

**Fighting for UK Jobs (Again)****National Negotiating Update**

On the 27<sup>th</sup> August 2021 (Newsletter#25) we provided an update on the ongoing situation at Barnoldswick and following the result of the 10% pay cut ballot we informed you that we had made an offer to Seniors of the Company to hold some 'clear the air' talks.

Despite our offer of talks and an exchange of emails no discussions have taken place and no meetings are currently scheduled, we will of course keep you all updated on any progress.

**Barnoldswick**

Over the last 4 weeks there has been some extensive discussions with the Company to try and resolve the current issues between the Company and the Union in relation to the MOU that was signed in January. Despite the initial positive signs from these discussions, so far, we have been unable to reach agreement with the Company. It is hoped that further discussions will take place this week to try and resolve the remaining issues avoiding the need for any further escalation, which everyone hopes to avoid.

Sharon Graham, the new General Secretary of Unite has shared her support and Solidarity with Members at Barnoldswick and throughout the UK with an offer of her personal assistance if necessary. The National TU Group reiterate our commitment to support colleagues in Barnoldswick through these difficult times to a satisfactory resolution.

**Business Outlook**

As previously reported (Newsletter #25) the half year results had been published which showed positive signals and progress in right direction. Since 5<sup>th</sup> August 2021 there have been a series of announcements which continue to demonstrate that we are well on the way to recovery. The Company are also well set to meeting their disposal targets, with the following

- Civil Nuclear Instro Controls for an undisclosed fee (previously announced Dec 2020)
- Sale of Bergen Engines for \$131m
- Sale of their stake in Air Tanker Holdings for circa £189m
- Sale of ITP for €1.7bn

Additionally, within the last week, the Company continues to win significant new business with the following announcements

- B52 re-engine worth \$2.6bn
- New UK/US/Australia submarine project
- Speculation of 16 Small Modular Reactors for the UK Government

Furthermore, we have seen the reopening of international air space and transatlantic routes which will deliver an increase in our engine flying hours. All these factors are already resulting in an increasing investor confidence and will assist the company in it's objective in returning to investment grade status.

We therefore believe the announcements above serve to reinforce your sentiments in the ballot that you are all not prepared to settle for any cuts to your pay, and contradicts the Company narrative that it will have no money to invest in it's future unless the UK workforce pays for it.

**Pensions**

Further discussions on DC and DB Pensions have been delayed pending progress on the P & E debate, The Pensions CNC will update you in the coming weeks via a CNC Newsletter.

## Workload

As we enter Q4 it appears that for the majority of our Facilities the workload demand is outstripping the available headcount. This is evident by the significant number of requests that are being discussed to work overtime and additional hours at many Facilities across the UK.

It is quite clear that the 2 week unpaid shutdown has had a significant impact on the Company's ability to deliver output which was compounded in some cases by other parts of the Company not closing down which in turn has created delivery arrears.

In addition, there are now hundreds of vacancies within the civil business a little over 12 months after many were let go with the Company paying voluntary severance to release people. As previously reported the Trade Union constantly requested the Company to maximise the use of the 'Corona virus Job Retention Scheme' (Furlough). An indication that the Company have cut too deep is their attempts to recruit across the following sites

- Ansty – recruit of full time M/E's and contractors
- Bristol – ongoing recruitment of Works, Staff and Contractors
- Derby – recruitment of over 300 Works, Staff and Contractor
- Inchinnan – engagement of more Contractors
- Rotherham – recruitment of Engineers and Technicians
- Solihull – recruitment of Engineers and Contractors
- Washington – recruit of 49 full time employees and 29 contractors (having released 56 employees in 2020)

Even in Barnoldswick, the Company want to have discussions about contractor support in certain areas.

## Heathrow

Whilst many of our Facilities are overrun with work across both works and staff it is clear the ongoing struggle to protect UK jobs will continue. The Company are in the final stages of offloading the Heathrow operations to a 3rd party supplier (Haco) which will once again see more of our colleagues TUPE'd to another employer (like Hucknell to ITP earlier this year).

There was also the recent announcement by the company that it had signed an agreement with Hindustan Aeronautics Limited (HAL) to make Adour engine parts in India. This also comes amidst speculation around the repurposing of the SATU facility in Singapore which the company claimed to have shut down last year. This of course comes on the back of the recently reported \$600 million dollar investment in Indianapolis. We will continue to challenge the offshoring of UK jobs and secure investment in our UK facilities.

Please remember these newsletters are intended for Works and Staff Members of the TU.

Thank you for your continued support.

### TU National Negotiating Group

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All previous newsletters can be found at the following link:

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

