

Newcastle Contact Centre: LTU Demanding Better Pay

The Facts

**Fair Pay Now
For Newcastle
Contact Centre**

Time To Join LTU

LTU is demanding better Pay Levels and operation of Effective Levels arrangements for staff working in Newcastle Contact Centre.

Research carried out by LTU has found that Pay Levels within Newcastle Contact Centre fall well short of the Bank's own official Pay Policy and that they are insufficient to provide staff with an acceptable standard of living.

LTU is therefore pressing the Bank to introduce substantial increases in the Local Market Indicators and significant changes to how the pay of Contact Centre Agents is managed.

The Union's research has found that:

- **Less than 1% of Newcastle Contact Centre Agents are 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. This means that what the Bank itself considers to be an average salary elsewhere in the Newcastle area has not been achieved by 99% of Contact Centre staff.**
- **Though the Bank has said that it is committed to paying staff at the Market Median (midpoint),**

it is failing to do this. According to the leading salary research organisation, Industrial Relations Services, Newcastle Contact Centre salaries compare with UK Industry Averages as follows:

How Good Is Pay At Newcastle Contact Centre?

	<u>Industry Average</u>	<u>Newport Contact Centre</u>
Trainee/Entry Salary	£11,400	£10,400
Effective Level 1	£13,000	£10,900
Effective Level 2	£14,802	£12,100

The Industry Averages are for June 2002, and LTU understands that average pay rates have increased further since then, justifying even higher pay rises.

With levels of Pay in Contact Centres so low, it is hardly surprising that the Bank is suffering from uneconomically high staff turnover and absenteeism as morale undoubtedly suffers. In fact LTU believes that Pay Increases could pay for themselves through contributing to reduced staff turnover and absenteeism.

Effective Levels Not Working

Ever since the Bank first announced its plans to introduce Effective Levels within Contact Centres, LTU has expressed serious concerns over the operation and effectiveness of the arrangements.

LTU's main concerns over the operation of Effective Levels are that:

- **The Bank should never have scrapped the Band 7 Agent role, since as a consequence many staff are starved of career development, promotion and formal recognition.**

The withdrawal of the Band 7 Agent position has also contributed to additional pressures on Team Leaders and some Agents being expected to perform higher graded duties 'on the cheap'.

- **Only a tiny minority of staff - less than 1% of Agents in Newcastle - are reaching Effective Level 2. For most staff this means that, for all intents and purposes, Effective Levels 2 and 3 do not exist.**

Most Agents are therefore failing to progress any further than Effective Level 1; or else being left with no option but to resign from the Bank to achieve better pay and recognition.

- **When setting pay, salaries at Newcastle Contact Centre are bench-marked against 'smaller' jobs**

elsewhere.

Contact Centre Management's declared pay policy, like the Bank generally, is to pay its staff at the Median (middle) of its chosen market in base salary terms.

When it comes to setting pay levels for staff, Contact Centres compare Effective Level 2 salaries with the average salaries in the local markets in which it operates. Effective Level 1 salaries are then set at 90% of the new Effective Level 2 (100%) salaries.

The fact is, however, that many staff fail to reach Effective Level 2. For the 99% of staff who haven't, this means that staff are automatically receiving just 90% of the rate for their job.

To make matters even worse, LTU's analysis on the front page shows that the Market Indicator for Newcastle is in any case set far too low, being £2,702 short of average pay for similar jobs across UK Call Centres.

It is essential that if the Bank is to retain and motivate its staff then it must make important improvements to salaries and how the Effective Levels arrangements operate.

Campaign For Fair Pay Now

LTU believes that Newcastle Contact Centre Staff should no longer be expected to tolerate a situation where their pay is managed too low and they are faced with few opportunities to achieve meaningful career development, promotion or recognition.

It cannot be in the Bank's interest either to maintain the status quo, where 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.

LTU is therefore insisting that the Bank must:

1. **Introduce significant increases in pay across Newcastle Contact Centre to ensure that staff are genuinely paid the 'rate for the job'. This should be funded by a substantial investment of additional funds over and above any budgets for pay increases across the rest of the Bank.**
2. **Reintroduce a Band 7 Agent Role 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 already represents the majority of staff working at Newcastle Contact Centre.

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.

Staff at Newcastle Contact Centre can count on LTU

to campaign effectively on their behalf. In fact, only LTU has the resources, knowledge, commitment and experience to effectively represent Contact Centre staff.

To assist LTU in successfully campaigning for 'Fair Pay Now' for Newcastle Contact Centre Staff' it is essential that all remaining non-members join the Union straightaway.

STEVE TATLOW
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