

UNITE in Lloyds Banking Group



UNITE THE UNION FOR YOU IN LBG COMMERCIAL FINANCE

www.unitetheunion.com

April 2009

PAY 2009 – AGREEMENT REACHED ON PAY DISTRIBUTION

UNITE issued a newsletter in January detailing the agreement reached on the pay pot for year two of the three-year pay deal for bands 5-8. The agreement consisted of a 3% pay pot (Market Movement of 2% plus 1%) and a further 0.7% made available to bring staff at bands 8-6 to at least 90% of the Market Rate and all other staff to at least the Market Minimum who are performing to at least a 'Met Expectation' level. Your Unite pay negotiating team met with representatives from CF on the 27th March and agreement was reached on the distribution of the 3.7% pay pot, the headline figures being:

- Almost 86% of staff receiving 2% or more
- Almost 48% of staff receiving 4% or more
- Almost 72% of staff receiving 3% or more
- 33% of staff receiving 5% or more

These figures compare favourably to the Pay 2008 distribution, when the percentages for the same categories were 93%, 85.5%, 43% and 33%, with the pay pot a full percentage point higher at 4.7% compared to the 2009 figure of 3.7%.

GROUP PAY SYSTEM

Members will recall that as part of the three year pay deal agreed in 2008, agreement was reached to introduce the Group Pay Principles and supporting Pay System. UNITE has always expressed the opinion that the Group Pay System is not without its challenges and problems, but maintain that it demonstrates an improvement upon the previous CF Pay System. Under the Group Pay System members of staff that are Partially Met have the opportunity to achieve a pay rise that did not exist under the previous CF Pay System and as part of Pay 2009 an average pay award of 1.89% was awarded to staff with Partially Met ratings.

A criticism of the previous CF Pay System was the lack of progression through the pay grades. Following the pay distribution, there has been an increase in the numbers of staff paid within the Market and Market Plus Zones, a pattern that UNITE will be seeking to progress at future pay rounds. Staff within bands 8-6 will have also had their salary increased to at least 90% of the Market Rate and other grades to at least the Market Minimum, where their performance is at least 'Met Expectation'. There are 55 members of staff within grades 8-6 where their salary currently sits below 90% due their existing performance rating. Once performance reaches the level of 'Met Expectation' salaries will be increased to at least 90%. If any members who are paid below 90% disagree with their performance rating, they should follow the advice detailed under 'Zero Awards'. Under the Group Pay System the ability for members where salary sits above the maximum to receive a pay rise up to 2%, where contribution warrants, also exists.

ZERO AWARDS

The company shared high level details of the 47 zero pay awards within the band 8 to 5 population, which equates to 6.7% of the bargaining unit and represents an increase of 29 from the figure of 18 in 2008 which represented 2.5% of the bargaining unit. Within these 47, 12 were Met Expectation, which is a small increase on the 9 in Pay 2008. The other 35 were either Partially Met (21), Not Met (11) or recently joined the organisation (3). Commercial Finance are of the opinion that the 47 are paid at the correct level and in line with their overall contribution, however the company will review the salaries of the 20 staff who are currently paid below 90% when performance reaches at least 'Met Expectation'. If any members are unhappy with and disagree with their zero award or any member is dissatisfied with their performance rating and/or pay rise, the matter should be directed in the first instance towards your line manager, however if this is unsuccessful and you are still not satisfied, you should contact one of your Unite Reps or the helpline on 08081 449595 to discuss raising a grievance against either your rating and/or pay award.

UNITE COMMENT

In light of the size of the pay pot and based upon the figures and detail provided by the company, Unite was able to give agreement to the distribution of Pay 2009. The view was taken by your Unite negotiating team that in the current climate, Pay 2009 represented a reasonable deal for members. When agreement was reached with the company on a three year pay deal last year and an initial 2008 pay pot of 4.7%, the Retail Price Index (RPI) for January 2008 was 4.1% compared with the January 2009 figure of 0.1%. This figure does not represent the full picture though, as RPI remained high throughout 2008 until the latter months, which was why it was crucial to secure the largest pay pot possible to ensure that member's salaries kept up with rising prices. Despite reaching agreement on pay, Unite remains concerned at the number of Partially Met and Not Met performance ratings, representing just over 16% of the bargaining unit, this issue will continue to be raised with the employer and members unhappy with their rating should follow the advice detailed in this newsletter.

FEEDBACK

If any members have any feedback, both positive and negative regarding the pay agreement or any other issues, please contact one of your Unite representatives, the helpline or Stuart.Davies@unitetheunion.com.

NOT A MEMBER?

Join Unite – Amicus Section today for the unbeatable amount of £5.77 per month for full time staff or £3.17 for part time staff, in addition you will receive the first three months membership completely free. Contact the helpline for further details or one of the CF reps.

WORKING FOR YOU IN LBG COMMERCIAL FINANCE

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