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1 September 2022

Dear Justin,

### **Pay and conditions referendum**

As discussed in our 19 July pay meeting, TSSA invited Amey Rail employees to vote in an online referendum on the offer I received in writing on 9 August. A copy of the offer letter was shared with members for information. The referendum ran from 10 August to 30 August and invited employees to vote to accept or reject the offer and to share their comments on why they chose to do so.

Those who voted to reject the offer were asked supplementary questions about what they would be prepared to do if you refuse to make an improved offer.

Following the close of the referendum, and in advance of our scheduled pay meeting at noon today, I am writing to set out the responses and the views shared by your employees. I hope that this gives you an opportunity to recognise their strength of feeling and their perception of the state of industrial relations under your management before we meet formally to negotiate on their behalf.

- *How should we respond to the company's offer of 4.21% with an £1,800 underpin?*
  - Accept it: 18.32%
  - Reject it: 81.68%
  
- *What would you be prepared to do to achieve an acceptable deal? (this is an indicative referendum only and does not constitute a ballot for industrial action)*
  - Industrial action consisting of a strike: 65.43%
  - Action short of a strike, such as a work to rule, overtime ban or withdrawal of goodwill: 60.49%
  - Nothing: 2.47%

(Note that because many staff support both strike action and action short of a strike, the percentages add up to over 100%.)

None of the staff who voted to accept the offer accepted the invitation to add any comments to explain their reasons for doing so. However, 150 of your staff responded in their own words to the supplementary question *“So that negotiators can represent members effectively, please add a comment on why you have voted to reject the offer.”* Rather than summarise or cherry-pick particular responses which give a general sense of their views, I have attached an appendix to this letter reproducing the response of each of your employees who chose to add a comment, so that you can understand their circumstances and feelings as our reps do.

In previous years, TSSA and Amey have enjoyed relatively productive industrial relations. Your predecessors have recognised the importance of concluding pay talks with an increase linked to the January RPI figure so that the value of our members’ wages isn’t eroded by inflation. The survey responses indicate that industrial relations have been eroded significantly since our reps and members supported Amey in meeting the challenges of the COVID-19 pandemic and multiple TUPE transfers from CEFA. Our members have made clear that if we do not receive a substantial improvement in the headline pay offer, industrial action will be the only remaining option and will be widely supported by our growing membership.

Our members deserve to be heard and their genuine concerns about their employer’s failure to recognise their value must be considered in the context of the cost-of-living crisis and many challenges ahead.

### **Exacerbating factors**

During our referendum Amey were making national headlines with the Guardian article *“Amey bosses celebrated profits while offering below-inflation pay rises”* (<https://www.theguardian.com/business/2022/aug/12/amey-bosses-celebrated-profits-while-offering-below-inflation-pay-rises>) which included the leaked video of Andrew Nelson, Amey Chief Financial Officer and the comment: *“The turnover of the core business was some £2.4 billion. More remarkable is that this is almost £500 million, or twenty-five per cent, more than we had expected when we put the budget together.”* This backs up our position that Amey can afford a headline pay rise substantially above the 4.21% offered.

In addition, while I was on annual leave, you wrote to staff within the collectively bargained population to set out the terms of the offer and to issue an invitation that suggested that you personally and Amey managers were conducting a parallel referendum separate from the established collective bargaining process, and that staff should tell you and/or their line manager if they wanted to accept or reject the terms on an individual basis:

*“Your voice is important to us and you should share your opinion of this offer, whether you think it should be accepted or rejected, or raise any queries you may have about it with your RMT or TSSA union representative or your manager or me.”*

My colleague, Lou George, raised concerns raised by members on this matter by email on 26 August, relating to senior managers apparently attempting to discover whether or not individual members were trade union members and suggesting that members could be induced to leave collective bargaining and accept the terms on an individual basis while collective negotiations are ongoing, potentially a fundamental breach of TULCRA: *“if the individual would like to accept the Amey offer they can contact our HRBP directly.”* I am anticipating a full response following the investigation set out by your Consulting Rail Business Director on 30 August.

## **Conclusion**

I strongly urge you to consider the views of our members set out in the appendix below and reflect on the importance of making an improved offer without delay. When the increase was due on 1 March, RPI was 7.8%. As negotiations have dragged on with the company's refusal to improve the headline increase for all, this has climbed to 12.3%. Our members reasonably demand a deal that keeps pace with inflation and allows them to maintain their standard of living. Amey's refusal to recognise their needs and failure to make a reasonable offer on the same basis as previous years has meant that, as Amey stall, the cost of a deal that our members would recognise as reasonable increases.

Yours Sincerely,



Matt Barrow

Organiser

Appendix: So that negotiators can represent members effectively, please add a comment on why you have voted to reject the offer - all individual responses

12.3% is the current inflation rate there for 4.21% offer is drastically below what should be offered. Also we have seen the leaked video in the media of the executive board celebrating profits way above target which means they can afford it
4% constitutes a wage cut.. Any offer should be in line with inflation
4.21% is bellow the living inflation.
4.21% no where near the huge rise in inflation & cost of living
AIW have agreed a 6% increase and myself & my team also work for AIW. Cost of living is at over 12% and Amey profit is higher than forecast
AIW have been offered 6%. Inflation Energy bills rising No long term - no compulsory redundancies
Amey are showing huge profits. Why should we accept a drop in real terms pay?
Amey has made a great profit through covid and continue to do so where staff have worked long and sometimes unpredictable hours at home juggling home life and work to ensure that we keep on target. Staff with lower wages like myself are struggling to make ends meet now with inflation and no bonus or pay rise. The higher salaries dont really mind but the lower staff are the ones that have to deal with how they will support their families on a minimal pay rise . We need to be recognised because we are the ones who keep the business going .
Amey have always played the RPI game, however this offer is well below RPI
An increase of about £1800 per year is not in touch with inflation and after my taxes and pension are taken I am left with £70 additional a month which does not cover inflation
As a home worker this offer will need to be significantly improved to help cover work and living costs.
As stated well below rapidly rising inflation
Because its inadequate and insulting
Because the company has achieved great profit because of our work

Below inflation
Below inflation offer, continued to work and make profits during a global pandemic. We ought to be rewarding for doing so. Also growing concerns of inflation, energy and cost of living crisis.
Below inflation offer.
Cost of living crisis does not appear to be having any effect on the company offers in any positive manner.
Cost of living has risen dramatically in the past year
discussed with this offer. other Amey staff working in my regions have been offered 6%
Does not keep up with rate of inflation, costs of basics have gotten out of control.
Doesn't match inflation
Doesn't align with inflation
Doesn't reflect current rising/projected living costs for this year. Plus you guys just told me to reject it.
Doesn't reflect inflation
Due to Ameys record breaking profits I think we deserve at least 10%
Due to cost living increases
Due to steep increase in cost of living. 4.21 is not in line with inflation therefore effectively a pay cut.
due to the current 12.3% inflation rate
due to the newly living costs, i feel the employers should be matching a reasonable living wage rise the offer is below average.
due to the steep cost of living the offer from Amy is not enough
During Covid Signalling design, and Rail generally, out performed our targets, quite literally financially supporting the rest of Amey. We accepted a low pay award during Covid as a show of good will but that good will has now evaporated.

Far below inflation offer and clear from video posted that the company is performing very well indeed. Members should be being rewarded for this performance not a pay offer which is less than half RPI. Also other parts of the business have been offered better.
Far too poor an offer.
Feel currently the cost of living is going up and it does not reflect that in any shape or form. And with what is due to happen in October it is making working untenable
Feel undervalued
Higher % sought
Higher increase needed
<a href="https://www.theguardian.com/business/2022/aug/12/amey-bosses-celebrated-profits-while-offering-below-inflation-pay-rises">https://www.theguardian.com/business/2022/aug/12/amey-bosses-celebrated-profits-while-offering-below-inflation-pay-rises</a>
I believe a profitable company should pay workers a fair wage and not allow inflation to erode our pay.
I feel the pay rise doesn't reflect the current RPI
I have voted to reject it as the current rate of inflation is at 10.1% and could potentially reach 12% this month. I would be eligible for the underpin of £1800 but this is a 6% increase for me which does not match the rate of inflation.
I have voted to reject the offer because it falls well below the current RPI. It needs to be more to help towards the ever rising cost of living.
I need to eat. 4.21 is an absolute p*** take. I'll accept if the CEO takes a significant pay cut in a sign of solidarity.
i would advise at least 6% looking at profit margins made by Amey.
I'm expected to take pocket money when the CEO and Senior management are taking home much more than this, the company has made 25% more than budgeted for on the back of workers like myself. They take the money to pay more, I'm an employee not a slave
In comparison with the inflation rate and its still sky rocketing, hence a reasonable increase to our pay should be given
In line with the profits made by the business last year, plus the increase in inflation, the offered pay rise is not acceptable
In the current economic climate, it's not enough of an increase.

Inadequate considering the cost of living increases and current rates of inflation.
Inflation +1%
Inflation at 12% Energy bills at circa 3.5K
Inflation, company's profit and not sharing.
Insulting offer after working through the global pandemic, amey continued to make eye-watering profits. The offer isn't even in line with January 2022 RPI of 7.8% never mind the predicted 13% RPI! Amey should also take into consideration the staggering cost of living now with fuel, utilities and everything else continuity increasing. All we're asking is for a reasonable offer to reflect our continued hard work, meeting KPIs and also retaining the contract for amey whilst various routes lost out to other bids.
It does not meet the rise of the cost of living.
It is a below inflation offer, which equals a pay cut.
It is a pay cut in terms of inflation.
It is a way below of inflation level.
It is less than 50% of the current inflation rate.
It is less than half the current levels of inflation, let alone the forecast levels.
It is much lower than inflation rate which is forecast to get larger by end of the year. This pay rise does not account for the cost of living increases.
it is nowhere near keeping in line with RPI. and is a real world pay cut
It is way below the inflation rate at this time
It should be in line with inflation
Its a pathetic excuse of and offer considering the rises the directors are getting
Its a pay cut, not a pay rise.
It's far too low considering current inflation and cost of living increases
It's not enough - I think there should be an extra increase for the lowest paid workers.
Its nowhere near the current cost of inflation and will not include the inevitable rise in the cost of 'everyday living' in the foreseeable near future.
It's so much below inflation

It's time for change and for the people to start getting what they're worth.
Its well below inflation.
Job security and to match inflation.
Massive pay cut!
Need to make a stand
no movement on basic % pay rise
Not a fair reflection of work undertaken under the pandemic and far below RPI.
Not a reasonable offer especially with the increase of cost of living, food, gas, fuel prices all going up this year
Not acceptable
Not acceptable. Needs to be realistic.
not anyway near inflation,
Not close to the January RPI that Amey historically has used to link pay offers to
Not enough with current inflation
Not even close to the RPI
Not even half of inflation rate and being home based running heating, lighting, computer & all the chargers we need is adding up!!
Not good enough.
Not in line with inflation and Amey had huge profits this year
Not keeping up with inflation/cost of living.
Note that I am band D and therefore this isn't my pay. That being said, I believe that my colleagues deserve a pay-rise in line with inflation. Veiled threats of redundancy are laughable in the current labour market.
Nowhere near they inflation percentage and Amey have made big profits lately.
Offensive, paltry offer from a company constantly bragging about record profits and wellbeing whilst letting their staff struggle through a cost of living crisis.



Offer below the rate of inflation, company is lagging behind other competitors with pay and may bring on a drain of resources. The current e
Offer does not reflect current rate of inflation resulting in a real terms pay cut.
OFFER IS AN INSULT
Offer is an insult and reflects how we are regarded, especially considering rising costs of home working
Offer is not in line with inflation
Offer is nowhere near good enough.
Offer is real terms pay cut.
Offer is well below RPI
offer much under inflation rate, at the same time more work due to last year redundancies/reorganization. We are increasingly using new technologies (Microsoft Stack) which clearly drive efficiencies.
Offer not substantial
Offer should match inflation/cost of living
Originally i accepted it but after knowing the company made an extra £500mil then I now think they should pay up and get closer to inflation
Pay rise offered is well below inflation.
payrises in past hae always been linked to rpi this year should be no different. with rises in electricity and gas and working from home with no office this is effectively a pay cut
Percentage does not match inflation.
Poor offer.
Poor pay offer again. percentage should be higher and the same for everyone not differ due to salary!!.
Previously I was happy to accept a compromise of a ~6.6%. No offer of improvement on a general % increase. Inflation increases daily on for (a possible) 13% by year end. The general government response is trying to make the cause of current 'tension' in society and those trying to resolve it, illegal. A pillar of our democracy.

Real term lay cut
Reduced rates accepted in previous years for good of the company.
Relates to a pay cut
Since winning the contract the examiners have had there worked doubled to try deliver this contract and this is a poor way of saying thank you by giving us a pay cut.
Still below inflation, with record company profits. It's not rocket science
Subpar offer not in line with continuing cost of living inflation.
The % is still to low, even the minimum of £1800, works out at 4.71% for myself. From my point of view its the % which needs to be increase over 5%.
The cap on the £1800 would mean a loss of £220 not including the difference between inflation
The company can obviously afford to give us a better offer which is nearer to inflation rate
The company has made a profit high paid employees have received pay rises and more money whilst the rest of the hard working staff have fought on to ensure that the business makes its over budget profit with no compensation or gratitude for the low level staff. Costs are rising and we are struggling and higher management are smiling as their salaries are high enough to sustain the inflation
The cost of living has gone up that much that myself and my equals are struggling yet the multi million pound company can't increase the pay rise in-line with the current cost of living. I find it hard that big company's don't realise if they keep the workers happy they will maintain to be productive and helpful.
The cost of living has risen by far more than Amey is prepared to offer and yet the company has made 25% more profit than expected. Workers should be prioritised over shareholders.
The cost of living is rising by double digit figures, but the figure of 4.21% hasn't changed since the last offer. The underpin increase will be eaten by energy price rises in a couple of months.
the current offer is reasonable only when the inflation is under control ,
The increase is so low compared to inflation, and with the NI increase and cost of living increase I am far worse off this year financially than in previous years.

The inflation is hitting the %10 level. A %4.21 has been granted to Band D and above and applying the same percentage to Band C and below is not a fair equivalent pay.
The offer doesn't reflect the current financial situation in terms of RPI neither does it reflect on the hard work that was put in during the pandemic where we continued to work through it.
the offer is derisory
The offer is significantly lower than current inflation .
The offer is significantly short of the level of inflation. It is therefore effectively a substantial pay cut.
The proposed increase is too low
There should be at least a halfway compromise on the rate offered and latest inflation rate
This does not reflect the current economic situation, nor the projected one. Previous pay increases have also fallen short meaning a real terms pay cut. Accepting this offer would bring current pay inline with what has been missed previously.
this is effectively a 7% pay cut in real terms
this is no good as the cost of living is rising at 11% or above now going to rise to 13%
This offer is showing that the workers are not valued and goes below the cost of living increases we are seeing everyday.
To gain increased offer to match cost of living and to support my colleagues.
Too big a gap between the offer and inflation rates. Essentially a pay cut.
Too far below RPI. Comparatively low offer is at odds with Amey's reported good financial performance.
Too low
Too low %
Too low of a percentage, good underpin
Wages need to keep up with inflation, if we low ball it now when inflation gets worse alter on, they may once again force us too low as they know we excepted low before.

<p>We have worked tirelessly through the pandemic and with the rise in costs in everything these days why should Amey profit from our suffering.</p>
<p>We now that many of our contracts have a 5%+ uplift built in. Other parts of our group (AIW) have been offered 6%+. All recent briefing have emphasised strong commercial performance and better than expected financial performance.</p>
<p>Well below inflation</p>
<p>Well below inflation and dose not reflect worth of its workforce</p>
<p>Well below the rate of inflation with another energy price cap increase in October</p>
<p>With RPI currently over 11% and it does not look like it is coming down any time soon, an offer of less than 11% is an insult to the hard work and commitment shown by us throughout a difficult few years.</p>
<p>With the increase of inflation and seeing Ameys profits from 2021, I feel 4.21% is very low especially when I am the sole earner in my household. I feel like 6% is more reasonable and a good balance in todays market.</p>
<p>Worked through COVID, poor offer which doesn't reflect the sacrifice made during the pandemic.</p>