



# AMICUS THE UNION FOR YOU

NATIONAL AUSTRALIA GROUP NEWSLETTER JANUARY 2007

## PAY 2007 - CONSOLIDATION AND COST OF LIVING RISES FOR NAG STAFF

The pay talks took place this year against the background of another bleak year for staff coping with understaffing, stretching targets and ongoing restructuring programmes. The end of the financial year results demonstrated that the hard work of all staff is finally paying off with the Group showing healthy signs of increased profit and prospects for the future.

We note the increasing trend within the Company for big bonus and above RPI pay increases for the minority. We believe that all staff should share in the increased profitability of the business and not just the few and will continue to campaign for equal pay and a fair distribution of the pay pot. Amicus would like to have seen a stronger commitment from management via the pay deal reflecting the efforts of all staff. We pushed long and hard for more than RPI for our members and secured RPI and above rises for 82% of staff. This year for the first time in many a long year the Company also agreed consolidation of pay for staff who are near, on or above the salary range maximum which will be of considerable benefit to many of our members. There is also good news for Grade 1 and Grade 2 staff with starting salaries up again this year to £10,750 and £12,000 respectively.

The settlement will be reflected in January pay packets except for managers in IFS, and all employees on Technology contracts or on Wealth Management salary arrangements, where the pay review will be backdated to the 1st January and paid in February pay packets.

### Equal Pay Charter

NAG has also signed up to the Amicus Equal Pay Charter which includes a commitment to a timetable to undertake an equal pay audit early next year. This is an important step for NAG and reflects the Company's recent commitment to Diversity initiatives.

### General Pay Settlement 2007 (excluding IFS G7-G9, Wealth Management and Technology)

- 3.5% pay spend.
- G1 minimum salary increased to £10,750.
- G2 minimum salary increased to £12,000.
- 1% salary range movement for all grades before the application of the matrix.
- Consolidated increase to near, on and above range maximum for first time.
- No increase for Unsatisfactory.
- Flat rate of 3.7% for Developing and New Entrants (April to September).

The final matrix agreed is as follows:

Rating	< 80	80-84.99	85-89.99	90-94.99	95-99.99	100-104.99	105-109.99	110-114.99	115-119.99	120 +
O	7	5.75	5.75	4.25	4.25	4	4	3.7	3.7	3.7
C	5	5	5	4	4	3.75	3.75	3.7	3.7	3.7
FC	4	4	4	3.75	3.75	3.7	3.7	3.7	1	0.5
NI	1.25	1.25	1.00	0.75	0.5	0	0	0	0	0
US	0	0	0	0	0	0	0	0	0	0

### IFS, Wealth Management and Technology

In IFS, Wealth Management and Technology, an overall spend of 3.5% has been agreed with market rates of pay being the guiding principle behind pay decisions. Amicus policy is to oppose this way of setting pay as we believe it is inequitable, unfair and divisive. Nevertheless, our main priority throughout the talks was to ensure that members pay is awarded on an objective and fair basis in relation to the available pot. As part of

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the pay deal Amicus secured the Company's commitment to all employees having a one-to-one meeting with their People Leader to communicate the rationale for the pay decision. In IFS and Wealth Management we also secured the Company's commitment to move to 90% of the pay zone where eligible. A key feature of all settlements is the Company's agreement to consolidate all pay rises regardless of whether the increases place employees' salaries above the RV range for Technology or Pay Zone in Wealth or above market Guide parameters in IFS.

Details of the settlement are as follows:

### **IFS G7-G9 Managerial**

Following feedback from the IFS pay review last year, we have secured the Company's guarantee that everyone involved in the pay framework will have a one-to-one meeting with their manager who will discuss the individual's pay increase and the rationale for this. There will also be an appeals process. Key features of the agreement are as follows:

- Overall spend of 3.5%.
- All salary increases consolidated.
- Guaranteed increase for Outstanding and Commendable rated employees below 'Market' (movement to 90% of 'Market' - minimum increase 2%, maximum 10%).
- Guaranteed increase for Fully Competent rated employees below 'Market' (movement to 90% of 'Market' - minimum increase 2%, maximum increase 5%).
- Guaranteed minimum increase for Needs Improvement employees of 0.5% who are below 90% of 'Market'.
- All Outstanding, Commendable, Fully Competent, Developing, Needs Improvement and New Entrants (1 April 2006 - 30 September 2006) employees eligible for a discretionary increase.
- Market rates advanced in line with external benchmarking.
- All outcomes of salary review to be communicated face to face.

Please note that the guarantees are the minimum and that all employees either below or within the market pay zone will be eligible for a discretionary increase which will be in addition to any of the above guaranteed increases.

### **Technology**

- Overall spend of 3.5%.
- 1% RV range movement.
- All increases including those above RV range maximum will be consolidated.

- All Outstanding, Commendable, Fully Competent, Developing, Needs Improvement and New Entrant (1 April 2006 - 30 September 2006) employees eligible for a salary increase.
- All outcomes of salary review to be communicated on a face to face basis.

### **Wealth Management**

- Overall spend of 3.5%.
- All increases including those above pay zone maximum will be consolidated.
- Pay zones have been advanced in line with external benchmarking.
- All Outstanding, Commendable, Fully competent, Developing and New Entrant (1 April - 30 September 2006) employees below 90% of pay zone will be moved to 90%.
- Guaranteed increase for Needs Improvement employees of 0.5% who are below 90% of pay zone.
- All Outstanding, Commendable, Fully Competent, Developing, Needs Improvement and New Entrant employees eligible for a discretionary increase.
- All outcomes of salary review to be communicated on a face to face basis.

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