

**NOTES OF ENGINEERING COMPANY COUNCIL MEETING HELD AT
DONCASTER LAKESIDE ON TUESDAY 23RD DECEMBER 2008**

PRESENT

Mr R Taylor, HR Manager
Mr J Devin, HR Manager
Mr K West, Ops Strategy Manager
Mr R Rixham, UNITE
Mr C Harding, Engineering Company Council
Mr I Ritchie, Engineering Company Council
Mr W Harrison, Engineering Company Council
Ms S Coles, Engineering Company Council
Mr C Freebairn, Engineering Company Council

IMPACT OF THE ECONOMIC RECESSION - MITIGATION

(Start 0905 hours)

RR opened the meeting by explaining that the £525k in savings outlined at the previous meeting did not seem a significant enough figure to justify the closure of Margam TMD and WRD and the proposed move to the Knuckle Yard. He and the council wanted more details on Margam and the business case which justified the proposal.

RT went on to outline the following information :-

- The local management recognised that engineers did do “shed turns “ at Margam but there were still 300 diagrammed hours of work each week allocated to moving engines & wagons to and from the Knuckle Yard. Given the economic climate this unproductive activity made no economic sense. The proposed relocation to the Knuckle Yard did away with this activity and would save the company at least £300k. On top of this would be fuel saving costs. .
- There was a £150k provision in the accounts for outstanding electricity payments. Accounting rules meant that this provision could not be used to cover the £125k required to reconnect the substation. Therefore the £125k would still need to be found in order to keep Margam open.
- The previous savings of £75k for Infrastructure & security (£10k each year for road resurfacing alone), £20k for maintenance to the buildings and £5k for access through the estate were all still valid.

RT went on to explain that he had spoken to the local management team and they acknowledged that the workload associated with the Celsa pilot locomotives had not been accounted for in the original workload figures. The estimate was that this equated to 1,300 hours of work. In terms of breakdown & recovery it was proving hard to get absolute figures that were reliable. After suggestions from Council RT agreed to speak to the contract administrator who dealt with the B & R contract to establish if they had reliable information.

RR thanked RT for this information. He wondered if it would be possible for Engineers to trip the locos and wagons from the Knuckle Yard to the depot in order to mitigate engineering job losses and retain the depot. The concern was whether it was EWS infrastructure or Network Rail infrastructure. KW agreed to establish the position and the distance from the yard to the depot.

RT then provided Council with a list of the proposed production activities that EWS would seek at the following locations in order to mitigate engineering job losses – Ayr, Carlisle, Peterborough, Margam and Immingham.

Council requested an adjournment to consider these activities.

Following the adjournment, RR said there was nothing in the proposals for flexible roles that council had objections to, because it would mitigate job losses. He acknowledged that this could mitigate the reduction of 24 of the 93 engineering posts 'at risk' but expressed disappointment that this did not bring about more at this time, although there may be opportunities at Doncaster and Thornaby. He wanted to stress that the agreed production duties were for the agreed locations only and that when the selection criteria was agreed, they could be passed on to local level. RR said he still wanted to reserve the right to raise the issue of additional payment at a future time.

RT clarified that at locations where production responsibilities were introduced, all the remaining engineering staff there would be required to undertake the production duties in order to bring about the job savings outlined. It could not only be limited to the number of mitigated posts. He confirmed that Doncaster and Thornaby locations were currently being worked on in respect of the potential for production activities to mitigate further engineering job losses.

The title of Engineering Team Member (Production) was agreed for the new flexible role which would form an addendum to the Engineering Agreement.

RT advised that 2,428 hours had been booked as breakdown and recovery hours by Margam in the last year, 32 of which were internal breakdowns and 40 were external. He added that more information was required on how this was proposed to be covered in the future.

RR asked what back up was in place if staff declined to take on the additional duties for nothing, in order to mitigate posts.

RT said that the company may seek an agreement to expand breakdown & recovery to other grade groups.

KW advised council that it was 1.83 miles between the Knuckle yard and the depots. The problem was that part of the infrastructure was EWS owned and part was Network Rail owned. Given this council acknowledged there would be an issue in their proposal that engineers trip locos and wagons between the Knuckle yard and the depot.

RT said there was still more issues to resolve at Margam before progressing to local level but proposed that at this stage Carlisle, Immingham, Peterborough and Ayr be released to local level.

RR said he was agreeable to this. The following was also agreed :-

- CH would be in attendance at the Margam and Carlisle local level meetings.
- The production activities agreed at each location at risk would be added to each local précis and could not be altered without council's agreement
- All local précis documents would be issued to council and RR via Roy Taylor

SC said there was still information outstanding at Margam on whether relocation costs would be payable if staff moved to the Knuckle Yard. She also suggested that grants may be available from the WDA in respect of re-connecting the electricity.

RT said this would be followed up.

SC asked if the customers at Port Talbot and Celsa were aware of the company's proposal to close Margam TMD and WRD and relocate to Margam Knuckle Yard.

Following an adjournment, RT confirmed that the customers had been made aware of these proposals at Margam by the relevant EWS Business Manager.

It was agreed that the next meeting would take place at Crewe IEMD on Friday 9th January 2009, commencing at 1400 hours.

(Close 1210 hours)