



## CNC Newsletter #6

### Fighting for UK Pensions

18<sup>th</sup> June 2021



#### Update

In previous CNC newsletters we have communicated how your CNC reps have been in negotiations with the Company on a variety of pension subjects, these have resulted in an agreement between the Company and the Rolls Royce UK Pension Fund Trustees (RRUKPF) to amend the funds Trust Deed and Rules. These Defined Benefit (DB) subjects on Uplift, Early Retirement Factors, Share of Fund Transfer Values (SOFTV) and Life Cover will be communicated to you all in the coming weeks in our next newsletter(s).

The main reason for today's newsletter is that since the Trade Unions last National Newsletter #21, the company have responded in our Pensions negotiations by now identifying a number of points that are at risk of no longer being included in the Pensions MOU:

#### Defined benefit (DB)

- The provision of a guaranteed underpin of a 2.6% uplift – by January 2024 for staff and works.
- An express commitment to seek an extension to the SOFTV option beyond 31<sup>st</sup> December 2024 up to 31<sup>st</sup> December 2027. This is planned to be discussed with the Trustee during the 2023 valuation cycle.

#### Defined Contribution (DC)

- An express commitment to review the arrangements for auto-nudging employees' contributions during 2023, with any changes approved to take effect in 2024.

The Company have stated the above points are dependent on achieving the 'Package' deal, in particular the 10% Productivity and Efficiency savings (otherwise known as the 10% Pay & Benefit cuts) discussions affecting the Civil business and Central Functions.

#### Conclusion

The CNC are disappointed but not surprised by the tactics adopted by the Company with respect to what should only be a Pensions negotiation.

Please note that the 'Package' deal makes no reference to the Pensions MOU.

The 2.6% mentioned above only ensures the Works and Staff achieve parity with Manager members of the Fund who received a guaranteed 5% uplift in early 2020.

The Company response also takes away what precious little there was for DC members. Hardly the encouragement for good retirement savings.

The National Negotiation Team intend on running a consultative ballot on the "Package". Therefore, the CNC thought it crucial that you understand the links being applied by the Company between the Pensions MOU and the 'Package'.

Irrespective of the ballot result on the 'Package', be assured the CNC will continue in its aim to achieve the best outcome for all the members and will at the appropriate time, seek your support via a separate Pensions ballot.

Thank you for your continued support.

## **Pensions CNC Subcommittee**

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All our communications can be seen using the following Link:

<https://unitetheunion.org/campaigns/rolls-royce-play-your-part-in-rebuilding-our-economy-dont-slash-jobs/>

