



18 January 2021

2021/00066

Rosyth RRA: Members Update

Colleagues will remember in August 2019, the DE&S TUs were provided with an Information Note (IN) stating that DE&S and the MOD intended to cease the payment of the £5k non-pensionable RRA in Rosyth on 31 March 2020. Both DE&S and MOD being involved due to CAAS staff in Rosyth having moved to the Head Office TLB since the RRA was introduced. The DE&S/MOD position expressed at the time was that this was following the original business case for creation of RRA, which stipulated that it would cease upon QEC programme completion at Rosyth.

Colleagues will also remember that Prospect, as the lead TU for those in receipt of the allowance, immediately challenged this intent, initially on the basis that the allowance descriptor on the Pay Allowance Reference Table made no reference to a link to the completion of the QEC vessels and no proof had actually been provided that retention of the RRA was linked to the completion of the QEC. Unless that proof could be presented, it was Prospect's view the staff in receipt had a contractual right to continue having it paid. This initial challenge led to the publication of the IN being paused.

We then engaged with members to develop an evidence base for a more detailed rebuttal of the proposal. Members' views were sought on whether they were given notice of the intent to remove the allowance on completion of the QEC programme when they started receiving the payments and if they had any documentation to back up their position.

The feedback from members backed up by documented evidence showed that the wording around the application of the allowance was inconsistent. Many have provided evidence that no link to the QEC completion was provided in any notifications they received when payment of the RRA was authorised. Members also provided copies of adverts and posting notes demonstrating that posts/roles were advertised explicitly referring to payment of the RRA, with no caveats regarding length of payment or even a review date included in the adverts. However, several members in Rosyth, also provided evidence that the formal letter informing them of the application of the RRA, also confirmed that the allowance would cease on completion of the QEC work. CAAS staff are also in receipt of a letter providing assurances from DG Fin that they will hold on to all allowances in payment at the time of transfer from DE&S unless and until they move positions. Armed with the evidence that showed how inconsistent the application of the allowance was, Prospect formally responded in October 2019 asking that the intent to remove the allowance be rescinded.

There have been numerous updates to in-scope staff agreed with the TUs and cascaded through line management areas explaining that the matter was still under review and extending the payment period temporarily until engagement with the TUs had been concluded.

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Discussions were held in July on the options being considered where it became clear that both DE&S and the MOD were stepping back from a blanket cessation of payment of the allowance and were looking at the fairest way to remove the allowance from circulation. The favoured DE&S option was for the allowance to be consolidated into basic pay but not the full amount, a figure that equated to the allowance value of £5k but which took account of the employer's pension contribution which is added to all base pay and has a value of 27%. Prospect noted the emerging option and indicated we would be prepared to discuss such an offer and present it to members once formalised.

We followed this up seeking some points of clarification around the actual cash value being considered, the various scenarios to be reflected in such an offer. We also highlighted that some staff recruited externally since the intent to remove the allowance was first considered were not in receipt of the RRA, despite the advert stipulating it would be in payment and asked that they be placed in scope for receiving the benefit of any offer which was accepted. You will note that the offer is only available to staff currently in receipt of the allowance. It will not be applied to staff who have not been in receipt, nor to staff who have moved on to another role prior to 31 March 2020, on the basis that the allowance would not be payable.

In October there was a further meeting where more flesh was put on the bones of the emerging offer including the cash value and some worked examples and how it would impact on the salaries of those in scope. Prospect again noted the emerging proposals, expressed the view that in the circumstances, it seemed a fair offer and indicated we would be prepared to present such an offer to members once formalised with a favourable recommendation. It was pointed out, however, that there were less helpful impacts on those now in the MOD arising from the different pay structures, and they are, in effect, under different employers, may need separate ballots to be run against each constituency.

This has now been presented as a formal proposal and full details can be found on the attached paper. Those staff in scope of the offer are:

- the 11 staff in the DE&S QEC DAT on 31 Mar 2020 who were in receipt of the RRA, and continue to be, irrespective of the assignment they are now undertaking;
- the 15 staff in DE&S Ships CAG current recipients including 3 promoted in August which would have no longer been eligible for the RRA but while consultation was ongoing DE&S agreed to continue payment of the RRA pending outcome of the consultation.
- the 7 staff in MOD CAAS currently in receipt.

If accepted, members would see their basic, pensionable, pay increase significantly but an immediate reduction in take home pay. This reduction is roughly a quarter in value it would have been cut by were the allowance simply to have ceased.

Members currently in DE&S would move to their new pay rate and, given the length of the DE&S pay ranges, none would go above the Pay Band maximum. One individual will move up an employee pension contributions band which will have a greater impact on their individual pay compared to those who stayed within the lower salary band bracket on consolidation.

Unfortunately, seven of the ten MOD CAAS staff population would move to being above the Pay Scale Maximum for their grade, taking into account the application of the 2020 Pay Award. In accordance with MOD Main policy, therefore, Mark Time will apply to these seven, i.e. they would benefit from the increase in basic pay, but their 'new' basic pay will be frozen at that level until the difference between the maxima and their new pay rate is eroded through the implementation of annual pay increases. The value of the Mark Time sum varies between 2% and 8% of the Full Time Equivalent Salary.

Given that the original intention was for this allowance to be ceased from March 2020 with a decrease in take home pay of over £400 for all recipients, Prospect believes we have been able to engage positively and constructively with both organisations to arrive at what we believe to be a fair offer. Our view is based on the allowance being consolidated into basic pay, which will increase pensionable pay, impacting positively over the course of employment and into retirement.

We are, of course, giving our members the final decision on whether this offer is acceptable. As discussed above because of the different impacts between DE&S members and those in the MOD, we are balloting each group separately.

This will be an electronic ballot with the emails being sent out shortly, with a closing date of noon on Friday 29 January 2021. We urge all members to participate in the ballot but also to please take the opportunity to discuss the proposals with Alan Grey, MOD Group President and Julie Flanagan, MOD Group Secretary before you do. Alan and Julie have taken forward the negotiations on your behalf and are keen to ensure that members cast their votes with a clear understanding of what they are voting for.

In normal times we would have visited the site to hold a meeting of members but, instead, we will be hosting Skype/dial-in sessions for each of the groups of members in receipt of the allowance to answer any questions you may have. These meetings will take place on:

DE&S Members (QEC Dat and Ships CAG)

Tuesday 19th January from 13.00 to 14.00;
Wednesday 27th January 12.30 to 13.30.

MOD Members (CAAS)

Tuesday 19th January from 14.00 to 15.00;
Wednesday 27th January from 13.30 to 14.30

Meeting details

[Join Skype Meeting](#)

Trouble Joining? [Try Skype Web App](#)

Join by phone

02079026650

Conference ID: 25238

You will not be able to access the Skype link from MoD IT equipment, but you can use the dial in function through Skype to access the call.

Please pass on this communication to colleagues who are non-members.

Colleagues can take part in the ballot and member meetings if they join Prospect: <https://prospect.org.uk/join/>. Please ensure that I am informed separately to enable a ballot to be sent.

Yours sincerely

Julie Flanagan
Assistant Secretary