

Pay 2011 – And so to ballot

Unite has concluded talks with NAG on the terms of the pay deal for 2011 after a tough round of negotiations. The deal includes a salary pot of 2% for Groups A, B and C, with flat rate payments differentiated on the basis of the performance management rating; the removal of discretionary pay for this year; an increase in the market range minimum to £12,750; and market references and ranges to be increased in line with external market benchmarking data. The terms of the deal are set out below.

Background to Pay Talks

The pay talks took place this year against the backdrop of economic uncertainty following the upheaval of the last two years when markets were in turmoil and UK banks were bailed out by the government using taxpayers' money. In the UK the coalition government has just announced a package of cuts which are the most serious this country has faced in a long time, totalling £81bn over four years with projected job losses of 500,000. The expectation from the government is that the private sector will generate the jobs which will deliver economic recovery. In the meantime rising unemployment, cost cutting measures and pay deals lagging behind inflation are the norm. However, the latest statistics show that the Finance sector is beginning to return to normality with a reduction in the number of pay freezes and, according to the IDS figures, the distribution of pay settlements is seeing more increases between 2 and 3%.

Unite members in NAG have continued to work extremely hard under challenging conditions to deliver annual profits to the Company of £164m. Unite has argued long and hard that you deserve an RPI increase in recognition of the VAT increase to 20% in January, rising energy prices, rail prices and basic foodstuff increases. However, the Company argued that Group D settlement levels were minimal and that they could not afford to pay more than the 2% offer finally put on the table. This offer was only conceded after 3 full days of negotiation.

Members will be able to make their views known on the settlement terms over the next few weeks when our consultative ballot goes out.

What are the terms of the Pay Deal?

- Salary pot of 2% for Groups A, B and C
- Removal of discretionary pay for this year
- Flat rate payments differentiated on performance of:
 - £820 Outstanding
 - £670 Commendable
 - £570 Fully Commendable/Developing
 - £100 Needs Improvement
- Increase in market range minimum from £12,000 to £12,750
- Market references and ranges to be increased in line with external market benchmarking data
- Equal pay audit to be carried out, concluded and items arising addressed within the year in which the salary increase applies

Unite is disappointed that the Company would not consider an RPI increase across the board as per our pay claim. Nevertheless, we have secured agreement on the other main elements of our pay claim which were aimed at removal of discretionary pay for Group Cs and an increase in the minimum starting rates to £7.00 an hour which will bring some 360 staff members up to a starting salary of £12,750. We also believed that lump sum payments were a fairer way of distributing the pay pot given its size.

Have Your Say

Ballot papers will go out to Unite members next week and we would ask you all to take the time to respond to the Union's consultation exercise. The National Company Committee in NAG considered the terms of the offer but felt they could not approve the deal without going to ballot and hearing what members have to say. The time taken to ballot may mean that the increase will not be applied in January 2011 and we would ask you to bear with us and we will try and conclude matters as soon as the ballot result is known. Your pay increase would, of course, be backdated.

Please note you will not receive a ballot paper if you have either moved home or joined NAG from another organisation and not advised us. Please contact Jan.Douglas@unitetheunion.org to update your records and she will send on a ballot paper.

Did you know you can find out more about Unite and NAG by clicking on the "my Career" tab at the top of your business unit home page. Scroll down to and click on the Unite logo. From there you can access details of Unite's Workplace Representatives.

If you wish to access the Union's newsletters, please go to www.unitetheunion.org, then click on Sectors, Finance & Legal, Unite in your Organisation, National Australia Group, where you will find the NAG newsletters including this year's pay claim.

If you have any queries, please contact:

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