

CENTRAL ARBITRATION COMMITTEE

TRADE UNION AND LABOUR RELATIONS (CONSOLIDATION) ACT 1992

SCHEDULE A1 - COLLECTIVE BARGAINING: RECOGNITION

**DECISION ON WHETHER TO ACCEPT THE APPLICATION BY THE TRADE
UNION UNDER PARAGRAPH 66 OF PART III TO THE SCHEDULE**

The Parties:

Honda of the UK Manufacturing Ltd

and

Unite the Union

Introduction

1. Honda of the UK Manufacturing Ltd (the Employer) submitted through its representative an application dated 31 March 2017 to the CAC to determine whether the original bargaining unit was no longer appropriate and, if so, what would constitute an appropriate bargaining unit. The original bargaining unit (“OBU”) comprised the General Associates, Lead Associates, Team Leaders and Co-ordinators (C1 and C2) employed in all factories on the company’s site at South Marston.

2. The application was received by the CAC on the 31 March 2017 and notice of receipt of the application was given to the parties on 3 April 2017. The Union’s representative submitted a response to the application on the 4 April 2017 that was copied to the Employer.

3. In accordance with section 263 of the Act, the CAC Chairman established a Panel to deal with the case. The Panel consisted of Her Honour Judge Stacey, Chairman of the Panel,

and as Members, Mr Mike Regan and Mr David Coats. The Case Manager appointed to support the Panel was Linda Lehan.

4. Issues

1. Part III of Schedule A1 to the Act applies if the CAC has issued a declaration that a union is recognised as entitled to conduct collective bargaining on behalf of a bargaining unit, and provisions relating to the collective bargaining method apply in relation to the unit: paragraph 64.
2. If a party believes that the OBU is no longer an appropriate bargaining unit, the Panel is first required by paragraph 68 to decide whether the application to the CAC is admissible within the terms of paragraphs 67 and 92 and therefore should be accepted.
3. Paragraph 92(1) states that an application to the CAC under this Part of the Schedule is not admissible unless it is made in such form as the CAC specifies, and it is supported by such documents as the CAC specifies. Paragraph 92(3) states that an application made by an employer to the CAC under this Part of the Schedule is not admissible unless the employer gives to the union notice of the application and a copy of the application and any documents supporting it.
4. Paragraph 67 provides:
 - (1) An application under paragraph 66 is not admissible unless the CAC decides that it is likely that the original unit is no longer appropriate by reason of any of the matters specified in sub paragraph (2).
 - (2) The matters are –
 - (a) a change in the organisation or structure of the business carried on by the employer;
 - (b) a change in the activities pursued by the employer in the course of the business carried on by him;
 - (c) a substantial change in the number of workers
 - (d) employed in the original unit.

The Employer's application

5. The Employer's representative confirmed in its application, on behalf of the Employer, that the Employer recognised Unite the Union as entitled to conduct collective bargaining on behalf of the workers constituting the OBU as a result of a CAC Declaration. The Employer's representative stated that following the CAC Declaration of Recognition the parties reached a voluntary agreement in respect of the terms of recognition afforded to the Union and as such there was no further intervention from the CAC in accordance with Schedule A1 Part 1 section 30. The Employer's representative provided a Letter of Support for the Application from the Union's representative dated 27 March 2017.

6. The Employer's representative stated that both the Union and the Employer believed that the OBU was no longer appropriate as there had been a change in the organisation and structure of the business carried on by them. The Employer's representative explained that during 2013, the Company had undertaken a significant restructuring activity, which in the main affected the 'indirect' population (which was the population that provided support and enabling functions within the organisation, rather than roles that were directly linked to the production of cars). The Employer's representative stated that the vast majority of the Employer's C1 and C2 roles, known as Coordinators, worked within the indirect population.

7. The Employer's representative stated that when the bargaining unit was originally designed in 2001/2002, there was some debate regarding whether the C1 and C2 population should be included in the bargaining unit, alongside the General Associate population, including Lead Associates and Team Leaders. The Employer's representative explained that C1 and C2 population are the Company's first line management roles and as such their job content, pay structure and some terms and conditions differed from those of the Employer's General Associates and those differences had been magnified since the restructuring activity had taken place.

8. The Employer's representative stated that the Company and Unite had jointly undertaken a review of the current recognition agreement, including arrangements for collective bargaining. The Employer's representative said that feedback received from the C1 and C2 population had indicated that some of that population considered that their views and priorities were diluted as Unite membership within their population represented less than

10% of the total bargaining unit. The Employer's representative stated that discussions between the Company and Unite had reached a common view that the bargaining unit should be amended to include only the General Associate population comprising General Associates, Lead Associates and Team Leaders.

9. In respect of the bargaining unit considered to be appropriate the Employer's representative stated that the Employer agreed that the Union should be recognised by the Company as entitled to conduct collective bargaining on behalf of all General Associates, Lead Associates and Team Leaders, employed on the Company's site at South Marston, Swindon.

10. The Employer's representative stated that there were 2657 workers in the new proposed bargaining unit and that the new proposed bargaining unit had been agreed with the Union. The Employer's representative confirmed that the proposed bargaining unit did not have any workers in common with another existing bargaining units.

11. Finally the Employer's representative confirmed that it had copied the application and supporting documents to the Union's representative on 31 March 2017.

The Union's response to the Employer's application.

12. The Union's representative, in an email to the CAC dated 4 April, confirmed that Unite the Union supported and agreed with the application made by the Employer both in respect of the changes to the bargaining unit and the proposed revised bargaining unit. The Union's representative also enclosed a copy of its Letter of Support dated 27 March 2017.

Considerations

13. The Panel's decision has been made after carefully considering the parties' views and evidence.

14. The Panel must be satisfied in the first place that paragraph 64 applies. The CAC issued a declaration of recognition on 14 December 2001 in relation to the original bargaining unit. The parties then made the agreement dated 19 December 2001 applying a method of collective bargaining to the unit. Accordingly, paragraph 64 applies.

15. The Panel is satisfied that in accordance with paragraph 92 the Employer completed the appropriate CAC application form and provided supporting documentation. The Employer also gave notice of the application to the Union by copying it together with the supporting documentation to the Union on 31 March 2017. The Panel is therefore satisfied that the admissibility criteria set out in paragraphs 92(1) and 92(3) of the Schedule have been met.

16. The remaining issue for the Panel to determine is whether the application is admissible within the terms of paragraph 67. The Employer relies upon the matters specified in paragraph 67(2)(a) as indications that the original bargaining unit is no longer appropriate.

17. In making its decision, the Panel is mindful that it is required under paragraph 67(1) to assess whether it is 'likely' that the original bargaining unit is no longer appropriate by reason of the matters listed in paragraph (67)(2). Taking into account the views of the Employer and the Union, it is clear that they are in agreement about the change in the organisational structure of the Employer's business.

18. In the light of the considerations set out above, the Panel's concludes that it is likely that the original bargaining unit is no longer appropriate by reason of the change in the organisation of the business carried on by the Employer.

Decision

19. For the reasons given above the Panel's decision is that the application is accepted by the CAC.

Panel

Her Honour Judge Stacey, Chairman of the Panel

Mr Mike Regan

Mr David Coats

4 May 2017