

Distribution: RoMEC Joint Venture A Shared Problem.

By Fran Choules.
Area Distribution Rep.

EVERYONE WILL HAVE been sent a notice by CWU HQ of their intention to ballot across the business and it is important that we should take time out to consider the wider implications surrounding the Outsourcing and Joint Venture policy of our employer. Leaving aside the rights and wrongs of Joint Venture, we need to recognise the RoMEC Joint Venture will be the precedent for the future terms and conditions of us all as CWU members.

The dispute has arisen because Consignia will not give guarantees to our RoMEC comrades on Pensions, Jobs and Trade Union Representation rights. Those members who have opted out of the pension will not have the right to opt back in, as currently is the case. If Consignia's holding company falls below 30%, our members will no longer be able to remain in the Consignia pension scheme.

The Managing Surplus Framework Agreement will not apply to the new company thus undermining job security. There would be no right to return



should the Joint Venture company find itself in a redundancy situation and the present trade union negotiation and representational arrangement will not be guaranteed.

We cannot and must not abandon our RoMEC comrades, including the cleaning grade, to this uncertain future. Even if we are not willing to stand by the minority, we in Distribution, CH&D and Logistics Solutions must understand that, should Consignia be permitted to treat our RoMEC members in this abysmal manner, we will be next. A Joint Venture is a distinct possibility in CH&D, it could be on the cards for Logistics Solutions and who knows what the future holds in Distribution. The proposals for the Transport Review and the impact of the Tailored Delivery Service will be catastrophic for us. We could very well find ourselves in the same position as RoMEC at sometime in the future. That is why we must defend our terms and conditions now, before it is too late.

VOTE YES TO DEFEND OUR COMRADES - VOTE YES TO SECURE OUR FUTURE.

Counters: RoMEC - The View From Post Office Limited.

By Kerry Rutherford, Counters and Cash Handling Section Secretary.

OVER THE LAST 12 years or so Post Office Counters have been actively selling off Crown Offices to the extent that there are now little more than 500 left, from over 1500 that existed in 1989.

Up to now staff have not been forced to move with the work, i.e. work for the new owner, but slowly this is changing, and has been for some 2 years or so now. So what exactly is going on? and what relevance does it have to staff wondering about whether to support our colleagues in RoMEC.

As to RoMEC members in our offices, well, most of the cleaners are now private and will therefore only see a RoMEC engineer once in a while. That though should make no difference and whilst we have always felt isolated in our fight to protect crown offices, at last the

national union is accepting the need to organise around protecting a minority grade using the whole of the Union.

As for PO Ltd, they have a policy known as "Office X" or FOOS Offices (whatever that means?), both titles refer to Crown Offices being flogged off, but with the difference being that Crown Office staff MUST go with the work. What happens is that a new company pays for all the fixtures and fittings and PO Ltd provides the staff. Then, at a later date the contract signed with the new owner allows them to transfer the staff over as well should they want to do so.

The link with RoMEC is this - Counter Staff so affected would not have their pensions protected, and would not come under the Consignia agreement recently signed guaranteeing job security and the possibility of

EVR. Once transferred over to the new company, you could be compulsorily sacked or have your pay reduced, and there is nothing you could do about it. This is the very position that RoMEC staff are now in with their future employer Balfour Beatty.

The fact is that Consignia is waiting to see if they can get away with the RoMEC sell off, and this will then open the flood gates for deals to be done as outlined above in full knowledge that the Union would be struggling to protect and fight for the rights of Counter Staff.

DO NOT LET THOSE FLOOD GATES OPEN - COUNTER STAFF MUST VOTE YES FOR ACTION - IT WILL PROBABLY BE YOU NEXT UNLESS THE UNION WIN THIS FIGHT.



Your Questions, Answered

Why are Consignia outsourcing RoMEC?

Consignia are selling a 49% stake in RoMEC, (the Cleaning and Maintenance arm of the Business) to Balfour Beatty. Those who work in RoMEC have no choice - they either go into the new company or leave without compensation.

Two years ago the CWU was told that the Consignia Board was "pre-disposed" to sell off all its Support Services which it deemed "non core", including RoMEC, Employee Health Services, Vehicle Services, parts of Transaction Services and Communication Services. Subsequent changes on the Board have meant that this outsourcing strategy had been abandoned, that of Vehicle Services is officially "on hold". However, RoMEC was the first of the Support Services to be set up for sell off and the Business has spent two years (and a lot of money) negotiating the sale, and with it the 4,000 CWU members who work in RoMEC. Even though there is no convincing economic case for it some on the Board still seem determined to push through the outsourcing of RoMEC.

Will the sale of RoMEC save money for Consignia?

The Union has requested details of the financial case for outsourcing RoMEC. Consignia have refused to give the Union this information, even though we regularly receive Commercially Confidential information on other aspects of Business activity. RoMEC engineering is one of very few parts of Consignia that actually makes a profit - it has succeeded in winning a host of prestigious external contracts, including Marks and Spencer, HSBC, and Dixons. Consignia's own projections are for continued substantial external growth. RoMEC has had responsibility for cleaning for only two years. At the moment cleaning is still a loss making activity, but the Union is actively co-operating in efficiency improvements and there is every reason to believe that this will be turned around. Even the sale of RoMEC will generate very little

money - again the Business has refused to tell the Union how much. So, Consignia intends to sell one of the few parts of the Business which is growing and profitable to an outside company for a song.

How does this affect me?

For Consignia to transfer 4,000 CWU members out of the Post Office, without adequate guarantees on pensions, job security, pay protection and redundancy terms, and Union representation, represents a threat to each and every employee. Virtually no part of the Business cannot be outsourced in some way - there appear to be some in Consignia who think that only the Board is "core".

Won't the Joint Venture protect jobs in RoMEC?

No. The Union has argued for many years that RoMEC, as well as dealing with Post Office work should be free to go out and win external contracts. Consignia actually stopped RoMEC from doing so until 3 years ago when RoMEC was launched as a Facilities Management (FM) Company. RoMEC has been extremely successful in winning external contracts (unlike some other parts of Consignia). Consignia's own projections show a substantial increase in the level of external work. Being part of the Public Sector is a selling point for RoMEC in winning outside work. In fact, RoMEC's best opportunity ever for external growth - the acquisition of SSG, a Government Group responsible for MoD and Home Office work - was lost largely as a result of concerns about the implications of a Joint Venture. The Union has not been allowed to see the Foxtrot Contract negotiated with Balfour Beatty but RoMEC managers have told members that it includes penalty clauses which could mean loss of Post Office work in whole areas of the country. Consignia have already indicated that the new Joint Venture Company will be carrying out a redundancy programme amongst cleaning grades. Outsourcing will not protect jobs - in fact the Union believes it threatens them.

Doesn't the new Managing the Surplus Agreement apply to RoMEC?

The Managing the Surplus Framework Agreement is Consignia-wide and so applies to RoMEC at the moment. However, Consignia insist that its terms are not contractual. This means they are not protected by TUPE legislation and the Joint Venture Company could withdraw from them at any time. This raises the alarming prospect of members being transferred into the new company, losing the commitment to an approach based on no compulsory redundancy and finding that redundancy terms are substantially worse than in Consignia. The Union is insisting that the Managing the Surplus Framework terms covering pay protection, excess travel expenses and voluntary redundancy terms be accepted as contractual by Consignia. If this were agreed, it would be a benefit to every Consignia employee. The reason given to the Union why Consignia are not prepared to agree this is "because it might impact the outsourcing programme". In other words it will be harder for Consignia to sell off sections of the company and our members with them. The Union cannot accept any risk that existing members - transferred out of the Business against their will - could lose the valuable protections negotiated by the Union in the Managing Surplus Framework Agreement.

But won't the Union be able to protect conditions in the new company?

The best protection members have is that of Union membership. If the outsourcing does go ahead then we will continue to use all our efforts to defend our RoMEC members. However, legally other members of the Union in Consignia would not be able to support their RoMEC colleagues in the event of a dispute in the new company. The Union has sought agreement to continuation of existing representational arrangements - although Consignia has agreed that these will remain in place at the point of transfer they have suggested a time limit of 3 months.

Delivery: DELIVERY STAFF NOT IMMUNE TO FUTURE JOINT VENTURES...

By Area Delivery Rep, Paul Wotton & Section Secretary, Steve Coombes.

THE ARGUMENTS ARE clear, and we have all read them in the Union's circulars and in the Voice magazine. We have heard CWU reps, stating: "It'll be us next if we don't stand together". And have we believed any of it...?

Think about it for a moment. If Consignia can outsource RoMEC and at the same time take away job security guarantees and pension rights from those workers, are they really going to leave it at that - of course not.

They will have already done the sums with Balfour Beatty's subsidiary Haydens (the company taking

over RoMEC) and they will know soon enough if the forced transfer of 7000 workers is profitable for them to try it elsewhere. Yes, there are other smaller parts of Consignia that can be sold off, like Cash Handling (formerly CASHCO) to Securicor for instance or maybe Vehicle Services to someone like Eddie Stobart perhaps.

Royal Mail, though is the jewel in the crown. Many of you will remember the split of functionalisation of Royal Mail into Processing, Distribution and Delivery. At the time we said it would make it easier for them to sell off parts of Royal Mail and that once

the genie was out of the bottle it would be hard to put it back again. Well, given the powers of the Regulator, Postcomm, the possible joint venture/out-sourcing of parts of Royal Mail is now a real possibility and you can safely assume that the Board of Directors have thought this one through. If Postcomm allow private companies to use parts of Royal Mail's premises and employees, then the momentum towards outsourcing will become unstoppable.

Joint venture, or whatever in processing or even delivery (milkrounds already deliver parcels) can easi-

ly be set up by Consignia because they will have a "live" example in RoMEC as to how it can be done.

Can anyone, hand on heart say that the possibility of franchising a Delivery Office is now off limits or pie in the sky?

Delivery Office members are in for a rough ride anyway with TDS and job losses. The need for us to stand together and not show any chinks in our armour is vital.

VOTE YES IN THE BALLOT.

Processing: Joint Venture? Back Door Privatiation By Another Name!

By Chaz Curry, Exeter Mail Centre.

ONCE AGAIN IT seems our industry and our colleagues are under attack from creeping corporate take over. Within the proposals presently on the table is contained the fate of Royal Mail's engineering and maintenance department RoMEC. As usual the same tired arguments regarding supposed increased commercial freedom and increased efficiency are being wheeled out and re-hashed, in the hope that this will convince the CWU membership to sell RoMEC down the river. But what's not being mentioned, is that the RoMEC is becoming the test case for the rest of the business



and its consequential ramifications will, no doubt be felt sooner or later through Royal Mail.

If the RoMEC deal is agreed and if we choose not to stand shoulder to shoulder with our colleagues then it will give the green light to the management of Royal Mail to bring these sort of proposals in to the rest of the business. The open ended proposal of Siemens to run Royal Mail's processing machines being only one such, yet to be implemented possibility that may have wide range

implications for both RoMEC and Mail Centre employees alike.

If we as a Union choose to sell out our RoMEC members the knock on for the rest of us will, no doubt, be far reaching and detrimental to us as a Union and Royal Mail employees. Just because we can't, at present, think of how this will effect us in the future doesn't mean to say that management haven't already thought of sections of the business that they can afford to offload. Back door privatisation is privatisation none the less and it's spectre haunts not only us as employees but the serv-

ice that the public, our customer, receives.

Divide and rule is an age old tool of government, generals and bosses alike, it is about time that we wake up to our responsibility to see these measures and methods for what they are and stop kidding ourselves into thinking that if we bury our hands deep enough into the sand then it will all just go away and leave us alone. After all, if we refuse to help ourselves then no-one else is going to be able to help us!

CH&D Cashco: GROUNDHOG DAY!

By Dave Cornish, CH&D Cashco Rep.

FOLLOWING THE FIASCO of RoMEC I get the feeling of Groundhog Day for my Section (CH&D Cashco). On July 27th we will hear what the Post Office has decided from the following options:

Complete Outsourcing/Privatisation - result, proably total loss of jobs.
Joint Venture as per RoMEC - result, who knows? Similar to RoMEC?
Scaled down operation just servicing Post Offices and limited external work - result, job losses and depot closures.

Following the CH&D Board passing their as yet unknown decision to the Consignia Board, my guess is that management are going for a Joint Venture (JV). If this is the case we muse ensure

that the CWU fight for a preference exercise for those NOT wanting to transfer and for those moving there must be a continuing of the Consignia Final Salary Pension Scheme for everyone together with the Job Security Agreement recently negotiated. Other firms in Cash Handling do not have a good record in staff relations.

In the event of job cuts - highly likely - they would try to get rid of their more well paid staff (us) as opposed to their own cheaper staff and you don't need to be Einstein to work that one out!

Finally, to all members out there reading this who think they are safe, be afraid, be very afraid, you could be next. VOTE YES FOR ACTION TO DEFEND ROMEC MEMBERS AND PREVENT ANYTHING LIKE THIS HAPPENING TO REST OF US.

Changing The Culture?

By Steve Dallas, Branch Chair & Regional Parcels Organiser S&SW.

IT HAS ALWAYS been said that we have a confrontational culture in the Post Office between management and us. This is why Lord Sawyer was brought in to try and change that so we all work together and face the difficulties ahead. The difference now with Alan Leighton is that working together is code for involving the Union, and he does not want that.

Changing the culture for him means managements right to manage without interference, and the CWU will simply not accept that as it is against your interests, the decision around RoMEC are indicative of the new "Leighton" type approach.

