

PAY 2008

A GOOD DEAL IN THE ROUND

Following on from the last three year deal, which has proved the most successful across the industry over the period, the Barclays National Company Committee are recommending to members the acceptance of the latest offer.

The key highlights of the improved offer include.

- Three year deal with RPI inflation plus 0.9% spend per annum
- Guaranteed pay rises for all A-C performers within the matrix system
- New underpin at 90% of market rates for A-C performers after 2 years
- Renewed commitment on pay transparency for B4-B6 and equivalents

Chair of the BNCC Tim Harper says

'This is a market leading deal for our members and sets us apart from the pay constraints being imposed across other industries and will maintain our leading position on pay within finance. The real breakthrough is for those 40, 000+ members of staff covered by the matrices who are now guaranteed a pay rise for A-C performance, which means thousands more will get some form of a pay rise.'

Keith Brookes, Unite National Secretary says,

' This pay deal is the result of tough negotiations over the past 3 months, we have achieved much of what our members asked us- an inflation plus pay pot, and a significant reduction in zero pay- only poor performers will not receive a pay rise and no strings attached.'

THE FULL PACKAGE

The 3 year deal will commence from the 1 April 2008, with a guaranteed pay spend of the average RPI for Aug-Oct + 0.9% subject to a maximum of 5% (if inflation rises above this figure then we have a commitment from Barclays to consult again).

Working for you in Barclays

Keith Brookes, National Secretary

PAY MATRICES for B1-B3 and IT 4-8

The following standard matrices will apply, guaranteeing pay rises for all A-C performers.

	<95%	95%-105%	>105%
A	RPI+	RPI+	RPI/RPI-
B	RPI+	RPI+/RPI	RPI-
C	RPI+	RPI	RPI-
D	0	0	0
TSTR	TBC	TBC	TBC

We have agreed flexibility across the matrices by +/- 20% subject to minimum spend of inflation to any one group. Existing job families and groupings within the matrices stay the same, although Barclays did seek to move IT4/5 staff out of the matrices.

PAY POT for B4-B6 and IT3 (B4 – B5 in Wealth and BPCI)

The RPI + 0.9% pay formula will be the pay pot for distribution by line managers in line with the pay principles and market data.

The following has been agreed on the communication of market data.

TRANSPARENCY OF MARKET DATA

- Barclays agrees to issue a communication to all B4-B6 and IT3 employees to state that the line manager will provide them with the market data for their role as part of their annual pay review discussions.
- Unite (Amicus section) agrees to issue a similar communication to all employees to tell them that market data should be provided.
- Market medians for B1-B4 and IT4-IT8 and annual salary increases applying to B1-B3 and IT4-IT8 will be published on the intranet.

QUICKER PROGRESS TO MARKET RATE

Unite negotiators sought during the talks to agree over the period of the deal a move of pay minima to 90% of market rates, however, in the end, in view of the overall deal the following position was accepted, which will have the biggest impact at B3 and above:

- Where an employee has an A-C performance development rating and a minimum of 2 years' service at the same grade at 1 April, a minima of 90% of the market median for the relevant grade /matrix grouping will apply at the annual salary review (rather than the 85% grade minima). For B1-B4 and IT4-IT8 this represents 90% of the relevant market median of the employee's current matrix grouping/job family. For B5-B6 and IT3, this will be

calculated with reference to the grade minima and will guarantee those employees a new salary of at least 105.88% of the grade minima. This clause will be implemented for all the annual salary reviews covered by this Agreement (ie 1 April 2008/2009/2010), taking into account service prior to those dates.

PAY PRINCIPLES

Base salaries reflect role, market data and relevant skills of the employee.

Base salaries are set at a level to support market competitive total compensation; normally this will mean targeting base salary at or around the median of the relevant market.

Increases in base salaries will be considered on the basis of performance and changes in the employment market, with a focus on accelerating lower paid but higher performing employees towards market rates.

Performance is rewarded primarily through bonuses or other short term incentive plans. These arrangements differentiate based on performance.

Employees with D performance ratings are not eligible for a salary increase or a bonus.

BPCI STAFF and Other BARCLAYS STAFF IN CHANNEL ISLANDS AND ISLE OF MAN and GIBRALTAR (The Islands)

For BPCI staff, a comparable agreement on pay is being recommended. The following applies to all staff on the islands:

- i The RPI + 0.9% will use each islands retail price index
- ii Matrices will not apply to the IT graded population on the Islands because this population is too small to make operation of a matrix practical. For the IT graded population, nominated line managers will make recommendations on the allocation of the annual salary increase spend for that grade within the context of the Pay Principles and with reference to relevant market data. Matrices will continue to apply to employees in grades B1 to B3.

BALLOT OF MEMBERS

The following staff are covered by this pay deal and if you are a member you will be balloted:

- a. GRCB and Group Centre UK employees: grades B1-B6 and IT3-IT8;
 - b. Barclays Wealth UK employees: grades B1-B5 and IT4-IT8 (or equivalent Executive titles), as well as employees in the Channel Islands, the Isle of Man and Gibraltar (collectively, the Islands)
 - c. Barclays Asset Finance: B1-B5 and equivalents.
- copies of the full draft agreements are available on Unite the union website, Finance sector, Barclays section at unitetheunion.com

**YOUR BARCLAYS NATIONAL COMMITTEE IS RECOMMENDING
THAT YOU VOTE YES**

**PLEASE RETURN YOUR BALLOT PAPER IN THE ENVELOPE PROVIDED
TO ARRIVE BY 29 OCTOBER 2007**