



The Chronicle



Special edition

15th January 2010

SOUTHERN DRIVERS
COMPANY COUNCIL NEWSLETTER.

Smart Pensions.

You will shortly receive a letter and information pack from Southern regarding their proposed changes to the way in which your pension contributions are deducted from your salary. In order for you to gain an understanding we have decided to issue this special newsletter.

Firstly, this scheme has not been negotiated or agreed by ASLEF at any level; the District Organiser and Company council were consulted, and stated their objections to the scheme which have been placed in a report to our executive committee.

The scheme being introduced by Southern is an opt-in scheme rather than an opt-out. This means that, unless you opt-out of the scheme, your pension contributions will be paid for by Southern as a salary sacrifice and your salary will be shown as a reduced amount on your payslip. This allows lower National Insurance deductions to be calculated. Southern will tell you that you will gain up to £265 per year for apparently doing nothing, you may think that this is a "Win win" for you get a little bit extra in your pay packet, and it has little or no bearing on you as an individual.

On the surface this would appear to be true but the some points to consider are these: The amount of money that you save peaks at £40,000 (the current Drivers wage is £38,785 + up to £3500 for rostered Sundays), it then proceeds to reduce the more you earn.

The relatively small amount of money you save, will enable a substantially larger financial saving for the company, (somewhere like £250,000 per annum just for Drivers) which Southern will place into their ever expanding coffers, This sort of action has a major impact on many area's of the Welfare State, including Child Support and the National Health Service: this will have a direct impact on many of you and your families.

Any subsequent pay deals will continue to have the money removed at source, but the level of saving that you will continue to make will reduce, but Southern will continue to bank the substantial saving that you make for them.

Their decision to make this change is based solely on the amount of money that they, Govia, can make out of the proposals; there s nothing altruistic in their proposals, nothing at all.

When Southern were initially asked where staff could obtain opt out forms they said by making a telephone call to Croydon. (So as to make it as difficult as possible to opt out). We have insisted that these forms must be sent out with the information pack the company will send to your home address. We will also be making these available through your Local Staff and Branch Representatives.

Southern believe this is a good deal for their staff and the company. We leave you to make your own minds up as to who it is a really good deal for.

We would urge all Drivers to think very carefully about these changes, and the long term implications of them and their families.

National Insurance Contribution Comparison

Salary Sums	Salary Total	Employee	Savings	Employer	Savings
Flat 4 Weeks	£2974	Now £278 Pro £251	£27 = £351 per ann £6.75 per week	Now £324 Pro £292	£32 = £416 per ann x 856 Drivers Total Savings £356,000
+ 1 Sunday @ £208	£3182	Now £302 Pro £274	£28 = £364 per ann £6.97 per week	Now £351 Pro £319	£32 = £416 per ann x 856 Drivers Total Savings £356,000
+ 2 Sunday @ £208	£3390	Now £323 Pro £297	£26 = £338 per ann £6.48 per week	Now £378 Pro £346	£32 = £416 per ann x 856 Drivers Total Savings £356,000
+ 1 Rest Day @ £231	£3621	Now £325 Pro £322	£3 = £39 per ann 75p per week	Now £407 Pro £375	£32 = £416 per ann x 856 Drivers Total Savings £356,000
+ 2 Rest Day @ £231	£3182	Now £327 Pro £325	£2 = £26 per ann 50p per week	Now £437 Pro £404	£33 = £439 per ann x 856 Drivers Total Savings £356,000

All of these figures are approximate and have been created using an on line payroll calculator. They are not supposed to exact but to act as a guide to enable you to make an informed decision on Southern's proposals.
(These figures do not include any inner or outer London allowance on which NI is payable)