

Our Ref: PD/ayw/063

10<sup>th</sup> August 2009

Sue Butcher  
Remploy Limited  
18c Meridian Business Park  
Leicester  
LE19 1WZ

**BY EMAIL**

Dear Sue

**Breakdown of Pay and Conditions Negotiations**

Further to our meeting of the 5<sup>th</sup> August 2009 I write on behalf of the Consortium of Trade Unions to confirm the Trade Unions Position.

The Remploy Consortium view the Company's response as being derisory, unfair and unacceptable. This year's pay negotiations were delayed because the Company was waiting for the Treasury guidelines on public sector pay. Having provided the company with the headings for the claim in February 2009 the trade unions and their members had to wait until the 29<sup>th</sup> June before the company met with representatives of the Remploy Consortium.

At that meeting the Company offered a 1% increase to all our members within the bargaining group. This amounted to less than a £3 a week increase for hourly paid workers and between £3 and £4 for staff. The Company informed us that senior managers would not receive a pay increase for 2009/10 but did not rule out the possibility of bonuses being paid to some managers within Remploy.

We were later informed by the Company that the number of senior managers that would receive a pay rise amounted to 30 out of 400.

The Company has also reneged on a previous agreement to consolidate bonus and the trade unions requested that the £6.40 that remains outstanding from the previous agreement be paid to all hourly paid employees.

The company, whilst hiding behind the Treasury guidelines on public sector pay has now chosen to ignore the guidelines and has made an offer which is inferior to the Government's own guidelines.

When we met on the 29<sup>th</sup> June and before any negotiations had started on that day, a letter had been drafted and signed by the Enterprise Business Director, Alan Hill informing our members in advance of the negotiations what the offer would consist of.

It is clear the Company had no intention, whatsoever, to negotiate this year's terms and conditions for 2009/10

The offer was referred back to the trade union membership and in a secret ballot over 80% of those who voted rejected the 1% offer. Furthermore 67% of those who voted (which is over 1500 of your employees) registered a Vote of No Confidence in the board of directors.

We met the Company again on the 5<sup>th</sup> August 2009 who repeated the offer of 1%. The trade unions requested that any monetary increase should be across the board for everyone so that the 400 plus managers in the Company and directors would receive no more in pay and bonuses than a disabled hourly paid person. This would mean that if the pay increase was £5 a week then this would be the same for everyone regardless of their position within the Company. In other words in this economic climate the trade unions were asking the Company to treat everyone the same.

You responded in typical Remploy fashion by stating that the Company would be prepared to consider an across the board increase for our members but you would not include the 400+ senior managers. In other words: bread for the workers and jam and bread for the managers. What a misuse of the Government money!!

After a number of adjournments, you confirmed that this was your final offer and that there would be no movement on behalf of the Company to the Trade Unions claim. The trade unions informed you of the following:

1. That they intend to carry out a rolling Industrial Action Ballot in nominated parts of the Company including individual factories and groups within those factories.
2. The trade unions will seek legal redress to secure the outstanding bonus.
3. The trade Unions will only meet the Company with regard to disciplinary and grievance issues and from the 10<sup>th</sup> of August will not engage in any joint activities with the company.
4. Trade Unions will not endorse any new initiatives including the Social Enterprise project.

Finally I would advise the Company that our members on occasions work outside their Contracts of Employment. We will be advising our members to work within the confines of their contract of employment and within the procedures and agreements set down within the Remploy National Accord. It is clear that a number of our members regularly engage themselves in practises that are of a voluntary nature. I would remind the Company that any requests for any activities outside of the contract of employment and the National Remploy Accord can only take place on a voluntary basis.

The trade unions are of course always open to meeting with the Company to continue meaningful negotiations on the basis that fairness and equality must prevail in a public sector Company.

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Davies', written in a cursive style.

**PHIL DAVIES**

**Secretary to the Remploy Consortium of Trade Unions**