

Brighton Card & Credit Operations: LTU Demanding Better Pay

The Facts

**Fair Pay Now
For Brighton Card
& Credit Staff**

Time To Join LTU

LTU is demanding significantly improved Pay Levels for all staff working for Card and Credit Operations in Brighton.

Research by LTU has found that Pay Levels at Card and Credit Operations in Brighton 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 to ensure Brighton Staff are fairly paid.

Perhaps the most striking reason why pay in Brighton should be substantially increased is the Bank's very own claims that it is having problems recruiting and retaining the right type of staff in Brighton. This has been one of its key reasons for claiming that it needs to outsource Group Operations work to India. The Bank typically claims that Local Market Indicators are driven by recruitment and retention pressures ... but in the case of Brighton seems to be ignoring this logic.

The Union's research provides very clear indications for why Group Operations is unable to recruit and retain the right type of staff, in particular finding that:

- **The cost of living in Brighton is substantially higher than most other parts of the Bank. This is made**

clear when comparing the relative Local Market Indicators and Cost of Living between Brighton and Bristol, where the Bank's Head Office is based. Research by the Reward consultancy indicates that, to achieve the same standard of living as a Band 8 in Bristol can achieve - with a Market Indicator of £14,250 - equivalent staff in Brighton would require a Market Indicator of £16,388; meaning, in turn, that the Band 7 Market Indicator should increase to £18,388. Instead, the Market Indicators for Brighton are significantly lower than for Bristol.

Salaries in other Bands also need increasing; perhaps most effectively achieved through the reintroduction of a Territorial Allowance for Brighton.

- **House Prices have continued to escalate in Brighton, in turn driving up rental costs too. According to the Land Registry, average Brighton House Prices rose by 19% over the 12 months up to September 2002.**

It is therefore hardly surprising that many Brighton staff are complaining that they can no longer afford to live on the salaries they receive from the Bank and so are left with no option but to seek better paid jobs outside the Bank.

Brighton Staff must receive '**Fair Pay Now**'.

Time To Pay A 'Living Wage'

LTU is pressing the Bank to pay a 'fair wage' that staff can realistically afford to live on in Brighton. It is unacceptable that the Bank should turn its back on the problem by exporting work abroad instead.

Increasing numbers of staff are reporting that they can no longer afford to live independently in the Brighton area on the salaries they receive from the Bank. Some in their 20's and 30's have even reported having to return to live with their parents as the only way of making ends meet!

This is wholly unacceptable and must be addressed immediately by substantial increases in pay in the Brighton area.

Staff need and deserve '**Fair Pay Now**'.

Escalating Local Living Costs

No one can be in any doubt that staff working for Group Operations in Brighton are facing escalating living costs, which make it almost impossible for many to remain with the Bank on the salaries the Bank has until now been willing to pay.

LTU's research serves to emphasise this point, showing that:

- **The cost of living in Brighton is higher than most, if not all, other parts of the country outside London. Of course staff working in London not only receive a Basic Salary managed around the Market Indicators, but additional London Weighting payments.**

Research by the consultancy, Reward, has shown that to match the value of the Market Indicator around which salaries in Bristol are managed, the **Band 8 Market Indicator for Brighton would need to be £16,388.**

- **The Government's Land Registry has not only reported that average House Prices increased by**

19% during the year up to September 2002, but also that the average prices of even the cheapest housing is way beyond the reach of many Card and Credit Operations staff.

The Land Registry has reported the following average prices in Brighton & Hove:

- Flat / Maisonnette £139,229
- Semi Detached £197,125
- Terraced House £204,067

- **To put Housing Costs in the Brighton area in perspective, to afford an average priced Flat or Maisonnette staff would need to be paid the following salaries to obtain a 95% Staff Mortgage using the lending criteria detailed in Section 3.23 of the Bank's Staff Manual:**

- £33,067 to purchase on own
- £20,349 for a joint mortgage if both the member of staff and partner earn the same salary.

The Bank has often in the past used the nature of the local labour market as an excuse to explain high staff turnover in Brighton. It has pointed to a high student population and transient workforce, claiming that staff turnover is beyond its effective control.

LTU however sees a far easier explanation. Relatively low salaries in Brighton - where living costs are very high - means that the Bank is unable to attract into employment sufficient numbers of 'stable' new staff. Meanwhile, these same low salaries mean existing staff are often forced to look for jobs elsewhere if they are to be able to afford to pay their bills.

Therefore, by paying staff fairer and more competitive salaries the Bank could more effectively recruit and retain staff which, in turn would result in lower staff turnover costs and improved customer service.

Campaign For **Fair Pay Now**

LTU is launching a campaign for '**Fair Pay Now**' for all Card and Credit Operations staff working in Brighton.

The Union's campaign for '**Fair Pay Now**' is entirely reasonable and grounded in two important principles:

- **That staff should be paid salaries which take reasonable account of the extraordinarily high cost of living in Brighton.**

For an employer which made a £1.6 billion profit during the first six months of 2002, it is hardly excessive to insist that staff are paid a salary sufficient for them to be able to make ends meet!

- **That the Bank should apply its own Pay Policy which purports to take into account the level of salary required to recruit and retain the right type of staff.**

That the Bank is failing to do this - turning instead to the alternative of exporting jobs to India instead - is a clear indication that it is failing to implement its own Pay Policy.

LTU is proposing that the Market Indicators for Brighton need to be increased to the following levels to satisfy these two principles:

- **Band 8 £16,388**
- **Band 7 £18,388**

To accommodate these increases, and the knock-on effect for the Market Indicators of other Bands in Brighton, LTU believes the Bank needs to consider the re-introduction of a special Territorial Allowance for Brighton.

Time To Join LTU

LTU already has very high membership amongst staff working for Card and Credit Operations in Brighton.

LTU is also the only independent trade union with the commitment, experience, resources and professionalism to effectively campaign for '**Fair Pay Now**' for Brighton Staff.

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

It is also important that more members from Brighton 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 write to LTU's Bedford Office, email Steve.Tatlow@ltu.co.uk, or telephone 01234 262868.

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