

# IT Pay 2006 - LTU Rejects 2 Year Deal

Members will be aware from the Bank's communication on Pay 2006 that it's offered a two-year pay deal for Group IT staff consisting of a 4% pay pot in 2006 with some minor tweaking to the pay system and a pay pot in 2007 made up of an increase for the average market movement plus 1% for performance and pay progression.

It is fair to say that as a result of LTU's pay campaigns over the years, which have highlighted the inadequacies and contradictions of the current pay system and how badly staff are paid relative to the market, Group IT has shifted its position on some issues. **But, on the key issues, most notably the fact that those staff whose salaries put them in the 'market-plus' zone and who are not high performers will get no salary increase yet again, Group IT's position has not really changed.**

LTU's Executive Committee could have taken

the easy option and accepted the two-year deal, dressing up the minor changes to the system as a victory, but that would be disingenuous and a dereliction of our responsibilities to members.

Staff have a right to expect that Group IT will deliver on its own policy and pay fully experienced and competent staff their market rate. But Group IT's two-year pay proposals will not deliver that objective and simply getting into the 'market' zone, for those who manage to achieve it, is not the same as being paid the market rate for the job. **Without proper guarantees relating to progression, staff will be left to flounder at the bottom of the 'market' zone and the majority of those 383 staff whose salaries put them in the 'market-plus' zone will get nothing again despite meeting their objectives. That is unacceptable and LTU's Executive Committee has rejected the two-year offer.**

# No Pay Rise Again For Up To 383 IT Staff

In a few weeks time up to 383 members of staff whose current salaries put them in the 'market-plus' zone, previously known as the 'high performance' zone, will yet again be told by their Line Managers that they are not going to get any salary increases in 2006. The cost of living is currently rising at 2%, and this group of staff will see their standard of living deteriorate even further.

Group IT has said that it would address the issue of staff receiving no salary increase, because they are in the 'market-plus' zone and are not high performers, by including the following wording in its communication to Line Managers.

"If an individual's salary is positioned in the market-plus zone and they are meeting or exceeding expectations and **contribution merits it**, they should expect to receive at least market movement."

**We have highlighted the important words in Group IT's communication because what it has asked us to accept is no different to the way pay was managed in 2005.** According to Group IT's wording you could meet or exceed your expectations but your entitlement to a market movement increase would be subject to your Line Manager, who will only have a limited pay pot to spend, agreeing that your overall "contribution merits" such an increase. **No trade union, worthy of the name, could believe that Group IT's guidance to Managers will solve the problem of up to 383 staff getting no salary increase and it is naive in the extreme to believe that it will.**

What it creates in effect is a second tier of appraisal designed to allow Group IT to carry on giving no salary increases to staff in the 'market-plus' zone unless they are high performers.

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## Smoke and Mirrors

Members will recall that last year we criticised Group IT for insisting that 2004 was Year Zero and not the first year of the new pay system. **For Group IT now to claim credit for moving Bands H-A staff with 3 or more years service in role from the 'primary' zone to the 'market' zone in 2006, which is what they should have been doing anyway, rather than in 2007 is the height of cheek.**

Equally the fact that Group IT is now proposing to allow

pensionable pay rises to be awarded to staff whose salary is above scale, but only for 2 years, is simply putting right a design flaw in the reward scheme.

**And you're bound to ask "Why only 2%?" If these staff are that good, there should be no upper limit on their increases.**

# Key Pay Information Concealed

As part of the two-year pay offer, Group IT was asking LTU to accept that the average market movement, which is the amount of money required to keep staff in the same position relative to people in other companies, should be the key factor in the size of the pay pot. **However, as members will be aware from last year, Group IT refuses to release the salary survey information that**

**shows how the market has moved.** LTU, on behalf of its members, would not be allowed to see the salary survey data despite the fact that we were being asked to sign up to a two-year pay deal.

**That's ridiculous.**

**If Group IT wants a credible pay deal it needs to stop concealing its pay survey data.**

# LTU Says "No" To Get Out Clause

Group IT has said that if the amount of money that is needed to fund the pay pot next year would be more than 4%, the increase would need to be approved by the Bank's Executive.

So, what Group IT has proposed is a two-year pay

deal but one which allows it pull out of the agreement if it chooses to. **That is unacceptable. You can't have a two-year pay deal which allows one party, be it LTU or Group IT, to pull out of the agreement whenever it suits it.**

Band	Primary Zone		Market Zone		High Performance		Market Indicators 2005	Market Indicators 2006	Market Movement Increase 2006
	From	To	From	To	From	To			
A	£56,950	£63,649	£63,650	£70,350	£70,351	£80,400	£66,350	<b>£67,000</b>	1.0%
B	£42,500	£47,499	£47,500	£52,500	£52,501	£60,000	£48,500	<b>£50,000</b>	3.1%
C	£36,040	£40,279	£40,280	£44,520	£44,521	£50,880	£41,200	<b>£42,400</b>	2.9%
D	£30,005	£33,534	£33,535	£37,065	£37,066	£42,360	£34,950	<b>£35,300</b>	1.0%
E	£25,670	£28,689	£28,690	£31,710	£31,711	£36,240	£29,650	<b>£30,200</b>	1.9%
F	£20,400	£22,799	£22,800	£25,200	£25,201	£28,800	£23,450	<b>£24,000</b>	2.3%
G	£16,065	£17,954	£17,955	£19,845	£19,846	£22,680	£18,600	<b>£18,900</b>	1.6%
H	£13,260	£14,819	£14,820	£16,380	£16,381	£18,720	£15,137	<b>£15,600</b>	3.1%

# Tell Us What You Think

What do you think?

LTU will be consulting its members on Group IT's offer shortly, but if members have any comments or

questions in the meantime they can either contact the Union's Bedford Office on 01234 262868 or email me at [Mark.Brown@ltu.co.uk](mailto:Mark.Brown@ltu.co.uk).

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