

Our Ref: DR/301.08/19/dw

27th March 2019

Quadrant Catering Members

Dear Colleagues

QUADRANT PAY REVIEW 2019 AGREEMENT

Your next pay review date is 1st April 2019 and as such the department has been in discussions with Quadrant management to secure you a pay deal that recognises your ongoing contribution to the business and maximises guaranteed levels of pay.

As you will be aware over recent years it has become increasingly difficult to negotiate pay settlements with Quadrant, due to both the commercial agreement between Royal Mail and Compass Group and decreasing footfall at Quadrant Units. Negotiations this year have been no less difficult with regard to funding the CWU aspirations for pay and the department has maintained throughout discussions, that any final agreement would need to achieve a package of benefits that recognises and positively reacts to increases in the cost of living and rewards our members for their efforts and commitment to the company.

In addition the business had informed the Union that the conclusion of a pay settlement for 2019 was dependent on the completion of the existing commitments in relation to a joint review of sick pay entitlements for new entrants and the Medical Severance criteria.

Following that review I can now inform you that agreement has been reached on the following pay settlement for 2019, which has now been unanimously endorsed by your Postal Executive.

Pay

In relation to the pay element, agreement has now been reached on a two stage, above inflation outcome as detailed below:

- **A 2.6% increase on basic pay effective 1st April 2019.**
- **An additional 1% increase on basic pay effective 1st October 2019.**

In total the increase in pay equates to an exit rate of 3.6% and builds on the process of decreasing the differential that has existed over recent years between the current pay rate and the yearly increase in the National Living Wage for C Grade members. Given that in February RPI, the traditional measure by which we have tracked inflation for pay purposes, was at 2.5% the negotiated settlement on pay represents an excellent outcome.

Overtime Rates

In respect of overtime/premium payments the current format is based on multipliers, which are set against an historic hourly rate that no longer correlates to the current standard hourly rate that is actually paid. This had resulted in overtime rates falling behind hourly rates in some instances. To address this anomaly it has been agreed that going forward that the use of the multiplier will cease and be replaced by an overtime rate for all grades that will equate to an additional £1 per hour above the normal hourly rate. This is applicable only for hours performed above full time (37.5hrs).

Sick Leave Arrangements

As part of the Joint Review referred to above, the business had indicated that current levels of sick absence cause significant operational and financial difficulties.

Following that review which included a full analysis of current absence trends the business proposed an extension of the qualifying period before new employees would receive company sick pay, which was rejected by the Union. However, it has been agreed that the sick pay entitlement for **New Entrants only** will be adjusted to provide the following:

- 1 - 12 months service - no company sick pay – as current.
- 12 - 24 months service - 2 months full, 2 months half pay.
- 24 - 36 months service - 3 months full, 3 months half pay.
- 36 months + service - 6 months full, 6 months half pay - as per current.

It is confirmed that individuals who commenced employment prior to the conclusion of this agreement will retain existing arrangements and entitlements.

Medical Severance

The business position was that shortening the existing timescales associated to the Medical Severance process would assist in providing robust staffing for their operations. In addition a change to the timescales would enable speedier interaction to take place with employees, which would afford them the opportunity to consider and take Medical Severance at an earlier juncture, if this was an option the individual wished to pursue.

It has therefore been agreed that the timescales associated to Medical Severance will be amended in line with the following table:

STAGE	CURRENT	NEW (PROPOSED)
➤ Welfare Meeting	- Week 6	Week 4
➤ MS1	- Week 12	Week 8
➤ MS2	- Week 14	Week 10

The CWU view was that in many cases the payments available under medical severance were insufficient to enable members who would wish to leave to do so without hardship. As part of an overall package the department has been successful in persuading Quadrant to increase the maximum amount payable in relation to Medical Severance from 12 to 18 weeks' pay. We have also secured a commitment from the business to jointly review this in the next pay round (April 2020) with a view to increasing the maximum payment further.

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| ➤ Payment | - max 12 weeks | max 18 weeks |
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The Department believes that in extremely difficult circumstances the best offer possible has been achieved at this time due to the business' financial constraints and that the offer detailed above is worthy of recommendation to our Quadrant members.

Your Union believes that the reward approach negotiated is worthy of recommendation to you. The CWU therefore has no hesitation in encouraging you to **VOTE YES** in favour of this offer.

Yours sincerely



Davie Robertson
Assistant Secretary