

UK rail unions give de facto backing to “Voluntary Severance Scheme”

Lee Blackwood
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A Voluntary Severance Scheme (VSS) has been rolled out to tens of thousands of workers across Network Rail and train operating companies with the de facto backing of the rail unions. The VSS is the start of a major restructuring offensive aimed at destroying thousands of jobs and slashing workers terms, conditions and pensions.

A timetable for implementing VSS was set out in the Rail Industry Recovery Group’s Enabling Framework Agreement in June. The RIRG was initiated by the Johnson government at the end of last year to claw back billions in government subsidies paid to rail operators during the pandemic. It was formally established in January this year with a confidential memorandum between rail bosses and trade unions. The Rail, Maritime and Transport (RMT), ASLEF, TSSA and Unite union are members.

The severance scheme was launched on October 13 at all rail companies who are members of the RIRG, including Avanti West Coast, Chiltern Railways, Cross Country Trains, Greater Anglia, London North-Eastern Railway, East Midlands Railway, C2C, Great Western Railway, Northern Railway, South Western Railway, Thameslink, Southern and Great Northern Railways, TransPennine Express and West Midlands Railway.

A similar VSS was launched at Network Rail in August with a view to eliminating 9,000 jobs nationally. Network Rail employs 42,000 staff and ensures track safety and maintenance and signalling systems across the network. The RIRG has remained silent on the number of VSS applications it is seeking. But the RIRG was created to drive through £2 billion worth of cuts, so job losses are likely to run into the thousands.

Virtually the entire rail industry workforce is being encouraged to apply for the VSS, including office staff, control workers, platform dispatchers, ticket office clerks, shunters, cleaners, revenue inspectors, ticket examiners, pay roll, customer ambassadors, and onboard hosts. The

scheme is being funded by the Department for Transport (DfT)—a further subsidy to the rail companies—and expires on November 2.

Only drivers, train managers, guards, conductors and train maintenance engineers are excluded from the scheme, as are rail workers from Scotland, Wales and Northern Ireland for now. These jobs will undoubtedly be targeted in the coming months as the RIRG has indicated plans for an “Employer Justified Retirement Age” for train drivers.

Rail unions including the RMT and TSSA claim to oppose the VSS but have done nothing to mobilise workers against it. Instead, rail bosses are using the unions’ participation in the Rail Industry Recovery Group as part of their sales pitch. Letters promoting the VSS have been placed on company notice boards with management seeking to drum up support for the scheme.

Great Western Railways (GWR) wrote to workers on October 13 stating, “the scheme forms part of the enabling framework agreement, developed between train operators, Network Rail and Trades Unions in June, which was designed to deliver a program of reforms to drive rail recovery and create a sustainable future for the industry.”

The letter made clear the VSS would “be applied in a way that matches their business’ specific needs and generates operating efficiencies”.

A GWR worker near Bristol told the WSW the scheme was £5,000 lower than one offered several years ago. Another said, “I won’t gain anything as I’ve got a few years left before I’m eligible to retire and my pension kicks in. What I would be offered would be less than a year’s wages.”

The scheme has been set at two weeks basic pay for every year of service, up to a maximum of 35 years. Any payment above £30,000 will be subject to tax and national insurance contributions. Given the scheme’s inferior

terms, the likelihood of mass adoption is slim. The RIRG has made clear that if too few staff apply, compulsory redundancies will be rolled out in January 2022.

The complicity of the rail unions in the VSS rollout was indicated earlier this month by RMT general secretary Michael Lynch. On October 13, he sent a letter to members announcing the VSS would be rolled out from 12 noon that day. His letter gave the impression the RMT had only just learned of the scheme:

“The Union has received a proposal made by the Rail Industry Recovery Group (RIRG) Train Operating Company employers for a Department for Transport Funded 'Industry Special Voluntary Severance Scheme' that will be available to all Train Operating Companies (TOCs) that have signed up to the RIRG.”

His letter sounded like a company bulletin, “The DfT have confirmed that they have now approved the Special Industry-wide Voluntary Severance Scheme and can be launched to eligible employees across participating TOCs from 1200 today.”

It took Lynch eight paragraphs before he stated his union’s opposition to the scheme, “The union has not agreed or signed up to the (VSS) scheme that is being offered and we are strongly opposed to this scheme being introduced.” He described it as, “a cut-price deal funded by the DfT in order to strip thousands of jobs from the railway. This will inevitably lead to an unsafe working environment and will adversely impact the safety and accessibility for passengers across the network.”

Lynch’s letter made clear the RMT has no principled opposition to job destruction, so long as it is “voluntary” and so long as it is accompanied by “agreement or discussion on the future structure of the industry”, and so long as the terms of the VSS match those established in previous voluntary packages.

In January, the RMT signed up to the Johnson government’s Rail Industry Recovery Group, committing to its terms of reference that declared “sustainability” would be reached through vicious “cost savings” including:

- “an industry-wide transfer and re-deployment scheme”
- “reviewing existing insourcing and outsourcing arrangements”
- “flexible working”
- “a sustainable pension scheme”
- “safety and overall performance that increases value for money”
- “policies and working practices resulting in reduced

costs”

In June, the RIRG’s Enabling Framework Agreement outlined plans for an “Industry-wide Special Voluntary Severance Scheme”, an “Industry-wide Voluntary Redeployment Scheme” and a “Re-skilling and Re-training Programme”. Publicly, the RMT claims they are opposed to compulsory redundancies. And publicly they have claimed to oppose the VSS. In reality, they have worked on the ground to ensure the VSS is not challenged in order to preserve their ongoing collaboration with the rail companies and the Conservative government.

Lynch’s October 13 letter ends with the promise, “Your Union’s National Executive Committee will consider this matter further and will consider the RMT’s response to this situation.” Not a word has been heard since.

Just as nothing was done to stop the drive for privatisation in the 1990s, no effective defence will be mounted by the corporatist rail unions to halt today’s impending jobs massacre. Rail workers must break free from their grip and form rank-and-file committees to organise a genuine fightback.

The Johnson government has shovelled £12 billion into the coffers of the private train operators during the pandemic, the equivalent of £22 million per day. Having “nationalised” losses for the likes of Abellio and FirstGroup, the Tories are demanding that rail workers and passengers must foot the bill.

As usual, the demands for “sacrifice” are one-sided. A few days ago, First Group, the UK’s largest rail operator, announced a £500 million share buyback programme for investors, “The return of value marks the culmination of our portfolio rationalisation strategy, which has refocused the Group on its leading UK public transport business. In doing so, we have created a cash generative company with a well-capitalised balance sheet, a focused strategy and attractive growth prospects for our markets.”



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