



Working Together

A joint settlement between British Airways and Unite the union **(Briefing Notes)**

11 May 2011

Dispute Item – Dispute related disciplinarys.

Settlement - Any employees dismissed for dispute related reasons, and whose case has not been heard by an Employment Tribunal, may elect to have their case heard through the ACAS arbitration scheme. The result will be binding on both parties. ACAS will also carry out a review of other dispute related disciplinary cases.

Dispute Item – Sickness related pay claims.

Settlement - British Airways is committed to paying all crew who were genuinely sick during industrial action. Affected individuals will have the opportunity to ask for a further final review and if it is concluded that the sickness is genuine, pay will be restored.

Dispute Item – Trade Union facilities.

Settlement – Both parties have recognised that in order to maintain a strong business, managing through change together is essential. On this basis we have agreed a new way of working and a new Trade Union facilities agreement based on a set of principles that will enable us to work together to deliver for our customers, our business and our people.

From the implementation of this agreement there will be a single cabin crew Unite branch at Heathrow. A new single Unite branch and NSP will also be established for Gatwick to give it the autonomy to focus on its own future.

Dispute Item – Assurances for crew following the introduction of Mixed Fleet.

Settlement –

- Crew have a firm commitment from British Airways in respect of their collectively agreed arrangements.
- All existing part time lists will be completed in seniority order by grade. New part time opportunities will be available every 3 months.
- There will be a fair and transparent distribution of routes across all fleets consistent with commercial need. There will be seasonal reviews chaired by an independent third party to ensure this is achieved.
- New aircraft will be introduced across all fleets and crew will be trained to ensure they hold the relevant licences.
- The career structure for crew on all fleets remains unchanged. Although there will only be limited promotional opportunities, they will be on current terms and conditions.
- Both parties are committed to honouring agreements and working together to collectively agreed arrangements.
- Crew at Heathrow will continue to have the ability to transfer between Eurofleet and Worldwide on a one for one basis on the current terms and conditions.
- All existing variable pay will continue to be paid as now
- A new contractual Permanent Variable Earnings Guarantee (PVEG) will be introduced. The objective of the scheme is to provide greater security of variable earnings for crew on Eurofleet and Worldwide. The PVEG means that crew in these fleets will be guaranteed to be paid at least the baseline amount of variable pay each year.

Dispute Item – Disruption Agreement

Settlement -

- The Disruption Agreement will continue to apply. A new process has been agreed to minimise the impact of disruption on both customers and crew. Under this the double night for Worldwide inbound services to the UK and Europe can be removed, but associated days off in the published roster will apply.
- When disruption takes place the IFCE management team will immediately advise duty representatives and crew colleagues when and how the Disruption Agreement has been applied. A review will take place of any disruption at the next joint meeting

Dispute item - Volunteer Cabin Crew

Settlement - A new company wide programme will be launched in all customer contact and customer support areas. The new programme will replace the current arrangements for voluntary cabin crew. The programme will also give cabin crew and other colleagues the chance to experience working in other areas across the business

Dispute Item – Pay & Productivity

Settlement –

- **Increments**
Incremental pay rises will be unaffected.

- **Basic Pay**
British Airways has offered a two year pay deal, effective from 1/2/2011 as follows:
 - Year one 2011/12 the company will increase base pay based on December 2010 RPI and capped at 2.9%
 - Year two 2012/13 the company will increase base pay based on December 2011 RPI and capped at 3%

The next pay review will be effective from February 2013

In addition a further 1.1% base pay increase in Year 1 and 0.5% in Year 2 is available to be paid subject to equivalent additional productivity savings being agreed with the company.

It is the intention to hold discussions with a view to achieving this additional payment by the 1st July 2011.

Dispute Item – Staff Travel

Settlement – Following the acceptance and full implementation of the agreement and the new principles of how we work together, management will recommend to the Board that they return in full non-contractual staff travel concessions