

# Offshore Pay 2003 - LTU Claim

LTU's criticisms of the Bank's pay policy and how that policy is failing staff have been well documented in recent years:

- **we have consistently shown that setting pay rates at the Median of the 'Market' - the point where 50% of competitors pay more to their staff - undervalues and underpays staff at all levels**
- **we have demonstrated how pay progression to Market Indicators - the level the Bank considers to be the 'rate for the job' for fully effective and experienced staff - has been woefully slow**
- **we have shown how experienced staff paid around the Market Indicator have seen their pay not only stagnate but deteriorate.**

Our campaigning has not been without some success. Progress has been made in recent years by securing guaranteed pay progression to 80% and 85% of the MI after 6 and 12 months service respectively for all staff and in 2001 as a one off, to 90% for more experienced staff.

Important though these measures were, the Bank had still not delivered on its own policy to pay experienced, effective staff their 'market rates'

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and similar action would be required year on year. However, the Bank's proposals for Pay 2002 failed to do this. The simple fact is that large numbers of staff meeting the criteria to be paid the 'market rate' are not and they continue to be underpaid as a result. What is needed is real and continuing progress in ensuring staff are paid the appropriate market rate. This is the Bank's own policy: we want it to deliver that policy.

LTU's Pay Campaign for 2003 therefore aims to address the structural inadequacies of the Bank's approach to pay and provide real and lasting improvements in pay for staff at all levels.

# LTU's Pay Claim 2003

What is required to provide real and lasting improvements in pay for staff at all levels is a mechanism of defined salary progression.

At present there is an inconsistent approach across the Bank to minimum levels of pay. Some Business Units have a minimum recruitment salary of 80% of Market Indicator, some use 90% whilst others have made no commitment at all in relation to a fixed minimum against Market Indicator (MI).

Our claim therefore is that all staff should be paid at the following minimum levels, dependant on Band but regardless of Business Unit:

## Bands 7 & 8

- Scale Minimum to be 90% of Market Indicator. Thereafter:

### Band 8

- Minimum of 95% of MI after 1 year in Band unless there are objective reasons why they are not considered fully competent. This would have the impact of ensuring a reduced turnover of staff in the first 12 months with its knock on effects on the remaining staff in relation to pressures of work and customer service.

- Minimum 100% of MI after 2 years unless there are objective reasons why they are not considered fully competent.

### Thereafter for staff at or above MI:

- Pay should be increased by 1% above MI movement (i.e. on top of any increase in MI) for each year up to further 10 years in Band i.e. guaranteed maximum of 110% unless there are objective reasons why they are not considered fully competent.
- For staff paid above 110% their position relative to MI should be maintained, i.e. always receive market indicator movement unless objective reason why not, with any further progress beyond 110% based on exceptional performance.

### Band 7

- We are seeking a similar policy in relation to progression for Band 7 staff except that the initial progression to MI would be 94% after 1 year, 97% after 2 years and 100% after 3 years in Band. Unless again there are objective reasons why they are not considered fully competent.

### Band 6 and above

- Again we are seeking a similar policy but with an 80% minimum with progress to the respective Market Indicator as follows:

84% after 1 year

88% after 2 years

92% after 3 years

96% after 4 years

100% after 5 years.

Our Negotiations with the Bank continue and I will keep members informed of developments.

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## Pay 2002 Salary Guarantee

As part of our agreement with the Bank on pay last year we secured a guarantee that all staff paid between 90% and 100% of the Market Indicator would receive an increase at least equivalent to the market movement applicable to their Band. This was to apply to all staff, unless there were objective performance issues, in order to maintain their position relative to the Market Indicator - what the Bank considers to be the rate for the job - , i.e. someone on 93% of the Market Indicator before application of the 2002 pay award should after any pay increase have a salary that is at least 93% of the new Market Indicator.

Following representations by LTU it has become clear that this did not happen in every case

and despite a further review by the Bank we still believe not all staff benefited from our agreement.

I would urge members to check their salary and position against MI before and after last year's pay award to see if the agreed salary protection was correctly applied to them.

Members who require any assistance or who believe they have identified an error and have not already been contacted by the Bank should contact the Union's Advice Team in Bedford on 01234 262868.

**NICK HOLT**  
Assistant General Secretary