FINANCIAL TIMES

February 14, 2012 11:06 pm

Network Rail accused of bad move by staff

By Rose Jacobs

The owner of Britain's rail infrastructure has come under fire for a policy which critics say amounts to discouraging staff from using the transport network it runs.

Network Rail is to require employees at its new offices in Milton Keynes to live within an hour and 15-minute commute of the building after moving much of its workforce from London and elsewhere.

The policy has drawn a furious response from union leaders and highlighted the challenges involved when big organisations relocate to new premises.

Network Rail, a quasi-private enterprise funded by state subsidy, cited concerns "about the impact of excessive travelling time on employee well-being and the business".

Those who live outside the travel-limit bounds and are unwilling to move will be found new jobs elsewhere in the business or let go.

But TSSA, the transport workers' union, questioned the legality of such a policy, which they dubbed "unfair and arbitrary".

"They are telling staff they cannot follow their jobs in the worst recession in 70 years," said Manuel Cortes, the union's general secretary.

The Milton Keynes complex, which consolidates dozens of smaller offices, is set to open in June and eventually house 3,000 employees.

The ruckus casts light on the pitfalls of business relocation, an event that can test the limits of both employee and employer loyalty and bring questions of work-life balance to the fore.

"Moving a desk can be traumatic, so moving two hours down the road can be hugely traumatic," said James Spearpoint, an occupational psychologist.

Experts in employment law said the legality of Network Rail's policy would depend on employees' contracts, the alternative work arrangements on offer and whether staff being rmoved would be officially made redundant at one office to be rehired in another.

"I don't think there's anything necessarily wrong with saying you don't want people making excessive commutes to get to work," said Angela Baron at the Chartered Institute of Personnel and Development, a human resources trade body.

"If somebody's generally going to be doing a very long and very difficult commute, it may well have an impact on their ability to do their job when they get to work."

Network Rail is far from alone in raising employees' hackles through an office move. The BBC's migration from London to Salford, one of the most closely watched relocations of recent years, has brought angry reactions both from staff in the capital reluctant to move and job applicants from the north who say recruitment processes favour southerners.

Network Rail says about a third of jobs at the Milton Keynes facility will be filled by staff currently working elsewhere in the business. It anticipates that only about 100 people will breach the travel policy once alternative arrangements are made, including incentives for moving.

That is a number the union disputes. "We estimate up to another 700 staff will also fall foul of this limit," the TSSA said.

It also pointed out that the policy did not apply to workers at other Network Rail offices, such as the headquarters at King's Cross in London, where 200 staff will remain, including top-level management. Senior and middle-managers in Milton Keynes are being given greater travel-time leeway than their subordinates, with 90-rather than 75-minute limits.

Mark Thompson of the Hay Group, a management consultancy, said such disparities could prove divisive and add long-term costs. He added that while many companies try to demand that employees live close to work, it is a difficult policy to enforce. "If you apply discretion, you'll open yourself up to everyone wanting that."

Printed from: http://www.ft.com/cms/s/0/3ef0df62-5713-11e1-be5e-00144feabdc0.html

Print a single copy of this article for personal use. Contact us if you wish to print more to distribute to others.

© THE FINANCIAL TIMES LTD 2012 FT and 'Financial Times' are trademarks of The Financial Times Ltd.