

**WRITTEN QUESTION TO THE MINISTER FOR TRANSPORT AND TECHNICAL SERVICES BY DEPUTY G.P. SOUTHERN OF ST. HELIER
ANSWER TO BE TABLED ON TUESDAY 4th DECEMBER 2012**

Question

Further to the response to question 7152 on 23rd October 2012, how does the Minister explain the discrepancies between the statement that staff terms and conditions would not be changed for the first nine months of the contract, and later indications that there were already 14 differences between the Connex and CT Plus contracts?

Does the Minister accept that his duty was to deliver the transfer of all staff on the same rather than "equivalent" terms and conditions?

Failing this, can the Minister produce figures which demonstrate that on a basic 39-hour week and with up to 10 hours overtime, drivers will receive the same pay on the new terms as they did on the Connex contracts, and if not, why not since the new terms have been described as equivalent ?

Answer

1. First of all I would like to refer you to paragraphs 2-4, 14 and 16 of my response to Q7152, as these are relevant to my answers to your questions:
2. Clause 18.3 of the Connex Contract states:
"On expiry of the Contract or early termination for whatever reason, the Committee shall or shall procure that any other body issuing tender documentation shall require in any tender documentation that the incoming service provider submit proposals that ensure that all of the Contractor's staff, with the exception of the general manager and any director of the Contractor, as at the date of the issue of any tender documentation are taken on by the incoming service provider on the same terms and conditions as apply at the date of the issue of any tender documentation and use its reasonable endeavours to facilitate the transfer of the staff from the Contractor to the incoming service provider provided always that the Contractor shall fully co-operate with both the Committee and the incoming service provider by providing them both with such employee information as is reasonably necessary for the Committee to compile any tender documentation and for bidders properly to price their bids and for the incoming service provider to take on the Contractor's staff."
3. There were two key elements to Clause 18.3, namely that:
 - (a) TTS should require in any tender documentation that the incoming service provider submitted proposals that ensured that all of the Contractor's staff, with the exception of the general manager and any director of the Contractor, as at the date of the issue of any tender documentation were taken on by the incoming service provider on the same terms and conditions as applied at the date of the issue of any tender documentation (June 2011); and

- (b) TTS should use its reasonable endeavours to facilitate the transfer of the staff from the Contractor (Connex) to the incoming service provider.
4. The latter obligation was subject to the requirement that Connex fully co-operated with both TTS and the incoming service provider by providing them both with such employee information as was reasonably necessary for TTS to compile any tender documentation, for bidders properly to price their bids and for the incoming service provider to take on Connex staff.
- ...
14. TTS is pleased that, following extensive discussions with Connex, CT Plus and the union, CT plus is now offering eligible driving staff employment on terms which include the following:
- CT Plus basic hourly rate of pay for Monday to Friday working hours is a slight increase over the existing rate at tender (the contractual benchmark).
 - CT Plus overtime rate Monday to Friday is the same as their basic hourly rate, which is less than tender (see point 15 below)
 - CT Plus basic rates for Saturdays are higher than at tender.
 - CT Plus basic rates for Sunday are equal to the overtime rates at the time of tender
 - CT Plus basic rates for Public and Bank Holidays are higher than the overtime rates paid at the time of tender.
 - The CT Plus rostered working week of 5 days in 7 is an improvement on the present 6 days in 7, typically giving 47 more rest days per year to a driver.
 - The basic working week of 39 hours remains the same
 - CT Plus's annual salary for the contracted basic 39 hours will be slightly higher than at tender.
 - CT Plus's sickness provision for the first 4 years of service is higher than at tender.
 - Healthcare and pension payments remain the same.
 - 5 weeks paid holiday: remains the same.
 - Paid meal breaks will continue.
 - No probation period will apply to transferring staff
- ...
16. For information, the 54 hour working week maximum being applied to this new contract has been introduced for health and safety reasons to protect both the public and drivers, in accordance with advice we have received from the Health & Safety Inspectorate. It is in accordance with recognised UK best practice and consistent with the Unite Union's current 'A Safer Way' campaign.

Deputy Southern's first question (7268):

2. The first question includes the following words: "Further to the response to question 7152 on 23rd October 2012....14 differences between the Connex and CT Plus contracts".
3. Although it is a little unclear from the question, I assume that the reference to "14 differences between the Connex and CT Plus contracts" is a reference to the 14 bullet points listed in paragraph 14 of my response to Q7152. I have set out that paragraph and the 14 bullet points above. It will be seen from the 14 points listed that that the key terms which are being offered by CT Plus are the same or better than those offered by Connex at the time of tender.
4. As I have indicated above, it is correct that the terms and conditions being offered by CT Plus are not identical to those offered by Connex, not least because many of the terms and conditions now available are an improvement to existing terms and conditions. Reasons for some of the changes have already been discussed in the States on 25th September and 9th October 2012 and include the following:
 - a. The 54 hour maximum working week, applied as a tender requirement to all tenderers, means that overtime will be reduced and therefore the total working hours of some staff, who have previously worked excessive hours, will change. Overtime is not a contractual entitlement. As I said to the States on 9th October 2012, I have not and will not guarantee excessive overtime and excessive hours. Please see paragraphs 9 -11 below for more on this.
 - b. As I explained to the States on 25th September 2012 and as set out above, TTS is reliant on Connex for the provision of information about staff terms and conditions. It is also reliant on the co-operation of the union. Earlier this year the union prevented Connex from disclosing key information to TTS and CT Plus, which considerably disrupted the transfer process, causing uncertainty and delay. Additional information about working practices (including in relation to sickness and overtime) came to light around this time, which caused great concern. This led CT Plus to re-assess its position and its ability to offer a transfer of staff on identical terms and conditions. However, following extensive discussions between TTS, Connex, CT Plus and the union the key terms (such as rates of basic pay) offered by CT Plus are now the same as or better than those required by the tender. Please see paragraph 14 of my response to Q7152.

Deputy Southern's second question (7268):

5. No, there was no obligation to "deliver the transfer of all staff on the same terms and conditions rather than "equivalent" terms and conditions". The relevant obligations are as set out in paragraphs 2-4 of my response to Q7152. Specifically, in relation to TTS the obligations are as follows:
 - a. That TTS should require in any tender documentation that the incoming service provider submitted proposals that ensured that Connex staff, as at the date of tender documentation and with two exceptions, were taken on by the incoming service provider on the same terms and conditions as applied at the date of the issue of any tender documentation (June 2011); and

- b. That TTS should use its reasonable endeavours to facilitate the transfer of those staff from Connex to CT Plus.
6. These obligations are subject to the obligation on Connex in respect of co-operation and employee information.
7. In this regard I note the ongoing work by TTS to facilitate the transfer of eligible staff from Connex to CT Plus. TTS officers continue to liaise daily with Connex and CT Plus and regularly with the union, staff representatives and JACS.

Deputy Southern's third question (7268):

8. Information about key terms and conditions is found at paragraph 14 of my response to Q7152 from which it will be noted, amongst other things:

"CT Plus's annual salary for the contracted basic 39 hours will be slightly higher than at tender".
9. Overtime is not a contractual entitlement. Whether or not there is a need for overtime will depend on the requirements of a business at a specified point in time and overtime rates may vary according to when overtime hours are worked. Accordingly it is not considered appropriate to try to include a hypothetical value for overtime hours when the material point is that annual salaries for contracted basic hours will be slightly higher than applied at the time of tender.
10. Reductions in overtime will be made by the employment of additional staff. Given current unemployment levels, the health and safety benefits for all concerned and the potential cost savings for the public as a consequence, this can only be welcomed.
11. I have read Unite the Union's "A Safer Way" booklet. The "Safer Way" campaign is promoting shorter working hours for UK bus drivers and refers to the UN's International Labour Organisation's (ILO) recommendation of a maximum working week of 40 hours per week. I note that the basic working week under the new contract will be 39 hours per week, which is clearly in accordance with the ILO recommendation.