 days. Furthermore, TSSA considers that service related leave is discriminatory on the grounds of age and we are, therefore, calling for an end to this practice with holiday entitlement being levelled up.

8) CLAIM FOR COLLECTIVELY BARGAINED TERMS AND CONDITIONS OF EMPLOYMENT FOR ALL GRADES COVERED BY COLLECTIVE AGREEMENTS

The collective bargaining machinery has so far failed to conclude our members' objective to achieve collectively agreed terms and conditions for constituents. Amey's explicit commitment to collectively bargain the terms and conditions of "Graduates, trainees and apprentices" is over a decade old. Despite this, the management side of negotiating bodies continue to prevaricate and to alternate between committing to look at these members' conditions, and hiding behind group policy for the company to unilaterally determine members' conditions.

We demand that the company commit to continue the joint work to agree terms and conditions of the Consulting Divisional Council constituents without delay.

9) CLAIM FOR A NEGOTIATED AGREEMENT ON A SUSTAINABLE WORKPLACE FRAMEWORK AGREEMENT

TSSA is seeking to negotiate a sustainable workplace framework agreement with the company. We are proposing the agreement should set out the following:

- joint commitments to improving environmental performance;
- principles of employee participation;
- a joint sustainable workplace policy, and the issues it will cover e.g. energy use, energy sources, resource and waste management;
- mutual responsibilities and joint procedures for dealing with issues;
- targets and how these will be monitored and assessed, and
- sustainability objectives integrated with the employer's statutory health and safety policy and with its risk assessment process.

TSSA recognises that environmental issues are inevitably going to become increasingly important in the workplace and will result in changes affecting the workforce. Where changes take place in the workplace, whether in job roles, work processes or with new developments such as green travel plans, it is important that they are negotiated properly, explained, understood and seen to be fair. TSSA members must be able to respond to both employer-led changes and to be able to raise issues of their own. This means:

- a wider brief for union representatives to include sustainable development;
- giving reps the right to pursue environmentally friendly measures, such as energy saving, waste strategies and travel plans, and
- union involvement in environmental monitoring and management systems.

10) Claim for Amey to sign up to the Dying to Work Campaign

TSSA is asking Amey to sign up to the TUC's Dying to Work Campaign which began in 2016 after a Derbyshire sales manager, Jacqui Woodcock, lost her job following a terminal cancer diagnosis.

It can be devastating for a worker and their family when they are told that they have a terminal illness. For some workers it may mean they are unlikely to ever be able to work again whilst others may decide they do not want to work anymore and would rather spend the remaining time with the family and friends and getting their affairs in order. However, a lot of workers with a terminally ill diagnosis may decide they want to continue to work as long as they can and this helps them to cope with their illness.

If a worker with a terminal illness loses their job, they lose their income. They can also lose any death or in-service payments they have earned through a lifetime of work, but which are only payable to those that die while still in employment.

TSSA is asking Amey to sign up to the Dying to Work Campaign's Charter which gives workers additional employment protections when they need them the most. The Campaign has already led to over one million UK workers being covered by the Charter.

The Charter states:

- a) Employers recognise that terminal illnesses require support and understanding, and not additional and avoidable stress and worry;
- b) Terminally ill workers will be secure in the knowledge that their employer will support them following the diagnosis, and employers recognise that safe and reasonable work can help maintain dignity, offer a valuable distraction and can be therapeutic in itself;
- c) Employers will provide their employees with the security of work, peace of mind and the right to choose the best course of action for themselves and their families, which helps them through this challenging period with dignity and without undue financial stress.
- d) Employers support the TUC's 'Dying to Work' campaign, so all employees battling terminal illness have adequate employment protection and have their death in service benefits protected for the loved ones they leave behind.

Additional information can be found at:

<https://www.dyingtowork.co.uk/disability-confident/>

11). Claim for Amey to work with TSSA to produce a Menopause Policy

There are currently over 4.5 million women over the age of 50 in paid work across the UK economy. Employers have generally taken the view that menopause is a private matter that should not concern them. As a result, it is rarely discussed, usually not taken seriously by managers and not viewed as something organisations need to expend time, money and energy training their staff how to deal with - either on a personal or institutional basis.

This tends to mean women feel the need to hide their suffering and are unlikely to seek adjustments to deal with its affect.

Yet, the Menopause is an occupational issue. For some time women have made up almost half of the UK workforce. Like men, women get older. Unlike men, women's bodies lose the hormone oestrogen as they grow older. The hormone loss has a variety of both physical and psychological impacts. Those impacts can affect their working lives.

For a few women there are little or no symptoms, other than the loss of their periods. However, at the other extreme, the physical and psychological symptoms can be disturbing and debilitating. They are, though, temporary, though not necessarily short lived.

There are a variety of symptoms, although each woman's experience will be different, and may include some or all the following:

- hot flushes
- sleep disturbance
- urinary problems
- heavy and irregular periods
- vaginal symptoms

Employers also need to be aware that apart from general duties under the Health & Safety at Work Act 1974 and the risk assessment requirements of the Management at Work Regulations 1999, the duration of symptoms could lead to some women being covered by the Equality Act 2010.

TSSA wants Amey to make a commitment to the union to create, agree and promote a Menopause policy that will help women in the company whilst at work.

12). Claim for Amey to supply free Period Products

TSSA members at the union's 2023 Annual Conference carried a motion that calls on employers to assist employees with easy access and preferably free provision of period products.

Britain's railway industry has set itself targets about encouraging more women to work in the industry across a range of different roles, partly brought on by the requirement for changing skills as technology advances and the current, male dominated, workforce approaches retirement.

In addition, there is a growing recognition of the need to address issues of equality, diversity and inclusion as a way to provide a respectful environment in which all workers can thrive, meeting their full potential whilst fulfilling their roles and responsibilities. One way that can happen is by giving women easy access and preferably free provision of period products.

Until now, statutory provision of free period products has been limited to educational establishments in England and Wales but in Northern Ireland that has been extended to include hospitals. In Scotland legislation has recently been enacted that broadens the provision further by ensuring that: 'Specified public service bodies [are] to ensure period products obtainable free of charge by persons in their premises.' (Section 3, Period Products (Free Provision) (Scotland) Act 2021).

TSSA is calling on Amey to meet the aspirations highlighted in this claim.

13) CONCLUSION

The UK is in the grip of a continuing cost of living crisis that means real disposable income is being eroded by inflation that outstrips wage and benefit increases, exacerbated by a pay freeze in many railway companies in the Financial Years 2020 and 2021. For many railway workers, the pay increases they had agreed to for the two years 2022-2024 have still not been paid.

Beginning in late 2021, the crisis has been sustained through burgeoning fuel prices and a series of huge hikes in the cost of gas and electricity. The latter of these has received some Government assistance but that had now come to an end. Many of these factors are flowing over into other price rises, including for food and other essentials, whilst members are conscious of the twelve years of lost pay that has not been addressed but is being exposed by the current economic situation.

The effect is that in common with other workers across the UK, the pay of TSSA members has simply not kept up with sky rocketing inflation, even with the Pay Awards secured after a prolonged dispute in Network Rail and the TOCs, with the consequence of a reduced standard of living for all and a sense of worry and even desperation for many.

The long and sustained period of industrial action in many railway companies has expressed the frustration and anger felt by workers across the industry at a time when they see company profits up and a Government bent on cutting the ability to take industrial action rather than addressing the issues.

We believe that the company has a responsibility to protect and improve matters for its employees as the provider of our members' income in return for their work. TSSA is, therefore, looking for the company to respond constructively in a positive manner to the various claims set out in this submission.

We consider that by addressing the standard of living, employment security and quality of life issues covered in this document, TSSA believes this 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.

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.