

British Steel Noticeboard

Last update: 2 Aug 2023

Latest Bulletins

British Steel Pay Claim 2023

Posted on: 2 August 2023

Dear GMB Member,

As you may be aware the Craft Unions met with the company for the third time yesterday on the pay award. These have been difficult negotiations due to the challenging financial performance of the UK business.

The company yesterday tabled their full and final offer as follows:

- A 4% increase on base pay applicable from the 1st of April 2023. (Please note this increase is not applicable to those employees who have had the 9.8% increase from the National Minimum Wage)
- A lump sum payment of £500 (this lump sum payment is applicable to all employees)

Whilst the deal does not meet our aspirations, the Craft Unions are recommending acceptance of this offer as they believe it's the best that can be achieved through negotiation.

In solidarity

Charlotte Brumpton-Childs



Noticeboard Bulletin – 18-05-2023



Posted on: 18 May 2023

Dear GMB Member,

British Steel Pay Claim 2023

On Monday 15 May, The National Trade Union Steel Co-ordinating Committee presented the pay claim for 2023 for all employees working at British Steel.

This gave us the opportunity to stress the difficulties our members are facing with the increasing cost of food, gas, electricity, mortgages and rent. Now more than ever, we need to see a significant increase to your wages.

Unfortunately, British Steel is facing its own challenges and they have been hit with significant losses due to the volatility around ore prices, increased energy costs and more.

Their initial response was that they could not afford any increase to pay at this current time – this of course is totally unacceptable. The Committee made this clear to the company and GMB and our Joint Trade Unions will not sit by and watch our members struggle with the cost-of-living crisis. Furthermore, since Jingye acquired British Steel, we had 2 years of wage stagnation, followed by a small increase of 2% in pay, and 2% your pension in 2022, which falls extremely short when looked at over a 3 year period.

GMB and our Joint Trade Unions have now set the date for a further meeting on Friday 9 June and together we have made it clear that we will not accept a response of "no offer at present".

You and your colleagues are vital to the success of British Steel, and without you Jingye could not continue to operate, especially when stability returns to the steel industry.

I will of course keep you informed of how things progress.

In solidarity,

Charlotte Brumpton-Childs

GMB National Officer



Posted on: 5 May 2021

Dear GMB Member,

We trust this newsletter finds you all safe and well in these difficult times.

The primary reason for this update relates to the issue of craft pay, which I know a number of you have raised with GMB representatives. We have continued to keep this matter on the agenda at every opportunity when we meet with senior management representatives. GMB first raised craft pay with the new business, in the context of it likely to become problematic, at the point of Jingye taking over the British Steel business and when rates of pay were initially set. We raised this again more specifically with the business back in January this year when we became aware of them seeking to offer more attractive employment packages to attract a number of skilled craft roles. We also cited the real dangers of alienating their core craft workforce, who after all have worked extremely hard and been extremely loyal throughout the difficult period of pandemic. The employer response to this was that it was specifically to avoid alienating their current core craft staff that they looked at a welcome type reward rather than offer higher salaries.

GMB had a further meeting with Senior Management on 29 April, where it became abundantly clear that, despite offering incentives, the business is still experiencing significant issues in attracting craft roles. For now, the employer is continuing to pursue what GMB refers to as 'Golden Hello' welcome packages to try and attract craft roles. The trade unions did point to the fact that, given evidence strongly suggests this strategy is not working, the real issue that needs to be resolved, is coming up with the correct British Steel employment package and revisiting the salary structures we currently have to attract new workers. It was added that long term employment certainty accompanied by decent rates of pay and terms and conditions, is arguably more attractive to any prospective new employee, consequently also bringing more loyalty and stability to the employer rather than having to try 'Golden Hello' type incentives to respond to market forces requirements each time.

GMB suspects that this matter will continue to be a discussion point and will endeavour to keep this as an agenda item going forward. Working with our sister craft union there are a set of proposals on craft pay that are being developed and will be included as part of this wider discussion with the company.



I hope this is helpful.

Stay safe!

Ross Murdoch

GMB National Officer

2020 Bulletins

Coronavirus Job Retention Scheme



Posted on: 21 April 2020

Dear GMB Member,

My primary reason for writing to you is to confirm details of an agreement GMB and its sister steel trade unions reached with British Steel via the national steel committee.

Aside from this agreement, it has proved somewhat frustrating recently to obtain information from the company on how they are managing the health, safety and welfare of employees in light of this crisis. However, we did have a national officer conference call on 20 April and it has now been agreed that there will be weekly calls between the trade unions and the company at this level.

The main areas of discussion yesterday established:

- the number of people currently out of the business has reduced significantly, so people self-isolating starting to return.
- Skinningrove, which had been on a shutdown returns next week.
- The business is keeping the mills running, in some cases exceeding demand and building up stock, which should in effect mean less need to furlough employees.
- Shipments of PPE brought in from China



- Revised cleaning arrangements implemented
- Risk assessment daily audits taking place – (please engage with your local GMB shop steward/safety rep to ensure these audits are effective)

In terms of the details of the aforementioned job retention agreement. First of all, as you will know British Steel and the wider steel industry faces an uncertain future. The Coronavirus has led to a collapse in steel demand from key sectors like automotive and construction and nobody knows when normal market conditions will return.

To support businesses through the crisis without cutting jobs, the government has announced the 'Coronavirus Job Retention Scheme'. The scheme provides earnings protection of up to 80% for employees who are 'furloughed,' meaning temporarily laid-off but kept on the books, subject to a monthly cap of £2,500 per employee. The scheme is initially running for 3 months from 1st March 2020.

However, the trade unions have always viewed this as a minimum standard type scheme. Through negotiations with British Steel management, an enhanced agreement improving on the government scheme has now been reached, endorsed by lay reps and now signed off at national officer level. The main headlines from the agreement are set out below:

For employees who are furloughed:

- Earnings protection of 80% with no cap (the government scheme caps earnings at £2,500 a month)
- Earnings defined to include base salary plus shift allowance, which will be the full shift allowance that would be incurred by an individual in 'normal times'.
- Company pension contributions will be made on the basis of the 100% salary level, as will any other employee benefit that is linked to base salary.
- The performance related bonus plan that was due to be implemented April 2020 will be suspended, meaning employees will not have up to 5% deducted from base salary each month.
- Holidays will continue to be accrued by employees whilst on furlough.



- Wherever possible the scheme will operate on a voluntary basis and employees on furlough will be rotated.

For employees that remain in work:

- For employees receiving a shift allowance, regardless of any de-shifting this will be based on the full shift allowance that would be incurred by an individual in 'normal times'.
- The performance related bonus plan that was due to be implemented April 2020 will be suspended, meaning employees will not have up to 5% deducted from base salary each month.

Finally, GMB would like to take this opportunity to thank you for your continued support.

Please stay safe!

Ross Murdoch

GMB National Officer

Noticeboard Bulletin – 05-05-2020



Posted on: 5 May 2020

British Steel Bulletin – May 2020

Dear GMB Member,

Further to April's bulletin which was largely focused on the job retention scheme, I write by way of an update; you will also recall from the previous bulletin that we had agreed National Officers weekly conference calls with the business.

Job Retention Scheme (JRS) – GMB has been involved in weekly conference calls with the Government BEIS Department on this and wider regarding the steel industry. We have been lobbying hard in the context of avoiding redundancy consultations, that the Government needed to extend the JRS from its



then end date of 31 May; you will no doubt have seen the reports that this has now been extended till the end of June. There will be further discussions on the need to extend further but as yet not confirmed. You will recall from the April bulletin that British Steel' intention was to keep production going, therefore limiting the need to furlough employees via the JRS, this is still the case.

Current state of play – The numbers out of the business currently by way of shielding, self-isolating etc has steadily come down. It was initially around the 300 mark, however towards the end of April this had come down to around 150 and now first week in May is around 120. There are still around 500 employees working from home and this is very much in line with the Government safety guidance. It is possible that this might start to change as we are awaiting Government guidance, which GMB has been involved in, on how employees can be brought back to the workplace in a safe manner. Any change will be based on risk assessment where the employer needs to ensure their employees have the confidence to return safely, though it is likely that if employees have been and are able to work from home, this will continue. GMB has been clear to Government that no employee should be forced to return to a workplace if it is unsafe and this will almost certainly be reflected in the final guidance document over the next week or two.

Workload – Clearly one of the main areas of concern would be the rods part of the business given the current state of the automotive sector for example. The business is keeping a regular eye on this in terms of sales, there has been some movement in some countries where a phased return of their automotive businesses is being planned, which might start to alleviate this.

Hayange & Ascoval – You will be aware that Hayange in France has been operating as a stand-alone business whilst they find a new buyer. Jingye have submitted a bid, which would also include Ascoval as this was how the bid has been structured; you will recall that Greybull are the current owners of Ascoval. This process is likely to run for another couple of months.

Shifts and Overtime – GMB understands that in some areas there have been strong requests to move to 12-hour shift working. There is no agreement at this stage to move to this, however, it is likely to form the basis of further discussion. If 12-hour shift working is likely to come in, first of all safety will be the number one priority, also it is potentially something that might be piloted in one area over an agreed timeline. In terms of overtime working, there has been a pressure for additional overtime to be worked due to colleagues being out of the business related to the virus. However, it does appear there is significant reluctance to work these extra hours. We suspect there are a number of reasons for this e.g. people exhausted or, no overtime enhancements for Mon-Fri being payable in the revised contracts of employment. There is no current evidence that this is having any impact on production and the situation is likely to change with more and more colleagues returning to work. However, should evidence emerge that production has been affected, therefore still a requirement for overtime hours to be worked, we would expect the employer to engage with the trade unions on how best to remedy the situation.

Individual tax codes – GMB is aware there has been issues with individual tax codes, this point was raised with the employer on the call. The employer has confirmed they are working hard to get this



resolved before the next pay run. HMRC have not been prioritising tax codes currently as they are full on with Furlough arrangements. However, the message has got to them that they need to deal with this and do it as a group, otherwise they will come under pressure by way of 3000 plus individual calls; there is anecdotal evidence that individuals have been successful making direct contact with HMRC in getting their codes amended.

Finally, GMB would like to take this opportunity to thank you for your continued support, please keep in contact with your local GMB reps and - ***Please stay safe!***

Ross Murdoch

GMB National Officer

