

## Royal Mail Pay Directive 13/2000

P/L 5460 2589  
28 April 2000

### ROYAL MAIL WAY FORWARD - RESERVED RIGHTS PAYMENTS

#### 1. Introduction

This Directive implements the various reserved rights payments contained within the Way Forward agreement from 8 May 2000. These are as follows:

- a) for employees in the former PHG and Streamline Levels 3-6 grades, a £20 weekly Supplement and enhanced rates for Shift Payments, overtime and SA
- b) for employees in the former Doorkeeper grade, a £10 weekly Supplement
- c) for employees holding jobs requiring van or fork-lift driving and formerly entitled to driving allowance at the two hours rate, a £6 assigned weekly payment

In order to establish these payments a one-off exercise will be needed to identify the employees involved (this should already be underway as part of the data capture exercise). This will then enable HR units to set a "flag" on each of these employees' payroll records, recording permanently their eligibility and acting as a pre-condition for payment. Once this has been completed the only maintenance required will be to review the reserved rights for these employees in the various circumstances covered below.

#### 2. The £20 Supplement

Permanent and substantive employees graded PHG or SL3, 4, 5 or 6 on 31 January 2000 will be eligible on a personal basis for an ongoing and fully pensionable Pay Supplement of £20 per week. This will be retained indefinitely on a frozen personal reserved rights basis whilst the employee remains in the new Operational Grade, provided that they do not move voluntarily to a job with a work content that would formerly have been graded entirely at PMN/woman/SL1-2 level prior to 1 April 2002. Part-time employees will receive the £20 Supplement pro-rata to conditioned hours as at 31 January 2000.

For this purpose employees that have been temporarily promoted to PHG (or to SL3-6) continuously for one year prior to 31 January 2000, and who remain so when the new grade is implemented, will be included as eligible for the supplement and the enhanced shift and overtime rates below (note that this does not extend eligibility for the higher lump sums, which remains linked to substantive status as per Directive 4/2000). Other temporary promotees and employees on substitution will not be eligible.

Substantive PHGs/SL3-6 temporarily promoted to another grade (e.g. to ML5) will also have eligibility for the supplement should they subsequently return permanently to the Operational Grade (assuming they do not revert to a job with work formerly graded postman/SL1-2 before 1 April 2002). These employees should be identified as substantive PHGs within data capture.

If someone in receipt of the Supplement moves to another job with no work content that would formerly have been graded as PHG (or SL3 and above), before 1 April 2002, and the move is not a compulsory one, then reserved rights to the Supplement cease at that point and cannot be regained. After 1 April 2002 Supplements are retained on a personal basis irrespective of the actual Operational Grade job held, and can only be lost on ceasing employment, on promotion, or following reversion to another grade.

## Royal Mail Pay Directive 13/2000

If a former PHG moves to another job as above and loses their reserved rights, they would obviously still pick up any allowances associated with the new job (e.g. TPM, LGV). Of the new list of allowances, the only ones previously proper to PHG are TPO Allowance and the Leadership Allowance, which may therefore be claimed by employees in receipt of PHG reserved rights. The other allowances may not normally be claimed by employees in receipt of PHG reserved rights, except where a new job has been created that combined elements of former PHG work with elements of former PMN work that attract the allowance.

In RDCs former Streamline Levels 5 & 6 covered MGV and LGV driving, and therefore former SL5-6 employees will commonly pick up both the reserved rights and MGV/LGV allowance, depending upon the gross vehicle weight of the vehicle(s) they are required to drive. Former SL5-6 employees covering jobs that do not require MGV/LGV driving will pick up the reserved rights, but not be entitled to MGV/LGV allowance (with their former Streamline payments included within the assessment of guaranteed weekly pay on this basis).

The Supplement will be treated as an assigned allowance for payment purposes, paid and abated (i.e. during periods on half or no pay) in line with basic pay. The £20 payment is frozen and will not increase with future pay awards.

### **3. The enhanced Shift Payment rates**

The same employees entitled to the £20 Supplement will also be entitled to the enhanced Shift Payment rates set out in the Way Forward agreement. The conditions for retention of reserved rights to these higher rates will be the same as for the £20 supplement as set out above (with all conditions for the actual Shift Payments, apart from the higher rates themselves, being as for other employees as set out in Directive 5/2000).

Additionally any such employees holding a job requiring night shift working (as defined by the agreement) on 31 January 2000 will have personal rights to a fully pensionable night shift payment. These reserved rights will be lost alongside the others as above, and also lost as soon as the employee ceases to continuously hold a night shift job. In such case if the employee subsequently returns to night working, whilst still holding their remaining reserved rights, they will be paid at the enhanced shift payment rate on a part-pensionable basis (i.e. with the same pensionability as the enhanced Late Shift).

The enhanced shift payment rates will be reviewed within future annual pay awards.

### **4. The enhanced overtime and Scheduled Attendance rates**

The same employees entitled to the £20 Supplement and enhanced Shift Payment rates will also be entitled to reserved rights to enhanced rates for overtime and SA, as set out in the Way Forward agreement. The conditions for payment and retention of reserved rights to these higher rates will be the same as set out above. There are no enhanced rates for the Sunday Premium paid for Sunday conditioned hours nor for Travelling Time.

Note that these higher rates are personal to the employee concerned, and will be paid for all of the overtime and SA they work, irrespective of whether this work would have been graded PMN or PHG previously. The link with the type of work performed relates to their substantive job only, as above (i.e. these reserved rights are lost on voluntary transfer before 1 April 2002 to a job with no former PHG/SL3-6 work content), and not to any work carried out outside conditioned hours.

Subject to the outcome of the PBS deployment review, the enhanced reserved rights rates will increase on 29 May in line with the increase applied to the Operational Grade. The rates will then be fixed (i.e. mark-time) until such time as pay increases lift the core rates for the new grade up to the same level. Thereafter everyone in the new grade will be paid for overtime and SA at the same rates (except for the lower age-related rates).

## Royal Mail Pay Directive 13/2000

### 5. The £10 Supplement for Doorkeepers (and buyout of PBS Supplements)

Employees within the new Operational Support Grade will have personal rights to a £10 per week Supplement. The terms for entitlement, retention and payment of this will be exactly the same as set out for the equivalent supplement for PHGs in section 2 above.

Note that the new Operational Support Grade will not be eligible for payments of any local "PBS Supplements" (these arose from the cessation of the former RBS/RULC bonus schemes from April 1999, where a surplus remained once the UPAP had been increased to £20 per week, and are currently paid monthly). This will only affect former Doorkeepers, together with the few remaining former Lift Operators, as Cleaners were not eligible for RBS/RULC. Payment of these Supplements to the Operational Support Grade should cease after the April 2000 payment, and a one off lump sum equal to 52 weeks' value (i.e. 12 times the monthly payment) of the supplement (pro-rata to conditioned hours) made to all substantive Doorkeepers and Lift Operators in post on 8 May 2000. Once paid there is no clawback if an employee subsequently leaves or is promoted.

### 6. £6 reserved rights payment for former van drivers

Substantive PMN/women holding jobs on 31 January 2000 that require driving a Royal Mail van (of gross vehicle weight less than 3.5 tonnes) for at least two hours per day during conditioned hours will be eligible for reserved rights to a £6.00 per week assigned non-pensionable payment (pro-rata to conditioned hours). Substantive PHGs and all SL grades are not entitled to basic driving allowance and therefore there are no reserved rights.

The two hours per day requirement will be assessed using the existing Motor Driving Allowance section A criterion (i.e. time spent cleaning, repairing, garaging and waiting in charge of the vehicle is added to time spent actually driving, but not time for which garage or repair work only is performed). A pro-rata payment will be calculated for jobs that qualify on some but not all of the weekly attendances. Similarly employees rotating between different jobs as of 31 January 2000 will receive an average payment (i.e. a two-week rotation, where one job qualifies, will receive £3 per week).

An individual may only receive the reserved rights payment if they are not in receipt of any other assigned allowance (obviously this does not affect any shift payments). The most common examples will relate to LGV/MGV/Postbus driving, where employees receiving these allowances are not eligible for the £6 as well. The only exception is where a pro-rata payment has been calculated, reflecting a rotation or a job with different commitments on different days, where in such cases a pro-rata assigned allowance may be paid together with a payment pro-rata to the £6 (for example, a weekly rotation as of 31/1/00 with one week LGV, one week van driving would receive 50% of the LGV allowance and reserved rights to £3. Similarly a job on 31/1/00 involving two attendances of MGV and three of van driving would receive 40% of the MGV allowance and reserved rights to £3.60). The key point is that the reserved rights payment may not be counted for any attendance where an assigned allowance is paid (including also any non-driving assigned allowance).

Eligibility is linked to the job description, with those jobs requiring driving at the required level being eligible. Also included will be reserve jobs dedicated to covering driving duties as of 31 January 2000, but not general reserves or other employees who might occasionally cover driving work. No account will be taken of any commitments covered on overtime or Scheduled Attendance, however regular.

Payment will be retained so long as the individual remains in the same job as on 31 January 2000. For this purpose the same job will be taken to include moves to another similar driving job in the same work area. However if the employee moves to a non-driving job (i.e. one that would not have qualified using the above criteria), or to a job that attracts an assigned allowance, then reserved rights are lost and may not subsequently be regained.

## Royal Mail Pay Directive 13/2000

These assigned payments will continue to be paid during annual leave and other paid absence, on the same basis as an assigned allowance. The £6 is non-pensionable, and will not be increased during future pay reviews.

Finally note that it will not be possible to be in receipt of both the £20 ex-PHG/SL3-6 Supplement AND the £6 reserved rights payment for van driving. Note also that the reserved rights payment applies to van driving only (i.e. the current Motor Driving Allowance section A, as above), and not to the other sectional categories such as mopeds etc.

### 7. £6 reserved rights payment for fork-lift drivers

In most respects the criteria for this payment are the same as in section 6 above, but this time based on the current Motor Driving Allowance section F, again linked to a daily requirement of at least two hours fork-lift driving.

The only additional points relating to this payment are:

- As in the agreement only one of the two £6 payments may be claimed. No employee may receive more than a total of £6 per week reserved rights for van and fork-lift driving.
- In the case of employees graded SL4, it has been agreed that the two hour limit will not apply (since the SL4 payment is currently made on an assigned basis irrespective of the number of hours driven). For substantive SL4 employees only, all that will be required to be eligible for the reserved rights payment is a job with *some* fork-lift driving requirement on each attendance as of 31 January. SL4 jobs that do not require fork-lift driving will not be eligible for the £6, but obviously the current allowance will be included within the assessment of guaranteed weekly pay.
- The only circumstance in which the £6 reserved rights could be paid on top of the £20 PHG/SL3-6 reserved rights is in the case of the SL4 grade, which potentially can receive both payments. SL5 & SL6 employees will be receiving assigned allowances for LGV/MGV driving, according to the plated weight of their vehicle(s), and therefore will not be eligible for the fork-lift payment.

### 8. Loss of reserved rights

Upon permanent loss of reserved rights (e.g. following a job move), the flag originally set in the individual's pay record should be deleted. It may not be subsequently re-set.

If the loss of reserved rights is temporary (e.g. during temporary promotion) then the payment should be suspended but the flag not deleted. This will enable payment to be resumed if the individual returns to their substantive job.

Where someone is removed from driving work temporarily due to legal or medical reasons, the reserved rights payment is suspended but the payroll flag is retained (loss of earnings may be covered by existing arrangements, which continue as currently). If the removal is permanent then the flag is deleted.

### 9. Queries

Should you need further assistance please contact:

Policy issues	SD Personnel	P/L 5460 2589
HR / Payroll Procedures issues	HR Support @ Chesterfield	P/L 5888 6060