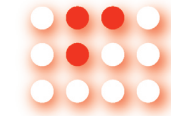


# FACT

S E R V I C E



153 Addison Lee and Uber on the skids

155 Drivers behind wages gaps in Europe  
Single parents struggle to make ends meet

154 Rise in firefighters hit by mental health issues  
Luxury homes bring lucrative pay packets

156 RPI inflation link in sweet deal at Cadbury

Annual Subscription £90.05 (£76.00 for LRD affiliates)

Volume 79, Issue 39, 28 September 2017

## Addison Lee and Uber on the skids

Courier and taxi group Addison Lee is latest gig economy firm to exit from an employment tribunal licking its wounds.

In an important ruling, which will affect thousands of Addison Lee drivers, the employment tribunal has ruled that a group of Addison Lee drivers were not self-employed, as the company argued, but are workers who are entitled to essential workers' rights, including to be paid the National Minimum Wage, receive holiday pay and not have their contracts terminated because they are members of a trade union.

The drivers initially brought their case to the London Central Employment Tribunal in July, supported by the GMB general union arguing that the company was "shirking its responsibilities through bogus self-employment".

Liana Wood of the employment team at Leigh Day, on behalf of the GMB, said: "Addison Lee advertises itself as a premium driving service and seeks to ensure that its drivers meet the high standard required for that premium service.

"However, Addison Lee drivers very often work very long hours, in excess of 60 hours a week, in order

to just earn enough to cover their basic living costs. Addison Lee has sought to deny its drivers the most basic workers' rights, including to be paid the National Minimum Wage and to receive paid holiday."

She added that the judgement acknowledged the "central contribution that Addison Lee's drivers have made to the success of the company".

Meanwhile, hundreds of people marched from the Transport for London (TfL) offices in Southwark to Senate House at the University of London, protesting unfair conditions for "gig economy" workers, particularly at car hire app firm Uber.

The demonstration came less than a week after TfL said that Uber was not fit to operate in the city and was stripped of its licence. It was held on the day Uber began an appeal against a ruling that its drivers should be granted the same conditions as full-time workers.

Uber is appealing against a ruling in an October 2016 employment tribunal that its drivers qualify as employees entitled to basic workers rights' including a minimum wage, paid breaks and sick pay. The drivers, James Farrar and Yaseen Aslam, won the case, but Uber is now appealing the decision.

That's not the end of Uber's problems. A 44-year-old female driver from London has issued sex discrimination proceedings at the Employment Tribunal against Uber claiming that the practices of the company unfairly disadvantage women.

**LABOUR RESEARCH DEPARTMENT**

Published weekly by LRD Publications Ltd, 78 Blackfriars Road, London SE1 8HF. 020 7928 3649 [www.lrd.org.uk](http://www.lrd.org.uk)

The claim being brought by GMB, who are represented by law firm Leigh Day on behalf of the woman Uber driver, who asked to remain anonymous.

She says that the way in which the company asks her to operate is putting her and other women at risk.

The female driver claims that the way Uber operates means that drivers do not know their passenger's destination until the passenger is already in the car and if that passenger's journey is to a remote or unsafe area, the driver then has no option to cancel the journey.

Similarly, if a customer becomes aggressive in the car, the driver cannot cancel the journey and, if she asks the passenger to leave the car, she faces a customer complaint and low rating which could affect future work.

Maria Ludkin, legal director at the GMB, said: "Once again we have a member with serious concerns about Uber's systems and practices, which place the basic safety needs of the worker as secondary to the imposition of a rigid and purely profit-based model."

<https://www.leighday.co.uk/News/News-2017/September-2017/Victory-for-Addison-Lee-drivers-as-Tribunal-finds>

<https://www.techworld.com/careers/greens-pledge-support-gig-economy-workers-as-uber-appeal-gets-underway-3664537/>

<http://www.gmb.org.uk/newsroom/uber-sex-discrimination>

## Rise in firefighters hit by mental health issues

The number of firefighters taking long-term sick leave due to mental illness has risen by nearly a third over the last six years, figures show. In London, the figure has doubled since 2011-12.

Some 103 London fire staff have taken mental health leave this year, some after working at the Grenfell Tower disaster.

Two-thirds of fire services provided data following a Freedom of Information request submitted by BBC Radio's *5 live Investigates*.

The responses reveal the number of firefighters and other staff taking long-term mental health leave rose from 600 to 780 over the last six years. And at least 126 staff have left the service due to mental health issues since 2011.

Sean Starbuck, mental health lead for the FBU firefighters' union, said: "The stigma attached to

mental health needs to be consigned to the bins of history where it belongs. It's not going to get there on its own.

"Fire services need to create an environment where firefighters feel able to disclose if they are suffering as a result of traumatic scenes they witness as part of the job. At the moment it appears many are unable to."

<http://www.bbc.co.uk/news/uk-41164996>

## Luxury homes bring lucrative pay packets

The financial reporting season for 2016-17 may be coming to a close, but the eye-watering sums being paid to executive directors and revealed in their company's remuneration report continue.

Thirty executives from 16 companies that are in the top FTSE 350 index feature in the listing below. The total remuneration received by them comes to £163.94 million, which works out to an average package of £5.46 million.

Five of the 30 received remuneration packages of at least £10 million a year.

The top five are dominated by luxury housebuilder Berkeley with media group Sky making up the numbers. Tony Pidgley, founder and chair of Berkeley, got £29.19 million in the year to April – on a weekly basis that works out to £561,380. His managing director Rob Perrins received £27.96 million or £537,750. In fourth and fifth spots are Sean Ellis with £12.74 million or £245,000 a week and Greg Fry who got £10.03 million. Fry retired from the board in December 2016 so his package works out at £313,340 a week for eight month's work.

In third spot, Jeremy Darroch, chief executive at Sky, received a package worth £16.34 million or £314,280 a week.

Year-on-year comparisons can be made for 23 executives and 21 saw their remuneration packages grow over the past two financial years. The increases range from 13.6% up to 323.3% at a time when average earnings in the UK economy were only increasing by at most 2.8%.

Again Berkeley and Sky dominate the top five. Berkeley's Sean Ellis and Rob Perrins got 323.3% and 154.4% increases respectively. At Sky, chief financial officer Andrew Griffith received a 292.0%

boost taking him to £9.23 million or £177,460 a week, while Jeremy Darroch's increase was 253.8%. Darren Throop, chief executive of TV and film production company Entertainment One, completes the top five with a 134.0% rise taking him to £1.68 million or £32,210 a week.

The total remuneration figure given in the table includes: basic salary, cash bonus, long-term share bonuses, golden hello, golden handshake, cash pension payments and a cash figure for other benefits that directors receive, such as use of company car, life insurance, private health benefits and housing allowance. Dividends received from their shareholdings in the company are not included.

Executive	Company (financial year ending)	Total remuneration (£000)	% change
Tony Pidgley	Berkeley (4.17)	29,192	35.8
Rob Perrins	Berkeley (4.17)	27,963	154.4
Jeremy Darroch	Sky (6.17)	16,343	253.8
Sean Ellis	Berkeley (4.17)	12,740	323.3
Greg Fry	Berkeley (4.17)	10,027	n.a
Andrew Griffith	Sky (6.17)	9,228	292.0
Karl Whiteman	Berkeley (4.17)	6,173	56.6
Richard Stearns	Berkeley (4.17)	5,970	n.a
Miles Roberts	DS Smith (4.17)	4,373	-20.9
Euan Sutherland	Supergroup (4.17)	3,612	115.4
Ivan Menezes	Diageo (6.17)	3,399	-24.8
Bill Winters	Standard Chartered (12.16)	3,392	n.a
Ian Page	Dechra Pharma (6.17)	3,109	25.4
Mark Coombs	Ashmore Group (6.17)	2,794	88.0
John Tutte	Redrow (6.17)	2,325	21.3
Chris Hill	Hargreaves Lansdown (6.17)	2,233	n.a
Andy Halford	Standard Chartered (12.16)	2,128	21.5
Kathryn Mikells	Diageo (6.17)	2,128	n.a
Henry Birch	Rank (6.17)	2,008	115.4
John Hutson	JD Wetherspoon (7.17)	1,698	43.0
Darren Throop	Entertainment One (3.17)	1,680	134.0
Alex Kanellis	PZ Cussons (5.17)	1,586	43.6
Adrian Marsh	DS Smith (4.17)	1,381	22.8
Barbara Richmond	Redrow (6.17)	1,321	13.6
Mike Rees	Standard Chartered (12.16)	1,221	n.a
Ray Kelvin	Ted Baker (1.17)	1,217	83.0
Sir David McMurtry	Renishaw (6.17)	1,207	80.7
Lindsay Page	Ted Baker (1.17)	1,198	80.2
Ian Gorham	Hargreaves Lansdown (6.17)	1,161	n.a
Tony Griffin	Dechra Pharma (6.17)	1,130	29.0

## Drivers behind wage gaps in Europe

Wage differences across Europe are investigated in new working paper from the European Trade Union Institute (ETUI).

*What drives wages gaps in Europe* examines to what extent wage gaps in average wages observed between countries are related to differences in workforce composition, in workplaces, as well as the types of jobs conducted in different countries. The report also assesses the observed differences by identifying which sectors and occupational groups contribute most to the wage gaps observed at the country level.

The key findings of the paper include:

- in high-wage countries, the positive wage premium can be attributed to the structural differences between economies; wage premiums diminish once productivity-related characteristics are taken into consideration and controlled for;
- in most European low-wage countries, controlling for worker and workplace characteristics in fact increases the wage gap;
- once productivity-related characteristics are controlled for, wage gaps between East and West are in fact wider than they appear when simply comparing average wage levels across countries; and
- negative wage premiums can be related to productivity-determining factors that are unrelated to observed worker and workplace characteristics, but the analysis suggests there is scope for wage increases, particularly in Central and Eastern European countries.

<https://www.etui.org/Publications2/Working-Papers/What-drives-wage-gaps-in-Europe>

## Single parents struggle to make ends meet

Harsh welfare policies, low quality work and the high cost of living mean that single parents are finding it increasingly hard to make ends meet and avoid debt, according to a new report.

*Paying the price*, the latest report from the single parent charity Gingerbread, is published as the government is set to accelerate the roll-out of Universal Credit – prompting the charity to call on the government to end the delays in benefit payments that are built into the new welfare system.

The report finds seven out of 10 (71%) of single parents found managing finances to always be difficult at best.

A third (34%) of single parents surveyed were in debt – the majority of those in debt owed over £1,000, with a quarter owing over £10,000.

And it's a regular battle, as around half of single parents run out of money by the end of the month – whether in work or not.

The report by Sumi Rabindrakumar shows that, while the government has repeated the mantra that "work is the best route out of poverty", this is not the case for many single parents. Working families have not escaped welfare cuts; caps on working age benefits, for example, mean that a single parent working part-time on the minimum wage has lost around £900 over the past three years.

Single parents have been pushed into precarious positions. Over half of all single parents surveyed said they had had to cut back on food for themselves in the last 12 months; one in 10 said they had even been forced to cut back on food for their children. Working single parents have been hit hard, with one in 10 forced to rely on emergency provision, such as a payday lender or a foodbank.

Urgent action is needed from the government to provide the promised security for families on low incomes, the report says. Living costs are on the rise and the roll-out of Universal Credit risks putting more families under financial strain. In particular, Gingerbread warns that for single parents who are already struggling to make ends meet, the six-week wait for a first Universal Credit payment will cause further hardship.

The report is a wake-up call, Rabindrakumar says. "The government has a choice – to end Universal Credit payment delays as a matter of priority, or risk even greater numbers of families being pushed into debt," she added.

<https://gingerbread.org.uk/news/353/Paying-the-price-report-launch>

## RPI inflation link in sweet deal at Cadbury

Confectionery manufacturer Cadbury has agreed a two-year, inflation-proofed pay deal and enhanced maternity pay package covering approximately 1,300 employees at three of its UK sites.

Employees – members of the Unite general union – at the company's old headquarters at Bournville, as well as at Chirk and Markbrook sites, will receive a backdated 3.2% pay increase for April 2017-March 2018, based on February 2017's Retail Prices Index (RPI). The pay increase for the 2018-2019 will be based on the RPI in February 2018. The RPI figure has been increasing recently, currently standing at 3.9%.

Joe Clarke, national lead officer for food, drink and agriculture at Unite, was "delighted" that the Cadbury business, with its strong ethical traditions, "can still act in a positive fashion in relation to its workforce and set the benchmark within the food, drink and agriculture industries for other employers to follow".

"It is a package designed to counter rising inflation levels and protect our members' standard of living during these challenging economic times," he added.

Cadbury, owned by the US multinational Mondelez, has also enhanced its maternity pay to 65% of an employee's salary for seven and a half months, following the initial statutory six-week period paid at 90% of salary. This is an increase on the 12 weeks which were previously paid at 65% of salary.

"The recognition of how important decent maternity pay arrangements are is warmly welcomed by all our members and is an example which others in this sector should emulate," said Clarke.

<http://www.unitetheunion.org/news/cadbury-pay-deal-designed-to-counter-inflation-welcomed-by-unite/>

**LATEST LRD BOOKLET**

**TAKING INDUSTRIAL ACTION**

**£10.00 a copy**

**Order online and check for bulk discounts at [www.lrd.org.uk](http://www.lrd.org.uk) or phone 0207 928 3649**