

15th July 2005

Scottish Widows, Chatham

New Pay and Grading Structure for Workflow Staff

In my last Newsletter I said that Scottish Widows and LTU had agreed to the removal of the current workflow pay structure and its replacement with the pay zone approach to pay which operates in other areas of Scottish Widows and the Bank.

Why Now?

When Workflow pay was introduced in October 1996 its aims were to increase service levels, to more closely align individual performance with reward and to reduce unit costs. The results were better than everyone expected. However, in the last year or so the design of jobs in Chatham has evolved and the workflow system is no longer capable of measuring performance in the same way. The system cannot measure output effectively in an environment where staff are carrying out both telephony and administration tasks. Equally, the move in Scottish Widows has been to risk based sampling rather than the standard quality sampling currently used by the Workflow system. As a result of these changes, and others, 93% of the 252 staff on Workflow pay are currently on 'frozen' pay. In fact some staff have been on 'frozen' pay, where their salary is fixed at one rating level, since the early part of 2004. A move to the Group's pay approach will at least offer the opportunity for progression, subject to staff achieving of specific performance criteria.

Alignment Process

Workflow staff will be readacross to the Bank's grading structure as follows:

Workflow	Bands	No. of Staff
Level 1	8	82
Level 2	7	117
Level 3	6	36
Team Manager	5 (lower)	17

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The salary scales for each band, which are divided into the 'primary', 'market' and 'high performance' zones, are as follows:

Band	Primary		Market		High Performance	
	From	To	From	To	From	To
8	£12,844	£13,556	£13,557	£14,985	£14,986	£17,125
7	£14,644	£15,456	£15,457	£17,085	£17,086	£19,525
6	£17,280	£18,239	£18,240	£20,160	£20,161	£23,040
5L	£20,188	£22,562	£22,563	£24,938	£24,939	£28,500

Your salary after the 2005 pay review will determine your zone.

Protection Agreed

One of LTU's major concerns with moving from the workflow pay system to pay zones has always been around how those Chatham staff who would be readacross in the 'high performance' zone would be treated in future. It is the case that because of the workflow pay system the average member of staff in the Client Services Division in Chatham earns significantly more than the equivalent member of staff in Edinburgh and in a pay zone environment those staff, which covers about 70% of staff on workflow contracts, would be readacross into the 'high performance' zone. In the 'high performance' zone the vast majority of staff can expect to get no annual salary increase in any given year.

Following our discussions LTU have agreed that for pay reviews in April 2006, 2007 and 2008 staff in or above the 'high performance' following the April 2005 pay review who produce a satisfactory performance, which means not being on an informal or formal performance improvement plan, will receive an increase equivalent to the increase in the market movement for their band.

Members with any questions can contact the Union's Bedford Office as follows:

 <p>01234 262868 24 hour advice line</p>	 <p>24hours@ltu.co.uk</p>	 <p>Fax No: 01234 262821</p>
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