

1st February 2011

**To: All Remploy Officers and Consortium Members
For circulation amongst all Remploy Employees**

Dear All

Re: Urgent Circular

You will now have received several letters from the Company and a form to complete requesting that you ask for a quote regarding Redundancy Payments. You must be aware that there was no consultation with Trade Unions and no Agreement with Trade Unions has been signed.

The Company is trying to bully you into taking redundancy. There are number of other issues which the Company has not told you the truth about. As an example attached is a copy of the Company brief dated 31st January 2011 in which the Company says that on Pay "we are in the Government hands; We are awaiting a decision from the Department of Work and Pensions".

You will see from the attached letter from the Secretary of State Iain Duncan Smith that he is very clear on this issue and he says "It is a matter for Remploy to decide on the appropriate level of staffing and pay for their Employees, as long as these remain within the overall affordability constraints laid out by HM Treasury".

It is now clear that the Senior Management in Remploy is lying and have hidden behind the DWP and the Government.

The Company is trying to take your jobs cheap. They are trying to bully trustees into altering the rules on the Pensions Fund which could affect the future benefits of those who retire and the viability of the whole Scheme.

The Company failed to tell current members and retired members that future pay increases will be determined by the Government's CPI inflation figure and not by RPI.

The example for a member with a £100 a week pension is:

- **£100** indexed by **RPI** since 1995 would now be worth **£149.61**
- **£100** indexed by **CPI** since 1995 would now be worth **£132.64**

Inflation figures are from September as this is a standard month used for pension purposes.



From the Secretary of State
for Work and Pensions

DWP Department for
Work and Pensions

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Your ref: DP/SB/MOOR01074/01103014

Our ref: POS(1)10588/219

Rt Hon Dawn Primarolo MP

1/8 January 2011

In Dawn,

14 JAN 2011

Thank you for your letter of 20 December 2010 on behalf of constituents who contacted you concerning the closure of Remploy sites.

The review of Remploy Ltd was in connection with its status as a Non Departmental Public Body. In the light of the spending review settlement I can confirm that the budget for Remploy remains unchanged. Remploy continues to be part of the Government's programme of support to help severely disabled people into work.

It is a matter for Remploy to decide on the appropriate level of staffing and pay for their employees, as long as these remain within the overall affordability constraints laid out by HM Treasury, covering the pay setting arrangements for public sector workers in Non Departmental Public Bodies, as well as civil servants.

The status of Remploy as a Non Departmental Public Body remains unchanged. However, the Minister for Disabled People does want to look at how we ensure continued improvements in the service provided by Remploy to disabled people and will continue to work closely with Remploy and other key stakeholders in order to achieve this.

Y R

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The Rt Hon Iain Duncan Smith MP

SECRETARY OF STATE FOR WORK AND PENSIONS

EB MANAGERS BRIEFING FOR SHOP FLOOR EMPLOYEES

Today's briefing is to announce details of the Voluntary Redundancy Scheme which has now opened.

You'll be able to ask questions at the end.

Later today we will be sending a letter out to your home announcing that the Voluntary Redundancy programme is now open. The letter will also include a form you can use to ask for a quote of what your redundancy payment might be. There will also be a booklet explaining how the redundancy process is going to work and the support that you will receive from the company.

As I explained in the briefing last week, the proposed terms of the scheme are:

Employees who have completed at least two years' continuous service, inclusive of notice period, at their date of leaving the company will receive:

- A payment equal to one year's pay plus an additional £5,000
- or
- Accord terms (if greater than one year's pay) plus an additional £5,000

Employees who have completed less than 2 years' continuous service, inclusive of notice period, at their date of leaving the company will receive:

- Contractual (Accord) terms only – 3 weeks' pay per year

There is no payment for those with less than one year's service.

Your request for a redundancy quote will be totally confidential – no one will know you have applied. You can fill in the form and send it directly to HR Direct or you can give it to me.

It makes no difference if you have signed the unions' letter which has been circulating in some factories. You can still apply for Voluntary Redundancy.

The period for applying for redundancy opened today, Monday, 31 January and remains open until Monday, 7 March. You can apply for redundancy at any time during this period, but remember that the closing date for requesting a quote is Friday, 18 February.

You will receive a quote of what your redundancy payment would be within five working days' of Remploy receiving the request.

choice. If you apply for a redundancy quote, the company will also arrange for a pension quote to be drawn up for you. Both will be sent to your home address.

When you receive the quote you will also receive a form to use if you then want to apply for Voluntary Redundancy. You will need to give the matter careful thought and consider your options and the figures in the quote.

If you decide that you do want to apply for redundancy you need to complete the form and return it to HR Direct or give it to me. You must do this before Monday, 7 March and please remember that this will all remain confidential.

To help you make your choice, free independent advice is available from the Employee Assistance programme, including access to an Independent Financial Adviser if you want to discuss the package, pensions or anything else to do with the redundancy scheme.

An information booklet called Your Choice is being sent to your home today and there will be extra copies in the factory. The booklet explains the Voluntary Redundancy process and the help and support that Remploy's Employment Services will provide if you choose to take redundancy and decide you want to carry on working.

You may also have seen a letter recently from the trade unions urging you not to apply for redundancy. There are a few points to be made about what the unions say.

- They are calling a ballot on industrial action. There can be no justification for industrial action because nobody is being forced out of Remploy. This is an entirely voluntary scheme. You can choose whether or not to apply.
- What's happening in CCTV has nothing to do with this scheme. CCTV is particularly exposed to the withdrawal of contracts by organisations such as councils which are having their budgets cut. We are in separate talks with staff and unions in CCTV.
- On pay we are in the Government's hands. We are waiting for a decision from the Department of Work and Pensions on what we can pay and we are pushing them hard for a decision.
- The company will ensure that all severance payments are calculated fairly taking into account any pay increases still to be paid.
- And the company will be discussing the future of Remploy Employment Services which they meet the unions on Thursday this week.

So to sum up, you will be receiving a letter at home explaining the Voluntary

This would mean that our Members would have been £16.97 a week worst off if the Company has changed the calculation figure from RPI to CPI in 1995.

If you take early retirement with these proposed changes your annual increase will be much less. Unfortunately the Company has not told you that.

Why do you think the Company is trying to move so fast? Because they do not want you to have any opportunity to reduce the total number of redundancies. They do not want to increase your redundancy package and they do not wish for you to have a pay increase.

Stop and think when these greedy managers have ever done anything to help disabled people?

Your Trade Union negotiators are appealing to all Remploy employees to not to ask for a redundancy quote but allow time for proper negotiations and consultation to take place.

Bring your letters and envelopes you received from the Company and give them to your Shop Stewards. The Company must first consult the Trade Unions.

Yours sincerely,



PHIL DAVIES
National Secretary, GMB



Kevin Hepworth
Unite the Union