

**MINUTES OF JOINT BUSINESS COUNCIL MEETING HELD AT THE PARK INN,
YORK ON THURSDAY, 09 JULY 2009**

PRESENT:

Management Side:

Mr S Hornby, Employee Relations Director
(Chairman)
Mr A Culverwell, Plant Operations Director
Mr R Thompson, Rail Operations Director
Mr A Adams, HSQE Director
Mr J Ramsden, Engineering Manager
Miss N Wooder, H R Manager
Mr C Mortimer, H R Business Partner
(Secretary)

Staff Side:

Mr R Clark, RMT (Chairman)
Mr J Kelly, UNITE Regional Organiser
Mr P Trend, RMT Divisional Organiser
Mr J Sheridan, RMT (Secretary)
Mr M Donovan, RMT
Mr J Philp, RMT
Mr P Watson, RMT
Mr S Smithers, RMT
Mr A Redmond, RMT
Mr P Onslow, RMT
Mr J Harris, RMT
Mr K Rothery, TSSA
Mr A Goodall, TSSA
Mr K Higgins, TSSA
Mr C Hargrave, TSSA
Mr I Gilbert (Observer – UNITE)

Apologies:

Management: Mr J Snowdon, Mr A Cardle
Staff Side: Mr W Rawcliffe, Mr B Brock, Mr W Nolan

The meeting commenced with introductions and then each item was discussed in turn.

Staff Side

Management Side

**Matters arising from meeting held on
22 January 2009**

**Electronic Knowledge Assessments
(P Way).**

We are concerned that we are being assessed for skills which we do not have and have not been trained; e.g. patrolling is a 4 day course.

That should not happen and should be put down as a clerical error.

It is happening and at more than one depot.

People should not be assessed if they have not previously held the ticket.

Staff are failing the assessments and still being allowed to undertake the duties. How can this be?

Where employees achieve between 75 and 80% they can be mentored when undertaking the duties and reassessed.

Employees are failing assessments and handing back the track to line speed?

Anybody who attains less than 75% has the competency removed immediately.

75 – 80% we check the competence, mentor and reassess.

We have had training but are being assessed on things we have not been trained on, the answers on the assessment were not provided on the original course.

Some employees have grandfather rights for the assessments and if they have the skill they take the assessment. If it were a new entrant, they attend the training course and pass or fail, it is then back to us to mentor them and do the assessment periodically to ensure the skills are retained.

If staff have not had the skills or been trained, can they refuse?

Yes.

If they have been trained on stressing and the assessment is different, that is a concern.

We appreciate that. NWR set the standard. If there are anomalies we need to consult as a standard and we now give guidance sheets to clarify. If there are any issues or queries that are wrong they will be taken account of.

In January we were told that the process would be rolled out to Technical Engineers and Supervisors and a review would take place in February. When did that review take place?

We are not aware a review was agreed.

It will not happen until the review takes place; we understood a review would happen.

That was missed unfortunately and things have moved forward. It is obvious that there have been reviews where anomalies have arisen. If we have missed the formal review we apologise but we will work with the staff to provide them with the right competencies on track. Issues that have been highlighted have been dealt with by James Ramsden.

Reviews ?

You mention there have been reviews but nobody from staff side has attended.

We have apologised for that and if it has been rolled out we need to communicate better.

That is managements fault and is no fault of ours. There are problems highlighted by the fact that Pete Onslow has raised them. It was originally committed to technicians and supervisors and nobody else. We were told there would be discussions and these have also not taken place. This could expose competencies which is not good for the company in the current climate.

The review will address your concerns moving forward and training will be provided.

Additionally, supervisors do not do

stressing; it is a technical engineer's job.

We need to get a meeting set up. Grandfather rights are not the answer, you either pass or fail.

If issues are raised at the business council meeting they should not be glossed over.

What happens where people are assessed and deemed not yet competent? What happens in between times?

Do people pass or fail?

OTM Contract.

If we are successful, where will the Metronet works be serviced from?

If successful, will you be looking to increase the staff numbers?

How do you tender if you do not know the volume of works?

Are there any other tenders outstanding?

Supervisors can hold the stressing competency.

We will sit down and have the review. If there are problems we will take them on board.

We accept that and will undertake the review as soon as possible with a small number of people.

This is a NWR standard which we need to comply with, we are not saying that anybody is incompetent. We need to do an assessment and if retraining is required it will be undertaken. If they pass they are issued a certificate and employees are evaluated from the current standard.

We apply the appropriate N.W.R standard to all competence assessments.

Looking at the current bids, we were advised last week regarding the MPV contract that we have been unsuccessful for all works in Scotland and England with the work being awarded to D B Schenker and Direct Rail Services (DRS). Fastline have briefed the trade unions on this and believe that TUPE should apply and we will involve the trade union representative in further discussions. The existing contract expires at the end of August 2009.

We have Metronet in Small Plant which is currently ongoing and we are one of several contractors tendering for these works.

Chiswick as currently. In the bid we have submitted a price for equipment with and without property.

The true workload is not visible but if the workload increases we will review the staffing levels.

It is tendered for under a schedule of rates.

No. We are awaiting a tender document for the next OTM contract which is a 7

year contract from 2010.

Purchase of new machines.

Fastline are in communications with Plasser on this but are awaiting the tender document for the machine specifications. Due to the state of the business we are not in a position to speculatively purchase machines, we need to understand what specification they need to meet.

The requirement is the new style machines. If the contract starts in 2010 you need to look at start procuring them now.

We will not buy machines other contractors have got. We know we have 17 contracted machines at the minute and some of them are over and above the contract requirements. Until we know the footprint we can not raise the capital on what might be.

Update on Purchasing?

What is the timescale for delivery of new machines?

Approximately 18 months. The contract is for 7 years and we would look to start with our machines and exchange them part way through the contract.

When will you know what they want?

We have no firm date yet. The contract is until 01 April 2010 and there have been discussions that this may be extended by a further 6 months but nothing formally.

Update on O-TM Contract?

Can you not lease hire machines?

New machines are leased and we could go for a second term which is the cheaper option.

The fact that we have older machines is why we have not been awarded more work.

Retrospectively, the strategy would have been different but we are where we are today. Once we have visibility of the specification required we will engage with the client and look at the different options.

Have you considered an alternative supplier for machines other than Plasser?

Not at present.

Going back to the MPV and TUPE for Scotland and England, our members are desperate to know what is happening. It is a week since we heard that we lost the contract and there has been little communication, we need somebody to provide us with an update.

We will have ongoing discussions on this matter so the employees you represent are kept informed. We have written to both DB Schenker and DRS and are looking to meet with them as soon as possible. We need to understand exactly where the work has gone. We have written to the Scotland employees and

are in the process of undertaking an analysis for the English employees but believe from our early information that there will be in the region of 18 people in England that are TUPE able and need to find out who should go where.

We have written to NWR asking how the work has been allocated as the circuits are the same.

If we TUPE will we retain our existing locations?

We do not know at this point. That proposal has to come from the incoming contractor.

In the previous minutes it mentions 50 Ballast regulating shifts. Did they come?

Yes, into Scotland between Christmas and April.

We have concerns at how you have lost the MPV when the company was running at a loss.

For Scotland we were running at £ ¾ million loss and in the bid we submitted to break even. We tendered to make a profit in England but the work is seasonal.

We believe that D B Schenker have bought the contract to keep people in work and have bid nationally with a reduction in price for what they are awarded.

We can not comment on that.

If employees TUPE, our fear is that they will go over and they will reduce the establishment.

We note your concerns.

NI Free Holidays.

This was raised at the last Business Council but has not been brought forward due to other organisational changes.

The benefits are for construction workers and would not benefit management. However, if you are in the construction industry, holiday pay is paid without tax and NI and that is put aside for leave. Sue Hurst will brief you on this and it will remain an agenda item as it is a major benefit for the majority of our employees.

Does it not end in 2012?

There are no changes planned on this that we are aware.

DP Update.

At a previous meeting we were promised

Version 5 of the DP form is now in use

an update on DP and a separate meeting and that has not happened.

generically and we are not aware of any negative feedback from the form. There was a meeting which Jeff Whiteley attended regarding alignment of the rulebook sections T4 & T10 and he met with the RSSB with a view to them merging these sections but it can take 2 – 3 years for the rulebook to be amended. However, there is a short term change to TSI 3.5 regarding persons working on vehicles in sidings and that will be briefed as part of the next team brief. We will meet in the future to conclude these issues but the key to everything is our employee's safety.

The DP sheets are not 100% correct and need reviewing; otherwise you are not safe to do the work.

We encourage feedback. If there is a problem, document that and do not complete the task. If there is not fill the form out. Where it is not applicable to the task you are undertaking, simply put N/A through it.

Other companies use a simple sheet.

We need a wrap up meeting on the subject where feedback is provided.

Rail Update.

In the LNE the AFR is .15 up from the national target. Turnover is down and there is a gap in the works depending on our performance in the first 10 periods. On performance, we are top of the contractors list for the last 3 periods in the territory.

In the south we are looking to support Thameslink and we see this as an opportunity. However the timing of proposed works is not in line with budget and turnover is down significantly.

Is there any news on Cross rail?

We received pre-qual invite to tender but the works are further out than initially anticipated.

In the LNW Rugby closed with effect from 15th July. We have undertaken a significant reorganisation in a very difficult period. The works at Stoke were a success and the client was pleased with what we achieved. There is some residual works to clear. The organisation is under constant review.

For the OHL we were successful with W181 contract extended for the time being. Future works are drip fed. We are looking at opportunities with Volker on the Manchester Metronet.

EPG safety is good and turnover is on target. Performance and delivery at Low Row was fine. The majority of the Cat C framework is on the LNE and we are looking for opportunities in the NW but as a whole we are ok but we are keeping a close eye on this.

In Scotland we have received praise for the work undertaken on Lugton Loop and the station works we have delivered as a company. We have proven that we can manage works with a rail interface and deliver civils works which is a plus and an advantage for the future with platform extensions. Lugton Loop is on programme to meet the commissioning however it has been difficult to manage and has achieved smaller margins than expected.

The Scotland business has lost the £2m Eldesline contract and we have a delay in the Edinburgh tram which will impact turnover. We will review all opportunities and the structure of the business required to deliver the works.

In the bid pipeline Scotland has some minor contracts which might assist whilst the major works come on line.

Why have the stores at Shettleston closed? They are both leaving under DSS tomorrow?

Both employees requested VSS and we have accommodated their request by allowing them to leave.

That cannot be cost effective? Where will you supply materials from?

They will be project specific issued direct to site. We will look at each job and deliver when the materials are required taking into account site security etc.

Bid pipeline.

We have a resources team looking at Thorpes Bridge which is a £1.5m contract at Oldham Loop line commencing in October / November.

Update?

EPG are looking for re signalling at Moorthorpe which is £10 -15m.

Olympic Development Authority has works at Angel Lane Bridge in early 2010 and the NWR track enhancement framework includes work at Harbury Tunnel.

Other opportunities include track enhancements work for the Cotswolds line in January to June 2010 which includes PL and S&C.

We are also bidding the Project Evergreen phase 3 and we have partnered BAM Nuttall who will take on the role of principle contractor.

There is work which is visible but we need more tenders from NWR.

Who will do the works if we are successful?

We will need to look at resources and T&C's if we are successful. We need to look at utilising the Slinger and a team to deliver project value.

We presume you will look to employ permanent staff?

We will review the scope of the works and the timescales. We need to be cost effective and will require staff providing continuity from the bid process who can then grow the delivery teams.

At Thames link there were only two Jarvis employees and nobody cared.

We have learned from that and will need to address the issues with a core team.

Our employees have a different mentality to agency staff.

We are looking to grow a project team who wear the Jarvis badge but do not want to be in the same position as we were at Rugby with no firm foundation for continued growth.

Plant.

The AFR at P3 was .28 and we have had one RIDDOR year to date which is the same as last year. There was one significant incident involving a SPAD at Newcastle at Bladen but following investigations with Network Rail it was established that it was not the Fastline driver's fault.

We have concerns regarding RTA's and have had 5 year to date which have no third party involvement. This is the same as last year but with fewer vehicles.

Are the vehicles doing excessive miles?

Not compared to last year, the standard of the vehicles are very good, some are lease expired but there are lots of new vehicles.

Performance up to period 3 is in line with the budget. We have concerns in the LNE for Small Plant but expect that to return in period 4.

The OTM contract is signed and is likely to be extended to October 2010.

TYPE

On MOBC, the existing contract has been verbally extended until December 2009.

Arney Colas
30/9/09

Stoneblowers in the LNE and Scotland have been extended until 31 March 2010.

* The Rail Recovery Delivery Train has been agreed until 31 March 2010.

The Slinger has opportunities for mid week works at Stafford and Wigan which is positive.

In Small Plant, the Gemini system replaces E-Results and went live last weekend. There have been a few teething problems but most have been overcome and the new system will provide us with better management information.

Will our men work the slinger? We are concerned regarding the use of agency labour, Jarvis employees should be used before agency.

Agreed. We have tried that within the OTM and our men did not want to undertake the duties.

There might be guys in the North West who are prepared to do this.

We accept that and where possible will train our own men before we use agency staff.

We will not see men go up the road when you are continually using agency staff.

In principle we will use our own staff and where men want to work the Slinger and it is cost effective, they will be used in preference to agency.

We believe that on a slinger shift recently there was an Albanian working who could not speak English.

We will investigate that.

You mention the AFR, if the Albanian guy

Anybody working on the railway for the

had an accident, how would you explain that? You are Importing risk.

company can impact on Jarvis AFR and we are responsible for them. We have lots of procedure that need to be followed and if there are gaps in the processes we will deal with them.

Freight.

Apologies that Andrew Cardle is not here today but he has a meeting with E.on and he sends his apologies. We will make arrangements for a meeting with Peter Watson separately for a state of business update.

Noted.

Company update.

This is a mix of what has already been said. The intention was for John Snowdon to provide a financial update but it is linked to what Rick and Tony have already said. Additionally, at 7 am this morning an announcement was made regarding working capital with Burdale and they have extended our banking facilities until 31 January 2011.

The reason for the request related to the drip feed payments for the DSS. Unite have asked for legal advice on this matter and have been strongly advised to ask for reduced periods for the payments.

We understand this and a meeting has been arranged with the RMT to discuss the drip payments next week.

Company Restructuring.

The company have reduced the resources in the LNW and have a small project organisation.

The Small Plant organisation is complete and has also been implemented.

On OTM, there have been numerous consultation meetings and we have a further meeting next Tuesday to discuss placement of people. The loss of the MPV and TUPE issues are linked with this.

Consultation of the LNE organisation is planned for next week and we have a meeting with Mick Cash from the RMT on

Monday to discuss this further.

Consultation of the HSQE organisation is also ongoing.

A document is being prepared for the stores organisation and we are looking for volunteers under the DSS arrangements.

2009 / 10 Pay Negotiations.

We have received the pay submissions from the RMT but nothing as yet from TSSA and UNITE and a meeting will be called on this matter once we receive the submissions.

However, we are sure you are aware of the financial constraints the company are in at present.

Joint Safety Committee.

There are no matters arising from the previous safety committee. Overall, we have had an increase in the AFR to .24 in Rail and .28 in Plant. In Freight the AFR is zero. The contract with NWR states an AFR of .2. We have raised concerns with NWR that despite having no riddor reportable accidents, the AFR has increased due to the reduced volumes in work on track renewals, not performance.

The LNE last year was .43 and is now .21.

In Small Plant we have almost gone 2 years without a riddor reportable accident.

In OTM, whilst the AFR is .4, it was .65 two years ago.

The AFR is an indicator but is not everything.

Looking at the accident triangle we have lots of near misses being reported but we do still do not report back what we do with the near misses and that is something we are looking at. We still have the fatality on there from last year.

We have 4 major accidents and 4 riddor accidents where we have lost more than 3 days. Additionally, we have had 272 minor accidents and incidents and 510 near misses reported.

Riddor Accidents since April:

Lenzie Station – 04/04/2009 - A
Stoneblower operator damaged his ankle ligaments when stepping off a machine onto the plastic toughing.

Scratchwood (LNE) – 22/04/2009 –
Where a trackman was trying to release a SHC clip and used the wrong equipment and fractured his ankle.

Operational Accidents:

Oaken Gate – 17/04/09 – Regulator hit a bridge with the plough when travelling back.

Sharnbrook – 19/04/09 – Unauthorised train movement due to miscommunication and the marker boards being moved.

Croft – 21/04/2009 – Alleged possession irregularity which is being investigated by NWR and we are awaiting the outcome.

Stoke – 14/05/2009 – 2 x RRV's used the access without authority from the ES.

Were they experienced agency workers?

They had the correct competencies and we believe it was down to a miscommunication.

Sudforth Lane – 18/06/2009 – SMTH cable irregularity which is currently being investigated.

Daw Mill Colliery – 25/06/2009 –
Derailment caused by the hopper door failing when they were dropping coal.

RTA Fault by Period:

There has been a slight reduction in the number of RTA's by our drivers.

PLSG Update:

PPE – Network Rail are looking at a risk assessment for PPE.

The majority of accidents are still resulting from slips, trips and falls and this is being targeted.

There is a review on RRV's on work sites which was where our fatality was caused and there are 21 recommendations on this subject.

Why not use TRM's?

NWR has given an instruction not to use a tandem RRV to lift a 60 foot panel. It is part of the ES training regarding how to manage RRV's on site.

There are still operators working site to site working more hours.

If you are aware of specifics, these need to be reported.

CIRAS.

An issue was raised for OTM in the NW regarding the assessments being far less rigorous than previously due to cost cutting measures. Fastline responded stating that the procedure has not been diluted and if operators feel that they are no longer fully competent this must be reported to the operations supervisor or line manager.

If Joe is not aware of a problem we are not sure why this was reported as CIRAS should be the last resort, not the first.

PPE / Work wear

We are looking at different options and materials to make improvements to the PPE. In terms of the client insisting on areas for all orange PPE, we are challenging this where we believe it needs challenging and will continue to do this. If it is a health issue, stop work.

Behavioural Change Programme

An independent company undertook a review of the rail business with feedback being anonymous and have reported back things we did not want to hear. People will not stop work if things are not safe and that should not be the case. It looked at the management culture right

at the top, reporting analysis, Processes and procedures, we have a number of good procedures but nobody knows what they are or understands them and we are looking to streamline these and the other issue looked at is client relationships.

AOB.

We were told that there would be feedback into near misses reported and nothing has been done.

We will look into this; we do a safety conference call each Tuesday where these issues are discussed.

We are pleased with the behavioural change programme but have been telling you these things for years at safety meetings and nobody has listened. It has told you what we have said previously.

What it has done is set people off on a different route and is now being directed to the senior managers. We are speaking to staff at all depots and giving a consistent message.

We are concerned with Plant being sold from Doncaster at auctions which is good plant and the cost of selling it does not pay for the effort spent selling it. There is plant worth good money being sold for pittance.

We have a robust process for the disposal of plant and this has to be authorised by finance and the MD before it is sold. We had lots of equipment which we were maintaining but not using and we cleansed the items prior to it going on Gemini. When we purchase plant we write it off over 5 years so that the net book value is zero. It is a continual process and fetches the value at auction on the day but has a reserve.

What if competitors buy the plant? Why not mothball it?

That was what we did previously in Doncaster before we made the decision to sell it. There are lots of examples to demonstrate that we do get value for money.

Are you trimming the business down to sell us off?

No.

We have concerns regarding the fuel not being recorded and employees being threatened with disciplinary action when this has happened once.

The situation needs to be managed and employees must provide mileage details but each case should be considered on their own merits and we need to understand why the mileage was not recorded. If people are blatantly flaunting the process they need to be dealt with.

Is anything happening with the mock vehicles for the fitters or has this been shelved?

We have a blue print for future fitter vehicles but since the working party did the review no vehicles have been ordered due to the financial constraints of

the company.

We believe that an operations supervisor is working on the S&C at the weekend as a third man?

We do not know the specific circumstances but issues like that need to be addressed with the operations managers.

When does the national small plant contract come up for renewal again?

We are not sure but will find out and get back to you.

Can somebody work 84 hours per week?

72 hours is all that can be planned but if there is an emergency situation and the individual was ok to continue working following a risk assessment this could potentially happen.

There being no further business, the Staff Side were thanked for their contributions and the meeting was closed.

Steven Honey
Signed: _____ Date: 8/9/09
Management Chairman

S Clark
Signed: _____ Date: 16/9/09
Staff Side Chairman

O Mahmud
Signed: _____ Date: 08/09/09
Management Secretary

Signed: _____ Date: _____
Staff Side Secretary