

Glasgow Contact Centre: Pay Analysis

The Facts Fair Pay Now LTU's Pay Proposals For Glasgow Contact Centre

LTU is pressing the Bank for substantially improved pay levels for staff working at Glasgow Contact Centre.

In its previous Newsletter on pay at Glasgow Contact Centre, the Union was able to show that pay arrangements are significantly flawed and that as a result Agents are paid considerably below average call centre salaries across the UK.

In particular, LTU's research showed that:

- The Bank is comparing the salaries of Glasgow Agents against those in 'smaller jobs' in other Call Centres. As a result, LTU believes that the pay rate for Effective Level 1 is at least £1,750 (13.5%) less than for comparable jobs across the UK, and £2,302 (15.6%) below for Effective Level 2.
- Only 12% of Agents at Glasgow Contact Centre have so far reached Effective Level 2. This means that 88% of Agents are not being paid at or above the Market Indicator, despite the fact that according to Bank Policy this is the 'rate for the job' for a fully satisfactorily performer.

Further analysis of local pay levels and cost of living in Glasgow also clearly shows that considerable salary increases are needed; both for Agents and Clerical Staff. In particular, LTU's research has found that:

- The cost of living in Glasgow is, according to research by the Reward consultancy, 11% higher than in Sunderland where LTSB also has a Contact

Centre. There can be no excuse, therefore, that the Clerical Band 8 Market Indicator for Glasgow staff is presently just £11,000 but in Sunderland £12,100. and the Agent Effective Level 1 Market Indicator in Glasgow just £300 more.

To provide an equivalent standard of living, the Glasgow Local Market Indicators for Clerical Staff would need to increase to £13,431 for Band 8, then moving the Band 7 rate to £15,431.

- A leading salary research organisation, Industrial Relations Services, has reported that Median (average) call centre salaries in Scotland, for jobs equivalent to LTSB's Effective Levels, are as follows:

How Good Is Pay At Glasgow Contact Centre?		
	<u>Scotland Average</u>	<u>Glasgow Contact Centre</u>
Trainee/Entry Salary	£11,822	£10,750
Effective Level 1	£12,425	£11,250
Effective Level 2	£14,498	£12,500

In fact, the average Call Centres salaries for Scotland undoubtedly understates salaries paid in Glasgow since this is based on July 2002 figures and includes areas of Scotland where salaries are undoubtedly less competitive.

Campaign For Fair Pay Now

LTU is campaigning for Fair Pay for staff working in Glasgow Contact Centre.

The Union is insisting that pay levels for all staff at Glasgow Contact Centre - Agents and Clerical Staff must take full account of all the following factors:

- **Average salaries in UK Call Centres.**

LTU's research has found that not only is the Bank failing to adequately do this, but that it is even comparing salaries in its own Contact Centres with those of staff in lower size jobs in other companies.

- **Average salaries for Call Centre Staff working for other companies in the Glasgow area.**

Again, LTU has found that LTSB salaries for Agents are completely failing to do this. An Agent at Effective Level 1 in Glasgow is currently paid just £11,250, whilst the average for Scotland as a whole - which undoubtedly understates levels for Glasgow - is £12,425.

- **Higher cost of living in Glasgow compared to other areas where the Bank has Contact Centres, such as Glasgow.**

By taking the Band 8 Market Indicator for clerical staff at each Contact Centre in turn, and looking at what Glasgow Contact Centre clerical staff would need to be paid to compensate for the difference in cost of living, produces the following Band 8 pay rates:

- Compared to Bridgend* £13,444
- Compared to Newcastle £12,826
- Compared to Newport £13,522
- Compared to Sunderland £13,431
- Compared to Swansea £13,888

To take account of the cost of living of clerical staff at Glasgow, relative to the average for colleagues working at the Bank's other Contact

Centres, would justify (based on 2002 figures) the following clerical Market Indicators for Glasgow:

	<u>2002</u>	<u>Adjusted</u>
• Band 8	£13,422	£13,574
• Band 7	£15,422	£15,574

The adjusted figure, which LTU believes is the amount Glasgow Contact Centre Local Market Indicators is set at, is based on the Bank's proposed changes to local salaries at the Bank's other Contact Centres.

It cannot be in the Bank's interest either to refuse to introduce significant increases of pay for Agents and Clerical Staff at Glasgow Contact Centre.

Levels of pay undoubtedly have a substantial impact upon the effective running of the Glasgow Contact Centre. The efficiency, effectiveness and standard of customer service provided by its Contact Centres is undermined by high levels of staff turnover and attrition. No-one can realistically deny the fact that low pay and recognition are key contributors to these exceptionally high levels of staff turnover and absenteeism.

Furthermore, the Bank needs to decide upon the calibre and qualities of staff it requires at Glasgow Contact Centre. Though it might be able to recruit at current low pay levels, it is failing to retain staff and will undoubtedly suffer if it refuses to offer the salaries required to recruit and retain the right type of staff.

LTU's Proposals For Glasgow Contact Centre

LTU has no doubt whatsoever that substantial increases in pay are required at Glasgow Contact Centre if the Bank is to provide 'Fair Pay Now'.

The Union's proposals for achieving 'Fair Pay Now' at Glasgow Contact Centre are as follows. The Bank must:

1. **Introduce significant increases in pay across Glasgow Contact Centre to ensure that staff are genuinely paid the 'rate for the job' and sufficient to match the standard of living possible for staff in other Contact Centres.**

LTU's proposed pay rates for Glasgow Contact Centre are - based on LTU's detailed research - therefore as follows:

LTU'S PAY PROPOSALS - GLASGOW CONTACT CENTRE		
	<u>2002</u>	<u>Proposed</u>
Agent - Entry Level	£10,750	£12,425
Agent - Effective Level 1	£11,250	£12,925
Agent - Effective Level 2	£12,500	£14,998
Agent - Effective Level 3	£14,375	£16,531
Clerical - Band 8	£11,000	£13,574
Clerical - Band 7	£13,000	£15,574

In the case of LTU's proposals for Agents, these are based on average salaries in Scotland, and then

adjusted by an additional £500 to take account of the more competitive labour market in Scotland and salary movement since July 2002 when this research was collated.

2. **Reintroduce a Band 7 Agent Role across all Contact Centres to which all staff meeting the criteria for Effective Level 2 should be automatically moved. The Bank should also overhaul the Effective Levels arrangements to ensure that at least a third of all Agents can expect to be at this Effective Level at any one time.**

3. **Not only significantly increase pay rates, but also set the pay for Effective Level 1 at 100% of the Market Indicator, rather than continuing the practice of automatically paying staff at this level just 90% of what they should be entitled to.**

LTU believes that only by adopting all these measures can staff be assured of not only being paid fairly but also in accordance with the provisions of the Bank's own Pay Policy.

Time To Join LTU

LTU is the only trade union with the commitment, experience, resources and professionalism to effectively campaign for 'Fair Pay Now' all staff at Glasgow Contact Centre.

Because of LTU's long track-record for providing staff working in Contact Centres with superior support, it is therefore hardly surprising that most staff are members of LTU.

But the Union needs the maximum possible support of staff if it is to succeed in its campaign to achieve 'Fair Pay Now' for staff. That is why

it is important that all remaining non-members join LTU straightaway.

It is also important that more members from Glasgow get involved in the Union's activities. That is why LTU would welcome any feedback from members and to hear from anyone interested in contributing more within LTU. Any members interested in doing so should either right to LTU's Bedford Office, email Steve.Tatlow@ltu.co.uk or telephone 01234 262868.

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NB * No specific Bridgend figure available, so based on average between Cardiff and Swansea.