

## **EC REPORT JUNE 2014**

The General Secretary opened the meeting and congratulated the new EC Delegates on their election to the council for the next three years.

Following this, he asked for nominations for the EC Chair position. Tony Woodhouse was nominated and unopposed and therefore resumed his position.

The Chair then made reference about the Sun newspaper that had started a campaign to deliver the newspaper to every address in the Country with the exception of those with a Liverpool post code. The Chair made the point that there are many properties in the area in general who don't have a Liverpool postcode. This would undoubtedly cause unrest for both those receiving it and for those that would be made to deliver it. Concern was raised by the CMA that if post office delivery workers faced problems if they refused to deliver the newspaper would they receive support from Unite & the GS & Chair confirmed they would.

The position of Vice Chair was then raised and Mark Lyon was nominated unopposed and was therefore duly elected.

Standing Orders for the Policy Conference which were the same as at the last Policy Conference were agreed by the Council.

After the Chair had read through the list of apologies, he then raised a concern that following the Collins review Unite had taken the decision to reduce its affiliation to T.U.L.O. (contained in Minute 984 from the March meeting below) by 50% from ten pence per member (£100K per annum) to 5 pence per member (£50K per annum) and we would have to see if this had a direct impact on the T.U.L.O. Staff.

### **7.1.1 Labour Party Affiliation**

#### ***No.984***

The Political Director introduced a document on Unite's relationship with the Labour Party in the light of the passage of the Collins reforms including a proposal to reduce Unite's affiliation to the Party for 2014 to 500,000. The General Secretary amplified the Political Director's remarks and proposed adoption of the document. Questions and comments from members of the Council were responded to. In response to a point raised, the General Secretary advised that the position with regard to TULO would also be reviewed in consultation with other affiliated unions. At the close of consideration, the Council Minutes from the March EC meeting and the April/May F&GPC meetings were then agreed.

## GENERAL SECRETARY'S REPORT

Activities of the General Secretary for the period since the Executive Meeting of March 2014

### *Public Meetings and General Events*

- . Guest and Speaker at closing Gala Dinner for the International Commission for the Cuban Five, Congress House.
- . Attended and addressed Editorial meeting at The Guardian, Kings Place, London.
- . Guest Speaker at Gateshead Constituency Labour Party Annual Fundraiser with Ian Mearns MP.
- . Attended the ASLEF Parliamentary Reception.
- . Key note speaker at the House of Commons, Press Gallery lunch.
- . Meeting and dinner with Vauxhall Senior Leadership.
- . Attended BAEM National Committee.
- . Reception in the House of Commons with Jimmy Hoffa and the Teamsters.
- . Meeting with National Express Reps and attended the National Express AGM in Birmingham.
- Political, International & Inter-Trade Union Matters
- . Meeting with Dave Prentis, General Secretary, UNISON.
- . Meeting with Roy Rickhuss, General Secretary, Community, and Rob Johnston, Community, with Tony Burke, AGS.
- . Workers Uniting Steering Committee, Unite House, Holborn.
- . Meeting with Frances O'Grady, General Secretary, TUC.
- . Various meetings on Collins' Report Implementation Group.
- . Chaired Labour Party policy roundtable on Fair Pay.
- . Various meetings with Steve Hart on CLASS and UAF.
- . Meeting with 'Big 4' trade unions, UNISON offices.
- . Meeting with Ed Miliband, Leader of the Labour Party.
- . Meeting with President Jimmy Hoffa and the Teamsters.
- . Meeting with Maurice Glasman (Baron Glasman) for a general political discussion.
- . TULO Contact Group meeting with Ed Miliband, Leader of the Labour Party.
- . Meeting with Ed Balls, Shadow Chancellor.
- . Meeting with Andrew Brady, Jim Mowatt and Geoff Sheers on USI.
- Administrative & Organisation Issues
- . Various meetings on setting up rapid rebuttal media unit.
- . Meeting with Jim Mowatt, Director of Education, Diana Holland, AGS, and Collette Cork- Hurst, N.O. on Unite schools' project.
- . Meeting with Andrew Murray, Chief of Staff, Ed Sabisky Executive Director, and Jim Mowatt, Director of Education, on Education Audit Report.
- . Various meetings on internal departmental reviews and Central Office reorganisation.
- . Various meetings with Chief of Staff.

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- . Various meetings with Assistant General Secretaries.
- . Various meetings with Ed Sabisky, Executive Director, on property issues.
- . Meeting with staff reps to discuss changes to flexi-time.
- . Meeting with Howard Beckett, Executive Director, Andrew Murray, Chief of Staff and Ed Sabisky, Executive Director on marketing proposals.
- . Meeting with Howard Beckett, Executive Director, Andrew Murray Chief of Staff and Ed Sabisky, Executive Director, on Unite membership figures.
- . General meeting to discuss restructuring of Communications Department.
- . General meeting to discuss Research and International Department.
- . Various meetings on Policy Conference Motions and arrangements.

## ***Internal Unite Meetings, Constitutional Committees & Industrial Matters***

- . Meeting with BAE Systems representatives and Ian Waddell, National Officer.
- . General meeting to discuss the Bruce Carr QC inquiry.
- . Meeting with Adrian Jones, National Officer, RTC, on Car Delivery Summit.
- . Various meetings on Unite strategy on trade union freedoms.
- . Meeting with Paul Finnegan, National Officer.
- . Meeting with Unite Members of the implementation group on Labour Party reforms.
- . Meeting with Mohammed Taj on Equalities Committee issues.
- . Meeting with Tracey Ashworth on National Officer changes.
- . Meeting with Liz McInnes and Patrick Bond to discuss the NHS campaign.
- . Meeting with Tony Devlin and Diana Holland, AGS, on Oil Tanker Drivers section.
- . Meeting with Jaguar Land Rover, Dr Speth, CEO, and Simon Lenton, HR Director, at HQ office in Whitley, Coventry.
- . Meeting with Jaguar Land Rover Plant Convenors.
- . Meeting with Peter Kavanagh, London & Eastern Regional Secretary, on Heathrow.
- . Meeting with London Executive Members on Heathrow.
- . Meeting with Gary Hillier on oil trades.

## ***Principal Media Appearances***

- . Interview, The House Magazine 'Len me your ears' March 2014 Paul Waugh.
- . Interview on The Ragged-Trousered Philanthropists for film production.
- . Interview with PCS media team for a conference briefing on Unite.
- . Article, The Mirror, 'My 10 point plan to help Labour save Britain from Tories' 5th April 2014.
- . Interview, The Guardian, 'Labour party facing defining moment, Unite leader says' Matt Taylor and Dan Milmo, 11th April 2014.
- . Radio interview by John Pienaar for 5 Live.

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- . Interviews with The BBC, ITV and Sky at Labour's special conference.
- . Television interview with Jeremy Paxman, Newsnight, 25th February.
- . The Guardian, G2, 'Len McCluskey on Capital in the Twenty-First Century: "manna from heaven"' 28th April 2014.

## **Membership of the Council**

Following the declaration of the result of the Executive Council Election we have contacted all members to advise them of the arrangements for council meetings. A successful day was organised in May for new Council members.

## **Annual TUC 2014**

Arrangements are in hand for the Unite delegation attending UC this year, the council will need to elect its own delegates at this meeting. The TUC is being held at the ACC in Liverpool from 8 - 11 September.

## **Annual Labour Party Conference 2014**

Arrangements are in hand for the Unite delegation attending Annual Labour Party Conference this year which will be held at the Manchester Central conference centre from 21 - 25 September.

## **Campaigns & Communications**

In April Unite completed two media firsts: the general secretary was the first union leader to address the elite press gallery at the House of Commons; he was also the first Unite leader to address the Guardian's editorial conference. Both events were a further confirmation of the media interest in the union's policies as being advanced by the GS, and of the deepening acknowledgment by the media of the role the union places in UK life.

The latest edition of UniteWorks was well-received by members with circulation now up to 380,000 copies per edition. We will be moving to four editions per year, to cut costs, but will be ensuring continued flow of 'our members' stories' around our union with our upcoming new online site and the increased use of one-off supplements, such as the latest one to commemorate the life of Nelson Mandela.

## **Manufacturing**

Support for Unite's manufacturing strategy has included making a submission to the Labour Party review of Manufacturing and meeting with BIS officials to promote our agenda around Materials, Engineering and Energy. Work continues on a 'Charter for Engineering' including participation in workshops to develop content.

## **Recruitment and Selection: External Applications**

Following endorsement of the proposal by the March EC, eligibility for applying for RO vacancies in respect of external members has been extended to vacancies advertised in any region, not just in a member's 'home' region. This has had the effect of enhancing the prospects for BAEM members insofar as they can now apply for a greater range of vacancies; and also of meeting the legal requirement of not treating temporary employees (eg, Stand-Down Officers) "any less favourably" than permanently employed Officers. A recent example of this is the selection panel's recommendation to appoint Ken Fish as a permanent RO in Wales when he was previously a Stand-Down Officer in the South West Region. Prior to the change, Ken would have been ineligible to apply for the vacant position in Wales.

## **Employee Numbers**

At 30 April 2014, the total number of employees within the union was:

Officers: 388

Organisers: 108

Staff (including Eastbourne & Esher): 744

Sub-total: 1,240

ULF (externally funded): 49

Total: 1,289

Recruitment covering the period since the last EC meeting in March 2014 to June 2014

## **1. Introduction**

Since the last Executive Council meeting in March 2014 there were 5 recruitment campaigns covering 6 roles as follows:

- . 2 x Regional Co-ordinating Officers. 4 x Regional Officers

## **2. Equalities data in relation to applicants for all 6 roles**

Appendix 2 provides the equalities data relating to the applicants for the 6 roles and the key information overall is as follows:

- . 74% male, 36% Female and 6% did not disclose

- . 96% white

- . 48% 45 to 54 age group, 25% 35-44 age group, 15% 55+ age group, 10% 25-34 age group, 1% 16-24 age group and 1% did not disclose. 15% covered by Equality Act (24 People)

Appendix e provides the equalities data relating to each stage of the recruitment process from shortlisting to job offer for the above. The key information is as follows:

## **Shortlisting**

- . There was an overall total of 33 applicants shortlisted for the 6 roles as follows:

4 Applicants for Regional Co-ordinating Officers, North West 7 for Regional Officers, Wales 5 for Regional Officers, South West 8 for Regional Officers, NEYH 9 for Regional Officers, West Midlands

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. 68% male, 29% female and 3% did not disclose . 97% white . 58% 45 to 54 age group, 16% 35-44 age group, 13% 55+ age group, 10% 25-34 age group, 3% 16-24 age group . 10% covered by Equality Act Successful Applicants. The 6 candidates who were offered roles were as follows: . 50% male & 50% female. 100% white . 67% 45 to 54 age group, 33% 55+ age group.

The GS then reported on the continued attacks on Unite by the media headed by Lynton Crosby the Union buster hired by the Tory led Coalition. Unite have now put in place a five team unit to attempt to counteract these attacks.

The GS also stated that National Officers continue to be reviewed in order to maximise their efficiency and reduce costs. Three National Officers have been accepted for Voluntary Severance which has resulted in other National Officers changing sectors or taking on additional responsibilities.

He had also met with the European CEO of Jaguar over concerns over new Jaguar plants being built in China, Brazil, and Saudi Arabia although jobs in the UK are being guaranteed until 2022. He also reported of some internal issues at Heathrow where there are 55000 workers 35000 of which work for BA.

He had also recently had to tighten up the rules on flexi time amongst the unions staff as it was being abused by some staff and had been poorly managed in the past.

Deadlines for the appointment of Community Officers was coming to an end and it was likely that new two year contracts would be offered from July 1st 2014.

He further reported that the review of the GEMS Sector was coming to an end and that this may even result in a new Sector being formed.

A Delegate raised the question with the GS about the poor turn out in the recent EC elections. The GS responded by saying that the voting method of postal ballots needs to be changed. "members do not traditionally vote from home, they vote in the workplace or branch" he had some views on this so watch this space.

## **Equality Report (Diana Holland)**

Diana gave a comprehensive report on Equalities.

## ***Same Sex Marriage***

The Marriage (Same Sex Couples) Act came into force in July last year but same sex couples were only able to register on 13 March and the first marriages took place at midnight 28 March 2014. The fight for same sex marriage to be recognised by the law has been a long one with a number of

objectors on the way, in particular from the Church of England and the Conservative Party, and Unite fully supports this very welcome step forward.

## ***Pensions***

The Government is reviewing survivor benefits for same-sex partners, widows and widowers as part of s.16 of the marriage (Same-Sex Couples) Act 2013. The TUC has organised consultation meetings which have taken place with unions and representatives from HM Treasury and Unite has been fully involved. The review will include separate consideration of survivor benefits provided to both surviving same sex married couples and to surviving civil partners. Survivor Benefits are provided by many occupational pension schemes giving a pension to a partner of the scheme member who dies. There is currently an unequal situation as different periods of service are taken into account when calculating survivor benefits for different groups of survivors and schemes may take into account different periods of service when calculating survivor benefits for same sex partners. Some schemes already pay the same survivor benefits to spouses, civil partners, unmarried partners and unmarried same sex couples on a voluntary basis and the government estimates this is the case with two thirds of schemes. The DWP estimated recently that one-third of contracted in defined benefit private sector schemes provide equal survivor benefits.

In the original consultation on same sex marriage, the Government intended to treat same sex married couples in the same way as civil partners in relation to survivor benefits in occupational pension schemes and therefore inequalities would remain. However, following lobbying they have agreed to a review, although not a formal one, but have indicated that they are reluctant to change their position on equalisation of survivor benefits due to costs.

Unions continue to argue that although costs may be substantial this is not insurmountable due to the size of the pensions schemes and how many people they cover and costs for equalisation in the private sector are not so high and many already provide equal survivor benefits which shows that it can be done. The review will inform the Secretary of State's decision as to whether he should exercise his powers to change the law to eliminate or reduce differences in survivor benefits in occupational schemes. A report of the review will be published by 1 July 2014. Unite will continue to be involved in the consultation and the committee has had the opportunity to put forward comments.

## ***YOUNG MEMBERS***

Whilst the fall in the youth unemployment figures is to be welcomed, the fact that there has been a big rise in self-employment needs to be questioned. Unite argues that many of those now working as self-employed are forced into this position due to lack of permanent job opportunities. Often self-employment results in irregular income and can result in hardship, as well as less access to pensions and paid holidays.

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The Labour Party has announced that their election manifesto will include a Compulsory Jobs Guarantee that will be funded for the whole term of Parliament, not just for a year. This would mean that every young person who is out of work for 12 months would be given a paid starter job, but we need to make sure that these are good jobs that are properly paid.

**Election of Unite Executive Council Young Observer** - The Committee re-elected Bryan Simpson as the EC Young Observer.

### ***Unite National Young Members Conference***

The Unite National Young Members Conference was held on 27/28 February and was a very positive event which was Chaired by Anthony Curley.

### ***Unite In Schools***

Following a review of the Unite in Schools programme and how it is operating in regions, a meeting took place with the General Secretary and others it was agreed that our Communities section will take on the responsibility for the programme in most regions.

The GS then made reference to a disciplinary case which had been heard by a three person panel made up of EC members. After careful consideration the panel determined that the member be expelled from the union. The member concerned has now exercised his right under Rule 27 to go to an appeal which will be heard by a single person tribunal nominated by the Chair of ACAS.

This raised the question that we may need to look at the Rule as originally the disciplinary case would have been heard by the Region, with the EC panel outcome being final.

Adrian Weir (Assistant Chief of Staff) then reported that there continued to be a number of complaints being lodged concerning Branch Re-Organisation, particularly in the East Midlands.

Document 9.2 Proposed amendment to Rule 14.8.4 was then tabled.

This concerned a member who had lost his job and then when finding employment joined another union. When eventually re-joining Unite he was overlooked for an Officers position he had applied for on the basis he didn't satisfy rule by having at least two years membership with Unite. The GS felt that we should be able to show some discrepancy in such cases but after a number of comments made by EC delegates the proposed amendment was withdrawn.

## **ORGANISING & LEVERAGE REPORT (Sharon Graham)**

### OVERVIEW

#### 100% UNITE

I am delighted to report that 100% UNITE is continuing to deliver significant growth. Key Outcomes: Figures correct as of 29/05/14 100% UNITE continues to deliver strong growth: A total of 24, 836 new members in 2014 A total of 19, 718 new members since the last EC A total of 139, 758 new members since the start of 100% UNITE It is hoped that a time slot that is applicable can be made available for Sharon to do a Presentation at the Policy Conference in Liverpool.

## **MANUFACTURING SECTOR (Tony Burke)**

It is envisaged that Pfizer will come back with an increased offer for Astra Zenica and Cameron was prepared to wave the deal through prior to pressure from the Unions. The deal proposed by Pfizer is the biggest in history, worth £55 per share but offered little in the way of assurances on employment, skills and long term support for UK science. There are two unions at AZ - GMB and ourselves.

In a joint strategy we worked to raise the issue of long term employment, Pfizer's job wrecking history and the reasons for Pfizer mega offer - to get a base in the UK to take advantage of low taxes and to get their hands on Astra Zenica's drugs pipeline and R&D.

## ***SIGNIFICANT INDUSTRIAL DEVELOPMENTS (PAY AND PENSIONS)***

The dispute previously reported at Airbus involving the non-payment of a £300 bonus to Blue Arrow Agency Workers has been successfully resolved. The members at Blue Arrow have been paid the £300 bonus and representation of the group will now be carried out by the core Airbus reps.

At GKN the dispute over pension changes the company have proposed is coming to a head. We have exhausted the procedure at national level over the closure of the 100 plus scheme to new entrants and are currently being consulted over the ending of future accrual for all final salary scheme members. It is unlikely that the consultation will be satisfactory, so our reps are gearing up for an industrial action ballot over the proposals.

## **SIGNIFICANT CHANGES TO MEMBERSHIP TERMS AND CONDITIONS (PAY, HOLIDAYS, HOURS, ON CALL, SHIFT AND OVERTIME PREMIUMS, ETC)**

The difficult situation reported to the last EC at GKN's Cowes plant on the Isle of Wight has been successfully resolved. Members voted to accept a set of temporary changes to some terms and conditions to reduce the hourly rate the site charged for work. This has resulted in immediate moves

by the company to invest in the site and bring work back to the UK that had previously been offshored. The company has also announced a major contract with Boeing for wingtip sharklets that will offer work for many years to come at the site.

## ***SIGNIFICANT JOB LOSS/REDUNDANCIES/CLOSURES AND EFFECT ON SECTOR***

The 1770 redundancies previously reported in BAE Systems' UK shipyards are being dealt with by our team of reps at Portsmouth and on the Clyde.

## ***INDUSTRIAL ACTION***

As reported at the last EC, members at Babcock Marine Limited at Clyde Naval Base (Faslane and Coulport) delivered a 95% Yes vote to strike action in protest at a 1% pay offer made by the company. They went on to take strike action for the first time in 42 years. As well as a walk-out across the whole base to launch the strike, members then took an hour of strike action at a time team by team, rolling across every 24 hour period. This caused chaos for the company and eventually they conceded a 2.7% pay rise, which was accepted by our members. Congratulations are due to our convenor, Derek Torrie, his team of reps and the members for being so resolute over a dispute that went on for some weeks. Our members also received messages of support from IndustriALL, USW and metalworking unions across the globe.

Members at BAE Systems Warton Unit in the Staff area were balloted for industrial action over their pay offer. The company had offered 3% which had been rejected by our members. Unfortunately, members did not vote to take either action short of a strike or strike action, despite the recommendation of the reps to vote yes to both questions. This has resulted in an organising campaign being launched across the group to rebuild our collective strength and determination.

At Nissan we have been talks re a training company called NAC. This company provide training for long term unemployed people and young people. In the UK all 16 - 18 year olds must be in education, serving an apprenticeship or in training. NAC operate a training programme for 16 – 18 year old at Nissan consisting of eleven weeks at a training simulator and then eight weeks on site, called the Youth Evolution Scheme. It appears that the scheme was worthwhile and had lead to 70% of trainees becoming skilled or manufacturing apprentices at Sunderland but the reps had reported that on the scheme the young people got little in the way of financial assistance.

The AGS and Tony Woodley met with NAC and pressed NAC to ensure that besides allowances they got some form of payment. The problem is that any form of wage or payment could effect family or parental benefits.

We suggested NAC pay the equivalent of the 16 - 18 years old NMW as well as allowances. The company agreed to do this as a lump sum at the end of the training.

The National Officer met with the Unite reps and some of the trainees to agree a proper agreement

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(including union membership) and discovered that on some occasions the trainees were not being supervised with a mentor at all times. Nissan management and NAC confirmed this should not happen and have agreed to review the scheme with the National Officer.

Due to falling sales Nissan recently announced it is to not renew 340 temporary contract workers who have been laid off and the NAC scheme has also been put on hold. At the time of writing the AGS is due to meet with Unite Reps from Nissan to look to see how we move the Recognition Agreement from the 1990s forward.

Unite are also starting to re-negotiate the sweetheart agreements signed 20 years ago at Honda, Toyota, and Nissan. Now, figures confirm that 85% of new starters are joining the union.

During the period Combines were held for TRW, Delphi and Caterpillar. Delphi have announced an intention to run UK sites with up to 25% agency staff and the matter will be dealt with at the next combine. At Caterpillar the senior HR have agreed paid release for future Combine meetings and has also agreed to attend to give a business update.

## **GEMS - STRATEGIC PLANS FOR THE SECTOR**

A successful two day Charter for Engineering seminar was held at Esher Place. Delegates discussed the situation in engineering and electrical trades and it was agreed that the UK's economic recovery will not succeed without a highly skilled and qualified workforce ready and able to fill skilled jobs in the engineering sector and without a structured approach being applied employers will find it difficult to recruit the next generation of engineering workers.

The draft document is being drawn up by our researchers along with case studies on such issues as women in engineering and electrical. Once the drafts have been agreed by the NISC it is anticipated that we will launch the document and then begin a lobbying process to get politicians to understand the issues raised and the importance of engineering and electrical manufacturing. Skills, Training and Learning. The sector is building a relationship with the SSC Semta on the question of apprenticeship as well as with Engineering UK.

## **CMA - ROYAL MAIL**

### **SIGNIFICANT INDUSTRIAL DEVELOPMENTS (PAY AND PENSIONS)**

As part of the recent pension changes we are negotiating an agreement with employers, Royal Mail and the Post Office, for an employer/trade union Pension Forum. These will meet quarterly and discuss any issues facing the employers with pensions and provide an opportunity for the unions to influence any decision in advance of any formal consultation in the future should this be required.

We have also agreed improvements to the Royal Mail Defined Contribution plan which removes the lower tier of contributions for both the employee and employer and introduces a higher tier of 6% and 9% for the employee and employer respectively.

## SIGNIFICANT JOB LOSS/REDUNDANCIES/CLOSURES AND EFFECT ON SECTOR

Royal Mail has announced 1600 redundancies with 300 new jobs being created. Unite is actively involved in consultation and has challenged the number of jobs and also the impact of change on those remaining. We are also in disagreement on the redundancy terms being offered to one group of employees (non operational roles) as these are lesser than those covered by a collective agreement as well as the allocation of individuals to terms which is to the detriment of individuals.

We are continuing an in depth discussions with the company but are also preparing for an industrial action ballot just in case. The AGS, CMA Officers and two senior CMA reps have now met with Ian Murray MP Shadow employment minister who is responsible for issues in Royal Mail. Ian has agreed to meet with the CMA committee.

It was also reported that TATA Steel is to lose another 400 jobs on top of the 500 last year.

In the Services Sector It was reported that almost 100,000 jobs were lost in local authorities in the last 12 months, the total number of posts lost since 2010 is now around 420,000 and there are a further 60% more cuts to come.

### ***Industrial Action***

There is ongoing industrial action by members of Portsmouth City Council Traffic Enforcement in their dispute on pay, conditions and management conduct. Swansea City Council members are being balloted on imposed changes to hours of work.

Members in Fusion Croydon are taking action on the failure of the employer to implement a pay award.

Members in Greenwich are taking action against bullying and harassment.

Members at Hackney Homes are being balloted for action on the imposition of a new pay reward scheme.

The TUC are seeking to coordinate industrial action where unions across the public sector are in dispute on pay, pensions and work related matters.

### ***NHS Reorganisation***

The consultation for the restructuring of primary care services (PCS) in NHS England with the prospect of 900 redundancies to achieve £40 million savings ended in April. There has been no announcement on the decisions made following the consultation.

NHS Property Services Ltd completed its consultation on a restructuring of the organisation in

March. The final decisions have yet to be announced but it is likely that the number of redundancies will be less than the 100 potential redundancies.

Health Education England started consultation on its proposed reorganisation at the beginning of May. HEE is required to reduce costs by 4% in 2014/15 with further cost reductions for 2015/16 to reduce running costs by 20%. The unions are involved in the consultation process at national and regional levels and HEE has given a commitment engage staff in the decisions which will be made for the restructured organisation.

Following the consultation on the cost reduction strategy for Commissioning Support Units (CSUs) which has resulted in potentially 210 redundancies (from a total of 9,000 staff) the management have proposed that a memorandum of understanding (MoU) is created between NHS England, NHS Business Services Authority and NHS arm's length bodies to allow CSU staff who are affected by the strategy changes and are at risk of redundancy to have access to vacancies in those organisations. This could be of further importance since there has been a reduction in the number of CSUs since April 2013 through restructuring and this will continue, with it expected to fall to 9 CSUs. CSUs are due to be 'externalised' by 2016, which will result in the privatisation of the commissioning side of the NHS.

### ***NHS Pensions***

The third year of increased pension contributions was implemented on 1 April. It was planned that these contribution rates would be applied on 1 April 2015 when the new CARE pension scheme commences. However there is a 0.1% shortfall in the 9.8% yield required by the Treasury. As a consequence the unions were asked to consider two options : increasing all rates by 0.1% or to freeze the contribution rate tier boundaries for four years which would mean that pay increases could move staff into higher contribution rates. The options were considered at the health sector NISC on 2nd May and it was decided to support the option for 0.1% increase on all contribution rates but to reaffirm our opposition to any increases. The majority of NHS unions have supported the 0.1% increase option for 2015.

### ***Pay***

The Pay Review Body reported in March that staff across the NHS should only receive a consolidated 1% increase on pay and high cost area supplements - a real terms pay cut. Each national government responded differently, with the government in Scotland accepting the recommendations and adding a further consolidated £300 increase to those below £21,000. The Welsh and Northern Ireland governments have not responded with an offer yet, and the English government has given 1% increase (non-consolidated) for those on the top of each pay band, and have stepped down the NHS Pay Review Body for next year. It has made an offer of a conditional uplift on the basis of major cuts to our members' terms and conditions. This is following 8 years of a real terms pay cut in the NHS.

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The Health NISC has responded by calling for industrial action in England, Wales and Northern Ireland. As part of our members' aspirations has been met in Scotland, we will not be balloting members here, but they will co-ordinate in campaigning on pay issues. The consultative ballot will close on 30 May, with the expectation that we will immediately move to a full ballot in June, with action to commence before the summer. Members have put together a programme of industrial action that they believe will have maximum impact on the NHS over the summer. We will be commencing with a day of lunchtime activities on 5 June with the other trade unions in health.

In parallel, Unite are also campaigning on longer term objective on NHS pay, including reducing pay inequality, establishing effective bargaining arrangements and campaigning against performance pay, which has been largely effective to date.

## Significant job loss/redundancies/closures and effect on Sector

Since 2008 approaching 200,000 jobs have been lost globally in the 'big four' banks. With HSBC, Barclays, RBS and Lloyds shedding on average nearly a quarter of their workforce.

Job losses are set to continue; in RBS, following a record loss, the employer has indicated cost cutting of up to £3billion over the next few years. Specific numbers are have not been announced but it aims to reduce of workplaces from 2100 to 1300 by 2017.

Barclays have announced further cuts of 19 000 in 2014, although most of these are in the Investment Bank, where Unite is not recognized, and European operations.

Across the sector there are almost daily consultation meetings with employers continuing to reduce jobs, whether through direct cuts or outsourcing.

## In the Transport & food Sectors is reported that SIGNIFICANT INDUSTRIAL, POLITICAL AND SECTORAL DEVELOPMENTS

### Air Canada

The company outsourced their entire Heathrow operation to ASIG. This affects around 400 members and leaves only United and BA as airlines that have their operations retained fully in house. The company has offered severance and a payment associated with the transfer, which was narrowly accepted by the workforce.

British Airways having just completed the 2013 pay round, Unite have embarked on a coordinated approach to pay for 2014 and 2015. There is a joint position across all NSP's which seeks an above inflation deal with 'no strings' attached to any increase.

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Additionally Unite has created an across bargaining committee within BA in order to deal with the increasing number of issues that affect all workers across the company. This body has an adopted constitution and meets on a monthly basis.

Work on improving industrial relations across BA has begun with the use of Mark Hamlin to facilitate change. He has previously worked with BASSA in respect of the resolution to the Cabin Crew dispute.

Work on setting up an IAG EWC continues in conjunction with the Spanish Unions.

Eastern Airways Joint work with BALPA is being developed in order to revitalize our organizing campaign, which has been developed from their Aberdeen base. The recent purchase of a majority shareholding by Bristow (who recognize BALPA and Unite) may provide some leverage on the matter.

## Heathrow Airport Holdings

The company has made an offer on pay combining a lump sum of £1000 for 2014 and an RPI increase for 2015. This is the first sign of the impact of the capping of the increase in landing charges below RPI. This has been rejected by members. There have been further proposals on new starter rates, which Unite have sought to tie to a scope agreement and insourcing.

## Menzies

The company agreed to meet the Unite national Menzies committee in February of this year. Going forward they have in principle agreed to a Unite national forum.

Achieving such a position is testimony to the representatives who have worked together for years to establish a national position. In particular it should be placed on record an acknowledgement of the support provided by Kevin Hall. A number of disputes on pay have been resolved prior to industrial action.

## Monarch

A new recognition agreement covering engineers at the company has been signed. It has ended the requirement of binding arbitration in event of a dispute, a clause in the agreement that was effectively a 'no strike' agreement. The reps and officer have worked for a number of years on resolving this issue and the change is a testimony to their efforts.

## Swissport

The takeover by Swissport has been completed following regulatory approval by the EU. The Swissport operation at BHX, as well as Servisair at NEW and LGW have been hived off into a 'New Co' and are subjected of a regulatory requirement to be sold.

The first meeting between stewards in Swissport, Servisair and Swissport Cargo Services has been convened, with reps also meeting with the new management team. A number of items were agreed between representatives around potential structures, how to deal with harmonization and a

common pay claim. The latter has been notified to the company. The company has in principle agreed to a 3% pay rise which will be subject to ballot

Thomas CookThe company and Unite have agreed a new process to deal with minimum rest. The agreement is potentially a model example that could be developed in other airlines.

The imposition of minimum crewing level by the company has been formally outlined and notified in respects of the routes affected. This has resulted in a consultative ballot rejecting the proposal and an industrial action ballot pending.

## **INTERNATIONAL REPORT (Simon Dubbins)**

The situation in the Ukraine has deteriorated significantly and is now effectively a state of civil war. Many of the international union federations have issued statements, most are measured in their tone and focus upon the social situation and plight of working people, however most also contain references to the territorial integrity of the Ukraine needing to be respected;

As expected the European elections produced a surge for far right and Eurosceptic parties, with UKIP the Front National and the Danish People's Party topping their respective polls. However, the Socialist and Christian Democrat parties still remain the biggest groupings. It remains to be seen whether the recent vote will be enough of a wake-up call for the EU to change track away from the disastrous austerity policies, the dominance of the German economy and strong position of Merkel suggest this may well be unlikely;

Our work on multinational companies continues to bring good results with new agreements on the horizon in Ineos and the process underway in Manpower and IAG. A meeting was held with reps from Ford to develop an I&C structure and the existing I&C agreement in GE is being used to challenge the decision to move work to Thailand. Steps to strengthen union coordination were taken in EADS, Brush, Safran, & GKN;

The ITF Road Transport Section Steering Committee takes place in Esher in June. The meeting will cover the ongoing campaign with the Teamsters against National Express's violation of trade union rights in their US Durham school bus operations. UNITE's Bobby Morton joined the protest at the National Express AGM in London in during May. The protest was also attended by the Teamsters including their President Jimmy Hoffa. Talks have started on a potential joint campaign with UNITE and the ATU vs FirstGroup who are abusing the collective bargaining rights of Greyhound terminal (coach station) workers in USA.

Ineos: Negotiations have continued with the company and UNITE has now reached a provisional agreement that will be submitted to the full SNB in June for endorsement.

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An important new clause in the agreement is the right for a full-time trade union officer to attend and participate in all aspects of the EWC to support the employee representatives. The agreement also states that the company management must be a representative from Ineos capital and a director of the board, this may prove useful moving forwards.

Brush: UNITE is the Chair of the Brush EWC and through the EWC UNITE has been successful in assisting our Dutch colleagues, and the FNV union, in resolving a dispute at a local level. It is hoped that this success can be built on and make the Brush EWC far more effective moving forward.

GKN: The GKN EWC is governed by the subsidiary requirements of the directive following the termination of the old Article 13 agreement by the reps two years ago. Since the termination GKN management have blatantly refused to comply with their legal obligations. GKN was thus viewed as a possible target for UNITE to use in a case at the CAC to develop important case law. UNITE believes that the company realised this to be the case and on the eve of the main meeting sent the global HR to meet the EWC reps. The HR Director apologised for the situation and gave commitments to make improvements in operation and effectiveness moving forwards, the EWC reps have cautiously agreed to give work on this basis but reserve the right to return to legal action should no improvements be forthcoming.

Guatemala: Ivan Monckton visited Guatemala with GMB and TUC to see first-hand the situation for trade unionists in the country was and the work of SITRABI, which UNITE has helped financially with an education and organising project to help strength their trade union and start organising banana workers in the south of the country.

TTIP

It is hoped that an EC statement will be agreed prior to the Policy Conference.

## **EDUCATION**

As average costs per student per day for a regional non-residential course was £18.00 compared to the national residential daily cost of £120.00, the aim was to move some courses from national residential to regional non-residential with more courses held in the students' local area. There will be fewer courses with more students on each course resulting in a 25% cost saving and greater efficiency. The aim was to make savings of £1 million. However, a course will be offered to each Sector. It is also anticipated that in the future course work will be provided at the end of the course on a memory stick to students.

More courses to be run with employers.

It has been decided not now to produce the TUC shop steward hand book and look at other options.

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These were going to cost the union £20 each. In addition, as soon as new legislation is introduced they would become out of date.

Education is costing the union around £4 million per year.

Concern was raised from a UN member on the Council that this decision had been reached in preparation for the sale of Esher Place. The GS assured the council that there was nothing underhand going on here. All departments are constantly being reviewed and audited to attempt to reduce costs. He went on to say that it is likely that there will be even bigger savings made in the communications department without reducing the service to members.

## **FINANCIAL REPORT (Ed Sabisky)**

Although Legal income is down, and the recent EC elections cost around £1.5m the union operated a £2.8m surplus in the first quarter of 2014. The liquid assets stand at £94m & the dispute fund is now just over £30m. Agreement for the new Birmingham site has been signed with work due to commence in Oct/Nov 2014. There will be a conference facility, hotel, and 165 car park spaces. In the longer term, this is expected to save the union money compared to the high costs associated with London.

HMRC continue to target the union due to suspected Political pressure but most of their demands/investigations have been settled.

The merger of the two former Amicus & T&G Pension schemes will also save the union £500k going forward.

The GS stated that employment costs which was running at 50% of income had now been reduced to 40%. However, it was originally discovered that the Republic Of Ireland employment costs were running at 107% of income. This has now been reduced to 70% but needs to come down further.

It was raised by a UN member if the third & final contribution increase agreed by the last EC would be communicated. It was confirmed that it would be.

## **LAY MEMBER EXPENSE POLICY.**

As part of the ongoing HMRC investigations into the union they have stated that the £35 overnight & £16 non overnight allowances are too high. They believe that activists are making a tax free profit from these allowances.

In order to attempt to satisfy HMRC it seems that the union will have to go through a three month auditing process with 10% of activists producing receipts to prove that £35 & £16 are being spent. Given that the union deals with around 3000 claims a month this is going to result in a huge amount

of work for the finance department, but we have little choice other than to co-operate with them. Officers & Staff of the union have agreed to the HMRC guidelines which is basically what we have now but have to claim it in a much more complicated way.

HMRC will not allow the current arrangements where members can claim £55.80 per day without proof of loss and amount of loss to continue. Therefore, those provisions must be rescinded. However, the solution is for the current system for members claiming over £55.80 per day to be adopted for all Loss of Pay claims.

For car mileage, HMRC insist that the postcodes of the locations where the member started their travel and where they travelled to are stated. In relation to this, some members of the council reported that they were being told that they would only be reimbursed the price of a standard class rail ticket (approximately 25p per mile) and not the 40p per mile. This was clarified by the council who agreed this policy. Members choose if they wish to drive or use a rail warrant where possible. If members choose to drive they can claim 40p per mile for the first 10,000 miles. But as already exists, where several members travel in one car, only one member may claim.

The GS was keen to stress that this is political & these issues were not related to a cost cutting exercise by himself. He also stressed that Officers should be doing more to secure paid release for activists, and this would be raised again with them.

## **LEGAL (Howard Beckett)**

### LEGAL REPORT

#### 1. Audit of Panel Solicitors' files

For the past 2½ years the Unite Legal Department has been identifying cases to review from panel solicitors. The cases selected have been personal injury claims where the union has paid out (or are being asked to pay out) Defendant costs on lost and discontinued cases.

To date a sum of over £510,000 has been saved as a result of the audit process.

Ongoing reviews are taking place to identify suitable cases for audit when requests are received for Defendant costs. At present there are a number of unsuccessful cases from panel solicitors on which Unite have requested repayment of Defendants costs. Within those cases significant issues with the case handling have been identified. Failures on the part of solicitors appear to have led to Defendants costs ultimately being incurred. There are ongoing discussions with these panel firms over the amounts to be repaid. Audits of employment files are continuing. These audits are unlikely to have a financial penalty for the firms concerned (other than in the most extreme of circumstances) but they will assess and improve standards throughout the regions. We intend to progress to reports as to the performance of panel firms.

### **UNITE BLACKLISTING REPORT**

Unite Legal Services are now representing 120 members in their blacklisting claims arising out of the

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activities of the Consulting Association. New claimants continue to emerge. There are 2 Blacklisting legal hotlines -one to provide general advice, and the other to record and start the legal process for new Claimants.

The Unite members' claims are being issued in the High Court in a rolling programme driven by defamation limitation periods. So far, 107 claims have been issued.

Unite Legal Services is working in cooperation with the other Claimant groups wherever possible in relation to matters relevant to the litigation. Amended General Particulars of Claim covering all claims have now been served. Amended Generic Defences have also been served. Particulars of Claim are being prepared for all individual Claimants.

Much preparatory work is being undertaken in relation to the quantification of loss for each Claimant. Legal Services is coordinating the appointment of 2 experts across the 4 Claimant groups to calculate losses.

There is to be a hearing on 10 July (which was originally scheduled for 25 April) at which an application for a Group Litigation Order will be determined. It is expected that an order will be made for the claims to proceed as a single group, with subsequent directions being made for the conduct of the claims.

Unite maintains its distinct position in relation to the proposed compensation scheme. Its 'redline' issues, on jobs, training, a call for a public enquiry and a Code of Conduct, are consistent with the approach of the Blacklist Support Group.

It is also clear that the construction companies have obtained copies of the TCA database entries from the Information Commissioners Office for the purpose of establishing the compensation scheme. Unite Legal Services are resisting further use of the individuals' addresses.

## **MARK LYON -V- INEOS**

In the case of HM Lyon -v- Petroineos Manufacturing Scotland Limited the Employment Tribunal, Edinburgh found in favour of Mark Lyon in his application for Interim Relief. As a result Mark will receive full salary including all pension and benefits until the date of any final hearing for his claim of unfair dismissal. Mark's final hearing could be as late as sometime in 2015.

## **MEETING WITH REGIONAL SECRETARIES AND HEAD OFFICE LEGAL TEAM ON 15 JANUARY 2014**

The Head Office Legal team met with the Regional Secretaries on 15 January 2014. The focus of the meeting was to discuss the provision of legal services to members and related matters. The items discussed and agreed were as follows:

### 1. Systems / legal services

1.1. Exceptional matters - these are matters which fall outside of the standard offering of legal services to members. Authority should be sought from head office for all exceptional matters because a cost will be incurred to pursue the matter and this will be funded by central office. Head Office has a record of supporting requests were such requests are supported by the Regional

Secretary; however the bulk of requests are presently coming direct from officers who have not passed the matter via their RS. It was agreed that officers should be instructed to do this. A briefing sheet for internal use setting out the legal service offering to members was circulated and following amendments was sent out to the RSs for their agreement. (see attached).

1.2. Personal injury / serious injuries/ clinical negligence – it was accepted that for our panel solicitors PI work was more attractive than employment work because it was more lucrative. It was outlined that it was only a matter of time before panel firms would be asking to be paid for employment work and a rough estimate of costs for the union for this work would be £10m p.a. It was an essential therefore that all PI work went through our panel firms and not to outside solicitors. Regional Secretaries agreed to the importance of this and that this message would be passed to officers and reps and any practice of work going outside the union would be actively discouraged. It was agreed that the union should consider offering representation for clinical negligence claims – this was agreed and the consensus was that it would go as a proposal to the NISCs to get their response.

1.3. Pension related cases – these are outside the legal assistance scheme offered by the union but the number of enquiries the union receives from members looking for representation and assistance with these cases is rising. These are very expensive to run and it would not be viable for the union to offer this as part of legal assistance scheme on current terms. The Regional Secretaries acknowledged that cases referred to Bryan Freake always received quick and conclusive responses. Howard proposed that he would consider making a link between Bryan and legal department. Howard is also considering how we can add pension assistance to our members but it is likely this would be additional and at an extra cost.

1.4. Case related bills/expenditure – was discussed and agreed that these are all to come to the legal department at head office.

1.5. Negligence claims against the union – a spreadsheet containing this information was shared with the Regional Secretaries. It details the number and nature of claims being brought against the union by members. All accepted the importance of the systems introduced being monitored to prevent these claims going forward;

1.6. Late Referrals – a template was provided for the recording of late referred cases by officers to solicitors. 1.3 and 1.4 are linked in as much as a late referral could in effect be a missed limitation. Recording late referrals will also pick up where the delay has occurred so that these matters can be addressed either via training or instruction.

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1.7. Employment Tribunal referrals – what constitutes a ‘good referral’ – questionnaires were shared with our Regional Secretaries that had been completed by our panel solicitors regionally providing feedback on the quality of information provided on referrals; an analysis of the training delivered for our officers in the regions and comments about the operation of the procedure set out in the legal pack. The purpose of the questionnaire was to ensure that solicitors are working with the union to improve the standard of legal services. The questionnaires highlighted the need for supporting evidence to be provided upon referral of cases and for referral forms to be completed as

comprehensively as possible.

1.8. Advice vs Representation – following discussion Howard will consider having 2 separate employment referral forms requesting either advice or representation for officers.

1.9. Settlement agreements / Compromise agreements/ Back to Work Membership – it was agreed that opportunities to increase B2W membership should be grasped at the point at which members are made redundant/their employment is terminated and they are signing settlement agreements, so that members fully enjoy the benefits of continuing with their membership of the union of the lower rate of 50p per week. We will be asking solicitors to get more involved in getting members signed up and this will be recorded in a much more precise way by the RLACs.

1.10. PI letter to non-panel solicitors – a letter was provided to the RSs as a template letter to send out to firms not on our panel who are seeking to take up PI claims for our members.

## 2. Training

It was agreed that training is essential if we are to deliver the best service to our members and to protect the union from claims of negligence for missed deadlines/poor advice etc. It was agreed that all training related to legal services should be mandatory and a sign-in sheet prepared and completed to record all attendees. It was reported that this is already being done in most regions. The RLACs are to be reporting to the RSs who is attending training and who is not; and Legal Director is to be made aware of it. Regional Secretaries are to notify Howard where they feel officers are in need of refresher training or are falling behind.

Officers should be provided with the minimum training as follows:

? Employment law: basic/changes/procedure (provided by solicitors regionally )

? Personal Injury including H&S: needs to be a module with Government attack on H&S in the workplace (provided by solicitors regionally)

? Industrial disputes: the legalities surrounding industrial disputes (provided by solicitors – requests for such training to come to legal department).

It was agreed that mock tribunal training was very well received where it had been delivered. It would be beneficial for all officers to attend this course. RSs were provided with the training materials which were put together by panel firms working together.

Staff - it was agreed that staff training was essential and needs to be introduced as an ongoing commitment. The RSs were shown an example of a questionnaire for staff relating to their training needs as was developed in the WM Region.

Activists – it was agreed that activists should be trained with Officers on certain subjects – but essentially those listed above.

## ***VISTEON – A TRADE UNION SUCCESS.***

Visteon , and its pension scheme, went into liquidation on the 31st March 2009. Our members saw their pensions fall into the PPF and consequently many lost thousands of pounds.

The struggle for our members in Visteon started on the 31st March 2009 as they heroically fought for redundancy payments. That struggle was successful but almost as soon as it was concluded our

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members faced the reality of their pensions being placed into the PPF.

In March 2012 we issued proceedings, against Ford, on behalf of 1346 Unite members and a further grouping of 48 issued separately but followed our proceedings throughout. Before issuing proceedings we wrote, through the Pension Trustees, to all those affected by the liquidation of the Visteon pension offering to represent them if they had been a Unite member at the time of liquidation and recommenced payments to Unite. We made members aware of the Community Membership and the Retired Members Plus 50p rate should they be unemployed.

The proceedings were issued against Ford on the grounds that Ford had negligently misrepresented the security of the Visteon pension with the intention of persuading our members to move their pension from Ford to Visteon.

The litigation was fraught with difficulties. Members would have to show that Ford (not Visteon) had a duty of care when making statements about the Visteon pension scheme, members would have to show the statements were false, members would have to show they individually relied upon the statements and in showing they individually relied they would have to show they incurred loss. Those members who had minimal service with Ford would struggle to show loss and those who had accepted early retirement packages from Ford would struggle to show when their loss would incur. Regardless of the difficulties of the legislation the reality was that statements were made by Ford, that our members placed an interpretation on those statements that proved to be incorrect, that Ford did not correct our members in regard to their interpretation and that all of the work force transferred their pension to Visteon.

At various stages in the litigation we had notable successes, the definition of the test groups, the amended pleadings (after we had transferred Counsel for a third time) and the Court permitting us to argue "collective reliance" - namely a pleading that an individual should not have to prove their own reliance because if the union had known the position the union would have negotiated on everyone's behalf.

In September of 2012 the General Secretary led negotiations with Ford in Cologne. Arising from those negotiations Ford agreed to pay to our members 28ml in compensation. Negotiations then began with Ford as to the terms of that payment, how it would be divided between the members and what was needed to conclude the litigation. The agreement was complicated by the fact that Ford did not want to see a situation whereby some members accepted the offer but others rejected. Ultimately an agreement was reached with Ford in April 2014. The key elements of the agreement being:-

- 1 The member must be a claimant in the action to qualify for compensation;
- 2 Only those whose pension had ended in the PPF would be eligible for compensation;
- 3 A formula was agreed for the division of the monies based upon the years of Ford service that had fallen into the pension fund and an estimated loss, taking into account a 10% loss in the PPF and the loss of increases in the PPF;

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4 100% of the steering group members (identified by Ford) had to accept the offer prior to the offer being put to the wider claimant group,

5 If 100% of the steering group accepted the offer then Unite would hold regional meetings and report to Ford as to whether the show of hands at those meetings demonstrated 95% of members were likely to accept their offer (based upon a broad description of the formula and some example group figures);

6 If the union reported that 95% were likely to accept their offer only then would individual members receive their own offers amounts;

7 95% of members had to accept their individual offer amounts before the settlement would be binding. Each individual settlement offer would be contingent on the overall acceptance being 95% of the claimant group, if less than 95% accepted then the offers became invalid and remained without prejudice.

Regional meetings were held on 3rd April in Swansea, 10th April in Basildon (for Basildon and Enfield) and 11th April in Belfast.

Following the regional meetings it was reported to Ford that Unite expected the acceptance to be over 95% and consequentially individual offers went out to members in May. The official count of the acceptances occurs on Friday 6th June and if the acceptance is over 95% the attached press release will be released on behalf of Unite.

This litigation stands as an example of Trade Union legal services. It stands next to Unite's support of the mesothelioma Trigger litigation case, the support for Hong Kong Cabin crew and the case for Waterford pensioners. They are cases that no one individual could ever take, they are cases which could only be taken by a Trade Union and perhaps only by Unite.

Great credit must go to the members who fought a courageous fight to keep this in the public eye and to ensure it remained politically relevant. Our members will continue to demonstrate outside Ford depots and car show rooms right up until the formal count. Our Swansea members have continued to meet every three months, and their numbers have never dwindled. We lost members during this struggle and I'm pleased to say their widows stood as claimants in their place. Great credit must be given to our ex Convenors, John Maguire, Robbie Williams, Frank Jepson and Kevin Nolan, and their Shop Stewards, for the leadership they have continued to show their members long after the closure of Visteon.

## ***Unite Press Release***

Report on Visteon workers' pension claim

Please see below and overleaf for contemporaneous press release and correspondence sent out to members Visteon workers successfully conclude their pensions campaign Unite, Britain's biggest union, and Ford have agreed an overall settlement worth millions of pounds for former Visteon workers who lost part of their pensions when their employer went into administration. Eligible ex-Visteon workers have fought for years for this settlement. The settlement offer received overwhelming support from all eligible ex-Visteon workers who took the decision to be a party to the legal action. A legal action was launched by Unite following Visteon UK going into administration

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in 2009 with thousands of workers at Basildon, Enfield and Belfast losing their jobs. Unite took legal action for compensation on behalf of all eligible members.

Visteon UK's liquidation saw the pension fall into the Pension Protection Fund meaning pension losses of thousands of pounds for Unite members. Ford and Unite legal services have been involved in lengthy but constructive talks to agree a settlement package for the former workers. Howard Beckett Unite director of legal services said: "This settlement is worth millions for eligible former Visteon workers who lost part of their pensions. This settlement was made possible because of the support of Unite legal services.

"The union was prepared to spend millions and campaign for years in order to reach a fair settlement with Ford on behalf of its members. Only a tiny fraction of wealthy individuals could afford this sort of legal support, but thanks to Unite ordinary men and women can access the best negotiators and best legal experts for the cost of the union's monthly subscription.

"This case proves just how valuable it is to be in a union. Unite would like to pay tribute to the Visteon Support Group and the tireless work of activists who would not cease their campaign. Unite is proud to have represented our members in bringing this matter to an honourable conclusion. The union would like to thank the legal team of Thompsons Solicitors for their support throughout."

The GS stated that Unite had taken on one of the biggest company's in the World with some of the top Lawyers and won. He also paid tribute to Howard Beckett for the incredible amount of effort he had put into this case, which included months and months of very complex and detailed work.

## **REPORT ON BASSA HOLIDAY PAY CLAIMS**

### *Introduction,*

Unite instructed OH Parsons to advise on the prospects of pursuing a claim for an underpayment of holiday pay to British Airways cabin crew in the BASSA branch. There were approximately 10,000 members divided between 3 fleets, Worldwide Fleet, Euro Fleet and Gatwick Fleet. The cases were governed by the outcome of precedent cases being progressed through the domestic Appeal Courts and also, as it turned out, through the European Court of Justice.

### *Tribunal Proceedings*

Proceedings were issued on behalf of all the BASSA members in the 3 fleets. Because of the uncertain state of the law with regard to whether underpayment of holiday pay could be claimed as an unlawful deduction from earnings on a continuing basis Unite continued to issue proceedings on a quarterly basis for 10,000 members to avoid any limitation issues.

In the autumn of 2012 the Supreme Court finally gave its decision in the case of Williams vs British Airways which had been returned from the European Court of Justice.

The Supreme Court made helpful findings with regard to the fact that holiday pay should be based on normal remuneration, thus overturning previous cases which had limited the entitlement to holiday pay to basic earnings. There was therefore the potential for claims to be made in respect of

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allowances which formed a substantial part of flight crew pay. The Tribunal proceedings were activated and Unite proceeded to litigate the cases. This involved a considerable amount of work assembling evidence on behalf of the members and compiling detailed spread sheets with regard to the test Claimants concerning their holiday pay entitlements going back several years.

In the summer of 2012 negotiations between BASSA and BA resulted in an offer being made by BA in relation to the cabin crew's entitlement to holiday pay in the past, and also the adjustment of holiday pay in the future to incorporate the appropriate allowances.

In addition British Airways made substantial commitments with regard to the payment of on-going benefits and allowances which provided additional benefit to members above and beyond simply the holiday pay claim.

The offer, particularly bearing in mind the whole package was a good offer and was recommended to the members. The offer was put to membership by way of a ballot and overwhelmingly accepted by them. Since September 2013 there has been extensive progress whereby the offers have been formalised to the various fleets, which now includes mix fleet which was set up by British Airways in 2010. Virtually every member has notified their acceptance and the claim is now in the process of being concluded. Finalisation of the case does present a considerable logistical challenge because of the fact that in the course of the case some 280,000 tribunal cases were issued in order to support the members' cases. We are also taking steps to contact members who have not responded to the offer, particularly if they have left the company.

## **Outcome.**

The outcome represents a significant achievement on behalf of the Union. Although the final statistics have to be finalised and it is likely that the total financial benefit to the membership will exceed £30m, and this excludes both the other industrial benefits negotiated in the summer of 2013 and also the on-going improvement in holiday pay terms which carries on into the future on a continuing basis. Finally there remains the prospect of increasing the benefit to the members further once the precedent case in relation to commission is decided in the Supreme Court and the result known. Commission constitutes part of the members' pay and currently is not included in the holiday pay calculations.

Credit should go to the National Officer, Oliver Richardson and the Regional Officer, Matt Smith. The main credit should however be reserved for the Reps who undertook the most difficult of negotiations and had the foresight to see the holiday pay cases as an opportunity to protect key financial and industrial benefits enjoyed by the cabin crew.

## **UNITE DEFEATS REVENUE AND CUSTOMS BUREAUCRACY IN JUDICIAL REVIEW VICTORY**

Unite's legal services has won a judicial review against HM Revenue and Customs (HMRC) which means that, when requested to do so by a coroner, HMRC has to produce to the work history of a person suspected to have died from industrial disease. The Administrative Court described HMRC's

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grounds for objecting to the coroner's request as a "rubber stamping exercise" that places "an unwarranted burden on the High Court". The judgment enables coroners across the UK to obtain the work history of individuals believed to have died as a result of industrial disease, without the need to apply for a High Court order. The judicial review arose from the senior coroner for Liverpool conducting an inquest into the death of Unite member Mr. Carmichael who had been suffering from asbestosis. As part of the investigation into his death, the coroner served a formal notice on HMRC requesting disclosure of Mr. Carmichael's work history.

HMRC insisted that the Liverpool coroner obtain a High Court order. Previously, HMRC had been willing to disclose a work history on receipt of a signed consent form from the deceased's personal representative.

The Carmichael family was represented in the judicial review as an "interested party" and Unite Legal Services backed the family with representation from Thompsons Solicitors.

Unite's involvement was made all the more important when the Liverpool coroner took a "neutral stance", and which effectively saw the Carmichael family as the sole party actively opposing HMRC's interpretation of the law.

The court accepted the legal arguments put forward on behalf of the family. It decided that a coroner's notice binds the crown therefore requiring HMRC to produce a work history for the coroner's inquest. Executive director for legal, membership and affiliated services at Unite, Howard Beckett, said: "This successful legal challenge has ensured Mr. Carmichael's family, and thousands of other victims of industrial disease, will not have to face unnecessary bureaucracy delaying a coroner investigating the cause of death. Unite records its appreciation to Thompsons Solicitors for representing the interests our members and their families.

"It is disappointing that the court's decision does not assist our lawyers to access this information from HMRC in fatal industrial disease cases without obtaining a High Court order. Parliament needs to resolve this quickly by way of an amendment to the Deregulation Bill."

Head of national asbestos litigation at Thompsons Solicitors, Ian McFall, said: "HMRC's policy on disclosure created an impasse which made it nigh on impossible to investigate many fatal occupational disease cases. The problem will not ultimately be cured until the Deregulation Bill becomes law, but the court's decision is welcome as it will assist coroners to deal efficiently with inquests at time which is acutely distressing for the families of those who have died from industrial disease." The Administrative Court ruling stated that: "There were some 2,756 conclusions of industrial disease from inquests in 2012. The (HMRC's) suggested High Court route could thus involve applications for occupational histories running into the thousands each year against HMRC alone. Few, if any, of such applications would raise issues meriting consideration by the High Court; the reality is that they would involve 'rubber stamping' exercises."

Howard Beckett also confirmed that currently R.T.C. members are still covered by driver care. The Branch Portal is now ready to launch. A new enquiry number will shortly be available which will be free from landlines (but not mobiles) but will offer a call back service.

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The new Legal helpline card will be available at the Policy Conference. In the future, Branch Secretaries will have the number printed on their membership card.

## **POLITICAL REPORT**

### Introduction

The quarter has been dominated by both local and European elections and in both, despite media hysteria over UKIP (both before and after the elections), Labour did better than predicted – full details below. However, it is important to understand why so many voters either didn't bother to vote or chose UKIP. Although there are a number of contributing factors, it's clear we still have more to do to get the message across about how Labour can rebuild our economy and restore fairness and balance into a society that is becoming ever more polarised, and where the wealth of those at the top continues to grow at the expense of increasing poverty for the majority.

We therefore have much to do over the next 12 months, both to campaign on those policies within the Labour Party, and to convince our members that Labour is the only hope we have of defeating this viciously right wing and increasingly oppressive Tory Government on 7<sup>th</sup> May 2015.

### 1. Elections

#### ***European elections***

In the Euros, the Labour vote increased by 9.7%, translated into 7 additional seats and with Labour topping the polls in London, Wales, North West and the North East and missing out on a fourth MEP in the NW by just 0.7% and in the NE by 2%, demonstrating the potential to do still better. The BNP lost both their seats and the Lib Dems reduced to just one seat, with no change for other parties. The leaflets produced by Unite proved very popular, in particular the 'What has Europe ever done for me' and 'UKIP Damage' leaflets, which had to be reprinted several times to keep up with demand. However, it was clearly worth it with all bar one of the candidates where Unite had concentrated our support getting elected (as above, Eleanor Tunnicliffe missed out by just 2% in YH although she was not predicted to win).

In the NW, we ran a project specifically reaching out to the Muslim community aimed at kicking out the BNP by increasing voter registration and support for Labour, and this was extremely successful. It was particularly fitting that not only was the odious Nick Griffin humiliatingly defeated, but replaced by Unite member and Muslim Afzal Khan, with Wajid Khan so narrowly missing out on the fourth Labour seat. This project also significantly raised the profile of Unite within the Muslim communities and we are looking at where we need to do more in both the NW and in other regions in the lead up to the General Election. We also ran a very short pilot project in the EM with the Eastern European population, again concentrating on voter registration and boosting the vote, which was also successful.

#### ***Local Elections***

Again, Labour did pretty well in the local elections with a net gain of 338 seats and 9

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councils, although they lost overall control of three councils where UKIP made a particularly strong showing; these were Thurrock, Great Yarmouth and NE Lincs. It was notable that in areas where the NHS had been a major issue, Labour did particularly well with Hammersmith and Fulham an excellent example of this.

## **UKIP**

We should not ignore UKIP but the hysteria (greatly egged on by the BBC – Farage has now been on Question Time 15 times in an unprecedented short period of time) has significantly over-exaggerated both the levels of support and what this could mean in the General Election. Farage predicted a "record turnout" inspired by UKIP's message but in fact turnout across the UK went down slightly from five years ago, with two-thirds of all voters not inspired by any party to vote at all. UKIP did have some major successes including beating Labour in Doncaster, Miliband's constituency, and narrowly coming first in Newark, raising their hopes for the forthcoming by-election. But these results wouldn't translate into actual seats in domestic elections - in the local elections, Ukip won just one council seat in Doncaster and the Tories are set to hold on to Newark although their lead has been narrowing.

Large areas of the country continue to reject UKIP and as shown above, in London, Manchester, Birmingham and Liverpool, they didn't even come close to winning in the Euros. And across the UK as a whole they remain a marginal concern. Despite coming second in a large number of seats in the local elections, they only won 161 councillors on Thursday, far fewer than the 427 won by the Lib Dems, 1,359 won by the Tories and 2,101 by Labour, losing 25% of their national share of the vote from 2013 so even if they can translate these gains into winning one or two MPs next year, it's hardly an 'earthquake'. But UKIP shouldn't be written off. Lord Ashcroft's recent poll of marginal seats showed that UKIP votes could be enough to split the vote and strengthen Labour's chances of winning in a General Election. But as political blogger Adam Bienkov wrote; 'If that happens then Nigel Farage will enter the history books. But it won't be as the victorious leader of a "people's army". It will be as the leader of the modern equivalent of the SDP'.

## **Announcements.**

As reported above, Labour have made a number of positive policy announcements over the quarter, including on eradication of zero hours contracts, although there's still work to do on this to strengthen its impact. Ed Miliband also announced his 10 point 'contract' on the cost of living:

- Freeze gas and electricity bills until 2017 and reform the energy market
- Get 200,000 homes built a year by 2020
- Stop families that rent being ripped off and help them plan for the future with new long term predictable tenancies
- Cut income tax for hardworking people through a lower 10p starting tax rate, and introduce a 50p top rate of tax as we pay off the deficit in a fair way

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- Ban exploitative zero-hour contracts
- Make work pay by strengthening the Minimum Wage and providing tax breaks to firms that boost pay through the Living Wage
- Back small businesses by cutting business rates and reforming the banks
- Help working parents with 25 hours of free childcare for three- and four-year-olds
- Tackle the abuse of migrant Labour to undercut wages by banning recruitment agencies that only hire foreign workers and pressing for stronger controls in Europe
- Back the next generation with a job guarantee for the young unemployed and more apprenticeships.

They also made an important announcement on the NHS where although the headlines led on the pledge that people could see their GPs within 48 hours, they also reiterated their commitment to repeal the Health and Social Care Act and to stop the threat of competition law from forcing privatisation of services. Rachel Reeves made a further speech following the elections, welcomed by the TUC, promising to extend auto-enrolment of pensions to 1.5 million low paid workers and to set up a Commission to consider the future of pensions after the announcements in the March Budget to ensure workers are protected.

## ***Scotland***

The team in Scotland has continued their work leading up to the Referendum in ensuring they give maximum opportunity to all our members to have the full arguments both for and against independence so they can make their decision based on the facts. We also worked with the Trade Union group to organise a meeting of MPs in the House of Commons to discuss this issue which was attended by the Chair of the Scottish Regional Committee and the Regional Political Officer, although some of the arguments being put forward by Labour politicians are still far too negative.

## ***Wales***

Walk a day in our Shoes

The Unite 'Walk a day in our shoes' campaign has been extremely successful and received a lot of coverage in local media with a large number of Labour politicians signing up to work with Unite on highlight the positive results of working together with trade unions. We are hoping to replicate this elsewhere and are exploring how to drive it forward in the regions.

## ***PCS***

The GS made a statement regarding the current situation regarding PCS.

At their conference PCS Delegates voted against a transfer with Unite, but agreed that talks could continue if certain demands were met. The PCS GS (who was due to stand for re-election later this year) had recently undergone a serious operation but was recovering and Len McCluskey said he wanted to get his take on things before further commenting, however, for the time being, the

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transfer was to be put on the back burner & should there be any further developments a special EC would be called.

## **EC MEETING TIMES**

A proposal raised by UN last year was tabled.

The proposal was to move the start time of the EC from 9-30am Monday to 1-00pm. With the exception of some Scottish, Irish, & Welsh delegates this would allow delegates to spend the weekend with their families and reduce the cost of hotel accommodation for the vast majority by one night. A vote was taken & the vast majority of the council voted in favour of the UN proposal.

## **EXECUTIVE COUNCIL SUB-COMMITTEES.**

The democratic process then took place to elect EC members onto a number of associated EC sub-committees. United Left openly distributed a slate (list of names) and as a consequence they took over every key sub committee with the exception of Pension Trustees (which requires considerable knowledge & commitment) and a couple of other places on committees that seldom meet.

***(Whilst different groups have different opinions, it is always better to have a more balanced view and transparency on committees that are supposed to scrutinise and represent the best interests of the entire membership. The decision made by the UL Executive Council members to out vote & exclude all other non UL members of the Executive Council will only serve to create a greater divide in the future.)***

## **FINANCE & GENERAL PURPOSES COMMITTEE**

Tony Woodhouse

Mark Lyon

Steve Miller

Ivan Monckton

Jayne Taylor

John Sheridan

Maggie Ryan

Agnes Tolmie

Brian Holmes

Davy Brockett

Brenda Pleasants

John Cooper

Therese Moloney

James Mitchell

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## ***BRANCH REORGANISATION/RULE 6 APPEALS PANEL***

Tony Woodhouse

Mark Lyon

Steve Hibbert

Jane Stewart

John Sheridan

Dennis Wilson

Sean McGovern

Mohammed Taj

## ***RULE 27 DISCIPLINARY PANEL***

Tony Woodhouse

Lindsey Adams

Dick Banks

Jane Stewart

Andy Green

Jayne Taylor

Brian Holmes

James Mitchell

## ***INTERNATIONAL COMMITTEE***

Mark Lyon

Dave Williams

Kate Osborne

Dennis Wilson

Lindsey Adams

## ***EDUCATION COMMITTEE***

Tony Woodhouse

Ansarr Khaliq

Tracey Ashworth

Kwasi Agyemang-Prempeh

Brian Holmes

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## ***PENSION TRUSTEES***

Tony Woodhouse  
Tam Mitchell  
Dave Williams  
Steve Hibbert  
Dick Banks  
Agnes Tolmie

## ***UNITE TRUSTEE COMPANY***

Brian Holmes  
Mark Wood  
Ivan Monckton  
Mark Lyon

## ***STRIKE PAY COMMITTEE***

Tony Woodhouse  
Mark Lyon  
John Sheridan  
Lizanne Malone  
Mark Wood

## ***SEVERANCE COMMITTEE***

Tony Woodhouse  
Mark Lyon  
Wendy Gilligan  
Joyce Still  
Phil Entwistle