

Transport Committee – 8 July 2015**Transcript of Agenda Item 6 – National Rail Services in London
(update on London Underground Industrial Action)**

Valerie Shawcross CBE AM (Chair): Can I start by welcoming our three guests for the National Rail services in London investigation? A very warm welcome and thank you for finding time today. Isabel Dedring is the Deputy Mayor for Transport. Mike Brown is the Managing Director of London Underground and London Rail and, from next week, Acting Commissioner of Transport for London (TfL). I think we say many congratulations, Mike --

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): Thank you.

Valerie Shawcross CBE AM (Chair): -- for taking up the hot seat. Very well done and good luck in that role. Charles Belcher is a Board Member from TfL and it is the first time we have met you, Charles.

Charles Belcher (Board Member, Transport for London): Indeed.

Valerie Shawcross CBE AM (Chair): Thank you very much for coming today. At today's meeting, given that we are in the middle now of a serious dispute on London Underground, we would be expected by the public just to ask Mike Brown for an update on the negotiations and how things are proceeding at the moment. Mike, if you could just give us a brief update? We do want to hear from you.

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): Yes, thank you, Chair, for that opportunity. I am sure Members will be aware that we did make a revised offer to all the trade unions on Monday, reflecting some of the concerns that they had expressed to us around the previous offer, which of course was the offer that had led to them balloting for industrial action.

That offer was - in just a very brief summary - a 2%, in effect, average pay increase for year 1 and 1% or the Retail Price Index (RPI), whichever is highest, for years 2 and 3, and also a particular non-consolidated payment to those train drivers who in the interim, until we have the whole rostering parameters sorted permanently for Night Tube operation, would get some compensation for the relatively few, but nonetheless some existing nights/weekends that they would be asked to work. We also made a commitment of course to discuss, individual train-driver location by train-driver location, the impacts of such rosters on individuals and how they wish to configure the rosters. We were not asking anyone to work any extra contractual hours. That was not part of the package at all. It was a guarantee, if you like, that we would work individually at the local depots.

I know there have been some reports, Chair, about the fact that we put a deadline on the acceptance or otherwise of that offer for Monday evening. Clearly, my team wants to put some pace into the negotiations. We have been talking for some considerable time without much luck in terms of progress in the dialogue, it is fair to say. However, we did make it clear that once that deadline had passed, that offer remained up for discussion and we remained very keen and willing to receive feedback from the trade union representatives.

We did not get any feedback on that yesterday, I am afraid to say. Although we were at the Advisory, Conciliation and Arbitration Service (ACAS) until 10.00pm on Monday and all of yesterday, we did not actually

get any substantive dialogue underway. I continue to reach out using whatever avenues I can to secure more proper negotiations and consultations during today, Chair, but we have not as yet managed to secure that.

Valerie Shawcross CBE AM (Chair): Mike, can you just clarify for us what is on offer to the different sectors of the workforce here? We have heard one comment about there being a better offer for drivers but, for station staff and people in control roles, there may be an issue there. Can you just clarify exactly what is on offer?

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): Yes. The main offer of the non-consolidated payment does apply to train operators because they are the ones for whom we are not actually recruiting some part-time staff or additional staff in the short term to cover the nightshifts. However, on stations we do have a large number of reduced-hours or less-than-fulltime employees on stations and we are compensating for the Night Tube operation by recruiting some part-time staff. It is a different scenario for different grades of staff.

Of course, there are some other grades of staff, Chair, as you will understand - for example, night maintenance staff - where the Night Tube helps them in terms of having fewer Friday and Saturday nights on shift because, clearly, trains are running on those lines now.

Valerie Shawcross CBE AM (Chair): OK. What was the offer to station staff who might need to be doing some nights that they otherwise would not have done?

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): That is not the case with station staff. We are recruiting part-time customer service assistants to compensate for that and so that is not the case. The shortfall in station staff will be made up by part-time employees.

Valerie Shawcross CBE AM (Chair): That is interesting. You said you had been negotiating for some considerable time. One question that people are asking is why at this late stage - and the Night Tube is supposed to be starting on 12 September - we are still in these negotiations. When did you begin the negotiations?

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): Five months ago, Chair. In fact, we went to ACAS some three months ago or we made a suggestion to the trade unions way before any ballots were happening or any industrial action proposed. We proposed with the trade unions to go to ACAS in a way that we had not gone to ACAS before. Sometimes people look at the Underground at ACAS as being a sort of last-ditch attempt to resolve things, but ACAS has a much wider remit in terms of its role in conciliation and in getting parties together to seek common ground.

Unfortunately, none of the trade unions wished to discuss anything at ACAS until they had gone to the ballot for industrial action, which was a pity because I am trying to change and shift the dynamic here. We will do that over time, but it did not happen on this occasion.

Valerie Shawcross CBE AM (Chair): Mike, do you think it is still feasible to commence the operation of the Night Tube, which is something we would all like to see, in mid-September as previously published?

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): It is feasible, Chair, but not at any price.

Valerie Shawcross CBE AM (Chair): OK.

Richard Tracey AM: Mike, could you tell us, in the light of the proposed legislation, what the percentage level of the ballot was for both those who voted against and those who voted in favour?

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): It is a slightly complicated answer, Richard, because there were different ballots for different trade unions and clearly different ballots for action short of strike as well as for action of strike. It is fair to say that the main drivers' union under the legislative proposals that I have seen - and of course these are all draft proposals and so I do not know the detail of any potential legislation that might emerge - would have had, still, a valid vote under the new legislative proposals.

However, it is important just as a more general point, Chair, if I may, that any changes to the legislation are properly considered and worked through and that we recognise the pros and cons of such legislation moving forward. It is fair to say that just over 50% of the National Union of Rail, Maritime and Transport Workers (RMT) did vote in favour of industrial action and so it still would have passed one particular threshold that I have read.

Clearly, that is not the focus of my attention just now, just for the avoidance of doubt, Chair. The focus of my attention is to try to get back around the table. Even at this late stage, there is enough in the substance of this deal - which, by the way, is very similar to the construct and the amounts that Network Rail eventually had agreed after the third or fourth attempt or whatever it was - to call off the action or suspend it at least so that we can sit down and have further dialogue. I genuinely believe that.

Valerie Shawcross CBE AM (Chair): OK. That for the moment has covered it but just to say, Mike, I think everybody would want to hope that you will be continuing to seek a suspension of the strike through negotiation today, if that is at all possible.

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): Absolutely, Chair, yes.

Valerie Shawcross CBE AM (Chair): Is that something you are doing?

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): Absolutely. In fact, I just talked to my team literally on the way into the Chamber a few minutes ago and they assured me they are sitting there and they have made all sorts of overtures to ACAS to ensure that everyone knows we are able and willing to talk at any time.

Valerie Shawcross CBE AM (Chair): They are just sitting there? Are they making any positive moves?

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): Absolutely. The positive moves are through ACAS and directly with the contacts they have within the trade unions to see if we can leverage some meaningful discussion. Absolutely.

Valerie Shawcross CBE AM (Chair): OK. Thank you, Mike. Thank you very much for that update. If you left your mobile phone on today, we might forgive you.

Mike Brown (Managing Director of London Underground and London Rail, Transport for London): I can feel it buzzing. It will not ring. Thank you, Chair.

