

Discover

bagels
plant-based
berries

Ocado



Marmite
broccoli
sub NMW pay
no holiday pay
long hours
exploitation
bacon

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IWGB Ocado Report: 8th Sept 2021

A summary of pay and conditions preceding our campaign at Ocado...

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1. Introduction

The IWGB has been organising couriers since 2015. It began organising couriers at the Ocado site in West London in late 2019/early 2020. Our members there have, despite relevant court rulings, been bogusly classified as independent contractors - a classification that intends to deny them any employment rights that they might otherwise enjoy under the Employment Rights Act, the Equality Act, or the Trade Union and Labour Relations Consolidation Act. Such rights include, as a worker, entitlement to be paid not less than the national minimum wage, statutory holiday pay, pension auto-enrolment, trade union rights and protection from discrimination. They are also denied the rights of an employee which include those of a worker, plus statutory sick pay, the right not to be unfairly dismissed, redundancy pay and consultation, parental leave and other benefits.

Regardless, our members have decided to unionise and fight for justice. A key tenet of their demands is to remain self-employed (on Limb B worker contracts) for tax purposes because they have considerable investment to pay off related to their vehicles - more on this later...

2. Chronology of events

1. **November 2018** - Stuart Delivery starts contract at Ocado
2. **21st August 2020** - IWGB writes to Stuart Delivery regarding issues of unlawful deduction of wages and the misclassification of couriers
3. **26th August 2020** - IWGB writes to Head of Ocado Zoom, George Dean, regarding issues affecting couriers including misclassification of employment status, underpayment and whistleblowing
4. **27th August 2020** - Head of Ocado Zoom, George Dean, writes to IWGB acknowledging receipt of correspondence

5. **7th September 2020**- Head of Ocado Zoom, George Dean, writes to IWGB explaining *"We have now discussed your concerns internally and will be raising these issues directly with Stuart and also Ocado Group. Please be assured Ocado Retail requires all contractors, suppliers and other third parties to operate in a legal and ethical manner."*
6. **September 2020** - The first agency worker driving a van starts at the Ocado Zoom depot.
7. **26th October 2020** - Stuart Delivery contacts drivers saying there will be more work available if you are in an e-vehicle. Many drivers invest in order to get more work.
8. **13th November 2020** - IWGB writes to all Ocado board members outlining malpractice of Stuart Delivery and Ocado's complicity in issues such as misclassification of employment status, underpayment, unfair and arbitrary terminations of workers.
9. **Early 2021** - Ocado Zoom launches PR claiming to be moving to zero emissions vehicles. Ocado began with agency workers using green vehicles but soon turned to Diesel run vans who are still there today. No green vehicles remain apart from the vehicles the IWGB members invested in.
10. **14th June 2021** - Ocado start trialling Ryde at the Ocado Zoom depot
11. **30th July 2021** - IWGB writes to Head of Ocado Zoom, George Dean, to request a meeting to discuss ongoing issues.
12. **13th August 2021** - Meeting between Ryde, IWGB and workplace reps. Ryde acknowledges pay issues and agrees to contact Ocado about it.
13. **21st August 2021**- Observer publish article titled *"Ocado drivers 'paid less than £5 per hour'"*.
14. **23 August 2021** - IWGB writes to Ocado Board inviting them to negotiate around member demands.
15. **27 August 2021** - Members vote to ballot for a strike if Ocado chooses not to engage with them.
16. **31st August 2021**- Rupa Huq, Member of Parliament for Ealing Central and Acton, visits Ocado Zoom depot and throws support behind workers.
17. **3 September 2021** - In a blog post they later delete, Ocado advertises 'in-housing' of all delivery jobs at the Acton depot by October. The jobs are to be outsourced to an agency called Jobandtalent.

3. Negative Impact of Ryde on Working Conditions

1. Reduced payment per job/slot (more details overleaf) - here is a summary of the drop compared to last year's earnings of one member:

April 2020 3970.75
May 2020 3967.89
June 2020 3978.84
July 2020 3623.47
August 2020 2991.97

April 2021 2236.72
May 2021 1859.76
June 2021 1891.28
July 2021 1424.52
August 2021 465.28

April decrease 43.7%
May decrease 53.1%
June decrease 52.4%
July decrease 60.7%
August decrease 84%

2. Ryde's app gives unclear instructions: detailed routes for delivery have disappeared since Ryde took over, resulting in inefficiencies, confusion and time-wasting.
3. Ryde's app does not make a sound when jobs are sent out so workers have to constantly keep an eye on their phones. This is very dangerous when driving.
4. Ryde operates an unfair process around terminations that has led to workers being fired without due process (such as the right to appeal).
5. Increased order sizes leading to dangerously heavy loads that have caused workers work-related injuries.
6. Ryde is not transparent about how it allocates shifts, which means workers are unable to get shift work and instead are forced to rely on ad hoc jobs.
7. Ryde is also unfair and opaque with regard to its job distribution. Some workers wait hours for any jobs while others receive them more frequently.

It should be noted that a small number of these issues have been improved since the workers got organised, unionised and submitted collective complaints!

Ryde has increased pay twice in the last few weeks and the app now makes a noise when jobs come through, however pay is still much lower than it was before and the company remains adamant that workers shall remain classified as 'independent contractors'.

Since Stuart Delivery has continued to ignore the law, denying our members basic employment rights, and having failed to rectify its business model, it now faces [a tribunal brought by the IWGB on behalf of at least 100 of its members](#). Throughout all of this, Ocado continues to outsource to Stuart.

In 2021, Ocado began using agency drivers to fulfil a large portion of orders at its Zoom site in West London. Alongside this, Ocado also began to engage another app called [Ryde](#) at the West London site without consultation with Stuart riders. As the volume of work available to riders on the Stuart app reduced, drivers have been forced to sign up and work for Ryde to try and make a living. This is despite pay and working conditions at Ryde being significantly worse than they were at Stuart. The vast majority of orders were only available on this new app. Our members had to sign up to Ryde in order to keep their jobs and attempt to maintain their incomes, but due to plummeting pay and worsening conditions, many workers have been forced to stop working at the depot, finding they were better off working for the hyper exploitative gig economy employers Deliveroo and Uber. Workers have requested from Ryde that they provide Limb B worker contracts, and improve pay, and while pay has risen slightly on two occasions lately, they have refused to provide workers' rights, saying instead that riders shall remain as Independent Contractors.

In the Union's reasonable opinion:

1. Ocado have **failed to do their due diligence on their subcontractors** Stuart and Ryde, both of which rely on the bogus employment classification of "independent contractors", which neither company intends to change;
2. Since Ryde is quite a new company, it has yet to be taken to court to challenge the classification of its fleet. However, there **is sufficient evidence that riders meet the statutory test** - any employment lawyer would be able to see that **Ryde do not have an arguable defense to a status challenge and are acting unlawfully**;
3. Ocado have **only responded to allegations published in the Observer via a Blog Post**, which has recently [been updated](#) to say that Ryde investigated itself and found it had done nothing wrong;
4. Despite stating in the Blog Post that Ryde have fully investigated the allegations and concluded they were untrue, workplace reps are still being contacted by Ryde as they continue to investigate, **something that the IWGB perceives to be conduct designed to deter our members from continuing their campaign**;
5. At the time of publishing, **Ocado have not officially responded to the IWGB** or its invitation to negotiate;
6. On 3rd September, without consulting our members or ensuring they are consulted by Ryde or Stuart, **Ocado announced they will entirely end the use of third party courier companies in October**, via a poster in the West London site, that was perceived as, in effect, a vague and threatening termination notice, that could expire in less than 30 days;

7. On 3rd September, without consulting our members or ensuring they are consulted by Ryde or Stuart, **Ocado advertised that its agency partner 'Job and Talent' is now recruiting drivers to work at the West London site.** This appears to be an unofficial TUPE transfer, from a courier company to an Employment agency. However no reference has been made to the TUPE regulations, no consultation has been planned, and it appears that Ocado are seeking to avoid the TUPE process altogether by firing and rehiring the same workers on terms that are wholly different to those that they demanded.

Work for Ocado Group

We're hiring drivers for Ocado Zoom

We're Hiring - Apply now

- We are **currently recruiting** for Zoom drivers via our agency partner Job and Talent. These jobs have flexible hours and we pay £10.85 per hour (current London Living Wage). **To apply visit: jobandtalent.com/uk.**
- We are **welcoming applications from drivers engaged via third parties** who already make deliveries for Ocado Zoom
- All of our agency colleagues, whether you work in our warehouse or deliver shopping, will have the **option to transfer to us permanently in the near future on a variety of roster choices** (full-time, part-time and fully flexible) on the current London Living Wage. If your circumstances change **you can swap between contract types** easily
- We will share more details about this in the coming days

Great benefits and opportunities

- If you choose to transfer and join Ocado Group as an employee you have **access to the following benefits:**
 - Uniforms, delivery vehicles and motor insurance
 - Ocado Pension
 - Life Assurance
 - Employee Assistance Programme
 - Digital GP
 - Free Shares
 - Holiday Purchase Scheme
 - Season Ticket Loan
 - Staff Discount of 15% on ocado.com
- **Ocado Group are also recruiting for other roles** across London, including van drivers at our Park Royal spoke. These can be viewed at ocado.com/careers
- As we continue to increase the amount of deliveries we make in-house **we will start to reduce the amount of orders we send to our existing third party courier companies.** We will stop using these services entirely in October
- Ocado recognises Usdaw as the trade union it consults with on behalf of its hourly paid employees. Therefore, as an hourly paid employee, you will be included in this unit for collective bargaining purposes. This is separate from trade union membership.

For questions please email zoomtrading@ocado.com

ocado GROUP

Photo taken in West London Site: 3rd September 2021

*Last but one bullet point reads: "As we continue to increase the amount of deliveries we make in-house we **will start to reduce the amount of orders we send to our existing third party courier companies.** We will stop using these services entirely in October."*

HOW OCADO WORKS

OCADO ZOOM TO WELCOME NEW DRIVERS

Views 24

At Ocado our delivery drivers are the heart and soul of our business. We recognise this and strive to ensure Ocado is a place where our drivers want to make a long-term career.

It's for this reason that over the past year we have been building up our delivery team at Ocado Zoom, our immediacy service which currently runs from a single site in Acton, west London (which currently is c1% of our home deliveries). Today over half of orders delivered by Ocado Zoom are made by directly employed drivers, with the rest fulfilled by third-party delivery partners.

Today we've announced that we're moving into the final stages of recruiting our Ocado Zoom Acton delivery team. As part of this process, all drivers currently working for our third-party suppliers are being offered the opportunity to work directly for Ocado with a range of market-leading benefits (including ~~pension, share scheme~~ and

PREVIOUS POST

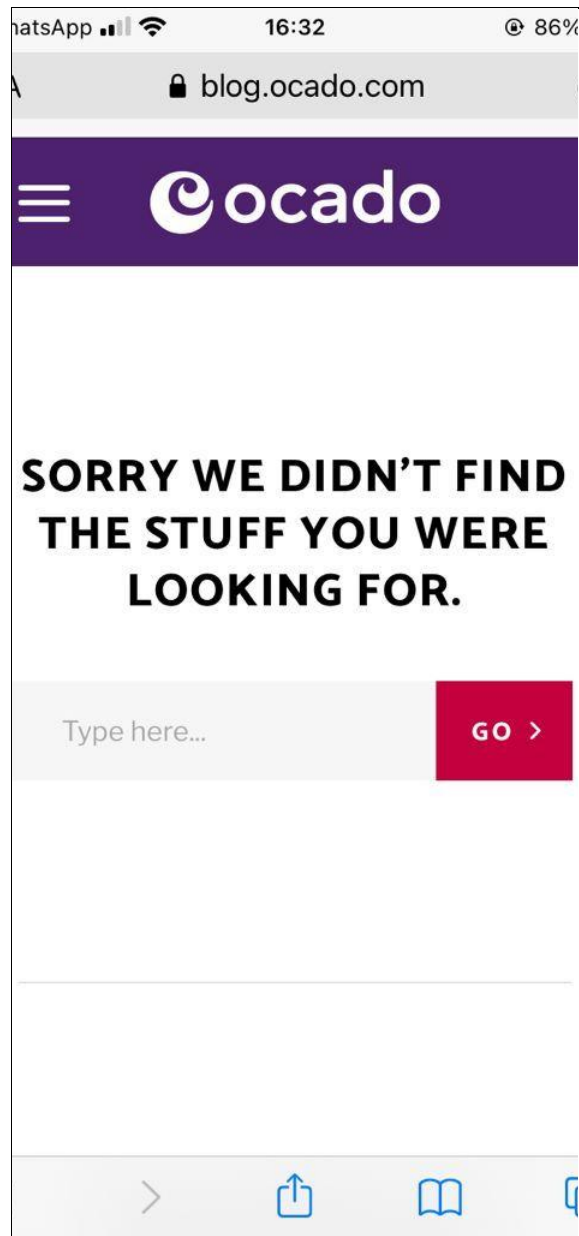
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We look forward to welcoming our new drivers to the Ocado Zoom team and continuing our focus on delivering a market leading on-demand service to our customers.

PREVIOUS POST

Ocado Blog Post Published (and removed): 3rd September 2021



On 3rd September, following the publication of the blog post, our members sought clarification from Ryde and Ocado but have yet to receive any more information. Later in the day they noticed the blog was no longer available.

5. Members' demands

Improve Pay and Conditions by...	Progress so far - based on the 3rd Sept poster...
Ocado to bring couriers in house on limb b worker contracts	✗ Ocado announced Agency is hiring on employee contracts
Trade Union recognition	✗ Ocado announced it recognises USDAW
Pay of £16 per hour (plus costs) guaranteed with bonuses during busy periods	✗ Ocado announced pay will be £10.85/hour
Workers to either work shifts or free log in	⚠ Ocado have announced contracts can be full time, part time or fully flexible (details unknown)
Fair and clear process for the handling of grievances and disciplinaries (complaints and terminations)	🧑 Details Unknown
Clear and regular communication from the company regarding any changes made to working conditions	🧑 Details Unknown
Support for people who become pregnant	🧑 Details Unknown, but statutory minimums would be legally enforceable
Properly functioning app (e.g. phone ringing when a job come through)	🧑 Details Unknown
Fair Job distribution	🧑 Details Unknown
Proper job weight monitoring (couriers currently carrying dangerously heavy loads)	🧑 Details Unknown (Ocado had published a blog on this, stating that jobs will not exceed 12kg in weight but it was quickly deleted)
Break times to ensure safe working conditions	🧑 Details Unknown, but statutory minimums would be legally enforceable
Access to osteopath/health care for job related injuries	🧑 Details Unknown, but statutory minimums would be legally enforceable
Designated parking and charge points for workers	🧑 Details Unknown, but it appears that workers would no longer use their own vehicles, and instead use company vehicles
Communal area for eating/prayers/rest breaks	🧑 Details Unknown, but statutory minimums would be legally enforceable
Fully manned rider support for all working hours	🧑 Details Unknown

6. What Ocado should do

It is important that Ocado recognise the impact of their decision making, and realise that trying to rush through a fire and rehire by third parties, reflects as badly on their brand as outsourcing does in the first place. They also need to recognise that our members have sacrificed a lot over the last 18 months and have not compiled their demands out of thin air. As we explained in our letter dated 23rd August, our members would like to be on Limb B contracts, primarily because they have already purchased and maintained their vehicles in order to work for Ocado. It is a significant outlay and in some cases, debt, to take on, and to now force drivers to use company vehicles will mean that drivers can no longer pay off their vehicles, many of which are electric, and bought at the request of Ocado.

If Ocado are serious about making Ryde and Stuart Delivery couriers employees, then they must directly employ them, not engage an agency or other third party, and uphold their rights under the TUPE Regulations 2006, which is legislation designed to protect workers during transfers and service provision changes. If Ocado insists that the couriers become employees, then Ocado must fund and facilitate a scrappage scheme for the 'green vehicles' that they requested workers switch to and compensate workers for any debts they have incurred as a result (see email screenshots on page 11). Ocado must ensure that these key workers suffer no detriment while transitioning to a more lawful mode of employment.

Ocado should immediately:

- 1. Suspend the 3rd September announcement and ditch the October deadline;**
- 2. Arrange emergency talks with the IWGB so that the details of the transfer may be agreed in line with the relevant legislation and the timeframes therein;**
- 3. Arrange emergency talks with the IWGB so that the details of the contractual changes may be agreed in line with relevant legislation and the members' demands;**
- 4. Ensure that their contractors abide by the TUPE regulations 2006 and that no driver shall suffer a detriment as a result of the transfer(s).**



Going green at Ocado 🌱

At Stuart, we're passionate about sustainability and minimising the environmental impact of our deliveries. We know that our fleet can have a real impact on air pollution and carbon emissions in our city.

That's why we're taking steps to make our deliveries greener.

We'll soon be offering additional slots for couriers with green vehicles. And as our green fleet grows, we'll increase the number of green slots available.

What does this mean for me?

We will soon be adding extra slots which you can access if you use a qualifying green vehicle.

In future, we will be increasing the number of green slots available by replacing some of our regular slots. We will be working with

**Ocado - Your Green Vehicle interest!** 🚗 ✅

Hi Stuwies! 🌟

You have expressed interest in switching your vehicles at Ocado... that's great news! 🚗 ✅

We will be adding green slots for cars very soon! In order to be eligible for these we must have evidence that your vehicle is insured and meets the 'clean vehicle discount' requirements.

Please may you:

1. Reply to this email with proof of your 'cleaner vehicle discount' via screenshot.
2. Ensure your insurance is update to date.

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As a reminder, green cars must meet the below requirements. In most cases this is a **Plug-In Hybrid or Full Battery Electric Vehicle**:

- Meets the Euro 6 emission standard
- Emits less than or equal to 75g/km of CO2
- Has a minimum 20 mile zero emission capable range

Please let us know when you have switched your vehicle by responding to this email with your updated registration number & cleaner vehicle discount and/or updating [the registration form!](#)

Thank you, 😊

Team Stuart

Emails from Stuart on the introduction of green vehicles at Ocado. Ocado's brand has benefited from the workers paying out of pocket for green vehicles and should ensure they are paid back if Ocado now imposes use of company vehicles.