

# **Manchester Pay and Benefits Agreement**

## **1) Introduction**

This is an agreement between UNITE – The Union (the Union) and Fujitsu Services Limited (the Company) covering pay and benefits for the Company's employees in the Manchester bargaining unit defined in the Recognition Agreement between the parties.

The intention is to consolidate in one place as many as possible of the agreed elements affecting people in the bargaining unit, to provide more clarity for managers, employees and Representatives. The aim is also to make the process of discussing annual pay reviews more efficient.

Sections 3-17 are ongoing points of agreement. The appendices capture elements specific to the 2013 pay review.

## **2) Previous Agreements**

We have built up a number of agreements over a period of years. The intention in the medium term is that future versions of this agreement could completely replace some or all of these, allowing them to be withdrawn. At this stage, this agreement consolidates and extends, rather than replacing them.

## **3) Pay Systems** (see 2005 pay agreement, Settlement Agreement 2007, 2009 pay agreement, 2010, 2011, 2012, 2013)

Employees are managed on a pay system based on the median pay of Fujitsu Services' UK employees in a particular professional community role, with the following exceptions in the bargaining unit:

1. Employees in TSS/1, TSS/2 and TSM/1 roles are managed on the Rise+ pay system if:
  - a. They are in Region 1 Service Desks, or
  - b. Their pay planning manager is the Operations Manager for Change Asset Administration.See section 4 and Appendix 2 for more details.
2. A small number of employees have their pay managed centrally through the "Graduate" pay scheme as part of the graduate training scheme. See Appendix 5 for more details.
3. A small number of employees have their pay managed centrally through the "Apprentice" pay scheme as part of the Apprentice training scheme. See Appendix 6 for more details.

If the Company wants to introduce any other pay systems affecting the bargaining unit, the Company will consult with UNITE beforehand.

The Company will hold Rise+ ratings on the main HR database so that employees can view them through Self Service.

## **4) Rise+ Pay System** (Settlement agreement 2007, pay guidelines 2008, updated 2009, 2012 and 2013)

Rise+ levels are based on capability (including performance) as set out in the level descriptions. An individual's level is determined through 1:1 reviews with their manager in which their capability is compared against the level descriptions. Work not being available at the level of capability of the employee's capability is not a reason for refusing progression up the levels. Employees will never be moved down their Rise+ scale unless this is a disciplinary sanction.

The Company will ensure that there are "Rise+" pay scales for all Employees managed on the Rise+ pay systems. The Company will make the capability definitions for these scales and the associated pay bands available to the Union.

Employees will be paid no less than the lower pay comparator for their level, discounting any consolidated disturbance allowance.

### **The Rise+ system**

- 1) Nobody will be prevented from progressing through the structure because they have not demonstrated a capability for which their job does not require them to do the relevant task. Such factors in the capability matrices will not be scored.
- 2) People will not be moved down the Rise+ levels for pay purposes, even if they had changed jobs. They will still need to be assessed against the new matrices for development purposes.
- 3) To encourage people to cross skill and be flexible, extra credit should be given for having capabilities from more than one Rise+ Appendix. For example, a table could be created to set out how multiple Rise+ levels can be added together to produce a higher combined score. The Company will continue to work with Unite to consider options.
- 4) It is agreed to consider how employees can be encouraged and assisted to develop skills beyond those on their current Rise+ Appendix, to make it easier to move around and cope with change.
- 5) At the time of moving from a job covered by one Rise+ Appendix to a job covered by another, the individual will be assessed on their old role and have a discussion about what is required on their new one.
- 6) As managers and supervisors move around, individuals have to demonstrate competencies to Fujitsu, not to a particular individual manager or supervisor.
- 7) Managers will not normally be re-assessing the basics for employees who have demonstrated a capability at a previous review.
- 8) Individuals' Rise+ levels will be held on the HR Database and made visible to them via Your HR.

The pay scales for Rise+ are in Appendix 2.

### **5) Median Salaries (Settlement Agreement, 2010, 2011, 2012 and 2013)**

Median salaries are to be calculated without including the salaries of those not managed on this pay system (see Section 3 above).

The median to be used for an individual's pay review will be the one for their current role code unless they have written agreement to be reviewed against an alternative role and median. Employees should notify UNITE and the Company in advance of the stage one negotiations if they believe they are covered by this point. Employees can obtain their median salary figure for their Professional Community role through the Your HR system on Café Vik. Should an employee request information from HRDirect on a median salary for a role they wish to apply for, it must be the case that the role is currently advertised on the internal opportunities site, the RAR number is quoted and the employee can confirm that their manager has been informed of their interest in the role. HRDirect will then release the salary median to the employee.

Pay comparators will be provided to UNITE for all roles where medians are not available for pay planning.

### **6) Pay Comparators (see 2009 pay agreement, 2010, 2011, 2012 and 2013)**

With effect from 1<sup>st</sup> June 2013, the Company will ensure that no employee in the bargaining unit will be paid less than £7.45 an hour (which is the Living Wage hourly rate current at that time). The Company will continue to apply the agreed minimum basic salary of £14,500 which equates to about £7.51 an hour for a 37 hour week. These figures will be reviewed annually with UNITE.

The Lower Pay Comparator for those Employees managed on the standard Company pay structure (i.e. that based on medians) is defined as a percentage of the median salary of the Company's UK employees in that role and managed on that pay system. The percentage in 2013 will be 75% but the Company will consider increasing this in future years.

The Lower Pay Comparator for employees managed on the Rise+ system is the minimum figure defined for their Rise+ level within their professional community role.

To avoid introducing new anomalies, the Company will ensure that throughout the year, all employees in the Bargaining Unit are paid at least the applicable Lower Pay Comparator at that time (between pay reviews this is the comparator that applied to the role in question at the time of the last pay review). Except by agreement with the Union, the only exception to this would be where a lower salary was agreed as part of the acceptance of an "alternative job" (as opposed to a "suitable alternative job") during redeployment. Any exception will include a plan with specified performance criteria to raise the salary to at least their Lower Previous Pay Comparator within a year, provided those criteria are met.

The median is now often referred to as the Previous Pay Comparator (PPC). In the agreement where "Lower Pay Comparator" is referenced, this refers to the Lower Previous Pay Comparator. The Company is introducing a new set of pay comparators, known as Current Pay Comparators (CPCs). The Company and Unite will work jointly to identify ways of introducing these Comparators within the bargaining unit to be used as part of future pay negotiations. This activity will be complete by February 2014.

## **7) Pay for Non-Standard Hours and Your Choices (2005 pay agreement, 2009 pay agreement, 2011, 2012 and 2013)**

Where applicable, pay, comparators, increases etc will be calculated pro-rata in relation to a full-time employee with a 37 hour week, except for employees in these areas where a 40-hour week is the norm:

- TSS/1 in End User Services – Engineering Services, or
- Employees managed on the RISE+ pay system.

For the purposes of pay reviews, when referring to an individual's basic pay, this is the individual's "reference" salary i.e. before any choices under "Your Choices" or "Salary Swap".

Where employees work 37 hours and are in an area where 37 hours is the standard, but have higher contractual hours, the Company will continue to review these situations on a case by case basis and reduce contractual hours to 37 hours where there is no detriment to these employees or the Company by doing so. Where an employee moves or has moved from an area where 40 hours is the standard to an area where 37 hours is the standard, their contractual hours will be reduced to 37 without loss of pay.

## **8) Appraisals (2009 pay agreement, 2010, 2011, 2012 and 2013)**

The Company approach to performance management, known as Performance First is established with the intention of engaging employees by linking individual performance to Company aims and objectives. This is now a business as usual activity for managers.

The Company is committed to the learning and development of employees.

Objectives and targets must be agreed and be set so that they can realistically be achieved or exceeded without relying on working additional hours. It is recognised that employees often show flexibility in their working hours to help meet the needs of the business.

Employees will be given reasonable notice of appraisal meetings and allowed reasonable work time to prepare. Evidence and documentation for appraisals should be gathered in advance of the meeting. In the meeting, the evidence should be discussed and the appraising manager should decide the PAC rating, if possible by agreement, and inform the employee. For clarity, individuals' appraisals and PACs should be based only on their own performance.

Within the business a moderation process will be undertaken with the aim of promoting fairness and consistency, as a result of which amendments could be made to PAC ratings. Employees will be informed of any changes. Prior to completion of the moderation exercise the appraisal will remain "provisional" on the online system.

Rise+ levels will also be recorded and uploaded onto the HR database on the same timescale as appraisals.

Managers are responsible for ensuring that appraisals are complete according to the timescale in Appendix 4, other than in exceptional circumstances. Key elements of the appraisal process and system include:

- Providing a "Provisional" PAC rating which will be loaded onto the Your HR system so employees can view the rating
- An ability for employees to input "employee comments" onto the system

- A Company communication to employees advising once moderation is complete and their final PAC ratings are visible on Your HR.
- An option for employees to make additional comments on their final rating if it was changed during moderation.

Employees who wish to challenge their rating must do so within two weeks of being notified that their final PAC rating is visible on Your HR. Any employee who has no current PAC rating will be treated as an NS.

The Company will consult UNITE about updating the appraisal process and timescale and agree revisions to the timescale for pay negotiations in Appendix 4 in light of the Company timescales.

Where an employee is high in their pay band (e.g. over 120% of the median), and therefore likely to get a smaller pay rise, the manager should discuss with individual what other roles they could move to and what they would need to do to achieve that.

### **9) Role Code Changes (2004, updated 2009, 2012)**

Where the Company initiates the movement of an individual or a group onto a different Professional Community role code, the Company will write to each employee affected, informing them of their new code. Any non-standard mappings will be identified and reasons for the decision given. The correct Professional Community role code is the one whose role profile "best describes the dimensions of the job and naturally suits the likely career route for the job holder". Where any employee believes they are not on the correct role code they should raise this in the first instance with their line manager. Should they remain dissatisfied they should raise this with HR or follow the grievance procedure. Where this process identifies incorrect mappings, the employee will be moved to the correct role and detail code. Where this has resulted in a lower pay rise for the individual in a pay review, this will be addressed. Any such increases will be backdated to the effective date of the pay review.

### **10) Role Changes (2009 pay agreement, 2010, 2011)**

When an employee changes professional community role, their benefit levels will be reviewed and discussed with them and their line manager. The pay and benefit guidelines will be used to inform this discussion with the intention the Employee's benefits will be in line with these guidelines.

### **11) Promotions (Settlement agreement 2007, 2009 pay agreement, 2010, 2011)**

The term "promotion" is used to mean a change in an individual's Professional Community Role code to one with a higher median salary.

Fujitsu's resourcing processes (the Recruitment Authorisation Request or RAR) require the manager to have secured the budget before a vacancy can be filled. When promoting into a new job, managers can budget for pay rises after the initial rise associated with the promotion itself. In order to avoid pay rises coming from the pay pot, managers should specify planned pay increases for at least the next twelve months on the form at the time of promotion.

Employees who are promoted will, unless there are exceptional circumstances, receive a pay rise at that time. If it is proposed that there will not be a pay rise, an HR Manager will initiate a review prior to the decision being finalised. As part of the review, the proposal will be discussed with the employee and an appropriate plan (with timescales) agreed with them, identifying what is required for the Company to increase their pay.

See the section on Lower Pay Comparator.

Promotional pay rises throughout the year must be clearly distinguished and funded outside of the pay review budget. Likewise, any increases to benefit levels are not funded from the annual pay review budget.

Where employees change to a job/role which is a promotion, an immediate review should take place with a plan agreed with the individual to include reward and development. By August 2009, the Company will implement a mechanism to monitor and ensure that this consistently takes place. The first meeting with UNITE to discuss this will be by the end of May 2009.

The Company will discuss with the Union how to fund promotions within a job on an equal footing with promotions to a new job. The aim will be to agree a solution prior to discussions on the 2008 pay review.

Where an individual is temporarily performing a role which would normally attract a higher rate of pay than their own, there will be a review with the individual to determine whether a "responsibility allowance" will be paid. In some cases the individual may be undertaking the role for training and development purposes and not performing at the level that would be expected of someone normally doing it. The review will ensure the principle of equal pay for work of equal value is applied.

## **12) Other Benefits (2003, 2005 pay agreement, 2010, 2011, 2012 and 2013)**

All employees will have a contractual entitlement to at least 25 days annual leave in addition to bank holidays.

Company sick pay will be available to all employees from the first day of their employment and from the first day of sickness.

Amicus have identified 32 employees in the bargaining unit who they believe don't get benefit cars when most of their peers do. The Company will review the 32 cases on a case by case basis with the individuals identified. If the individual believes that they are being unfairly treated this will be reviewed with the individual. Where, in the Company's view there is a possible justification for not giving the individuals a car, this will be reviewed with the individual to try to agree an alternative resolution and reported back to Amicus. The overall review will be completed by the end of May 2005 and where the Company agrees that a benefit car should be provided, the decision will be communicated to the individual and the benefit applicable from June 1st 2005.

The Company and UNITE have agreed to review minimum benefit levels with the aim of preventing the introduction of new anomalies in pay and benefits. It is recognised that some historical differences may remain and both parties are committed to removing these if they are unjustified, giving priority to improving the benefits of those furthest below the norm. The Company and Unite will meet by the end of September 2013 and then as necessary to agree a definition of a benefit anomaly and a plan (including timescales) to identify and address them.

Unite has proposed a change to the Company's contractual commitments on pensions, with the aim of giving employees greater options and protection when a TUPE transfer is envisaged. The Company will review this proposal with UNITE to assess its viability. An initial meeting will be scheduled before the end of October 2013 to discuss.

## **13) Consolidated Disturbance Allowances (2008 pay guidelines, 2010, 2011, 2012 and 2013)**

Many Manchester employees had disturbance allowances due to relocation to Central Park. These were consolidated from 1/10/2007 through the Settlement Agreement and now form part of the base level of pay cost upon which the budget for pay rises is calculated, increasing the funds available.

The disturbance allowances were paid when relocation had led to increased travel costs for employees. In consolidating the allowances it was not the intention that these employees should receive lower pay rises in future years because their base pay was now relatively higher than colleagues who had not incurred such costs. It is anticipated that such differences will gradually decline over a number of years.

For service desk / helpdesk employees in the bargaining unit, the part of basic pay arising from the consolidation in 2007 or since will be ignored when comparing an individual's pay against their peers or the pay scales for the 2012 pay review, to avoid penalising those who had disturbance allowances. This measure will be phased out over a number of years as follows:

Year	% of consolidated disturbance allowance to be ignored for pay review purposes
2013	40%
2014	20%
2015	0%

The specific mechanism described above has not been put in place generally because the impact on higher paid employees is relatively smaller and the pay bands are wider. This means that managers reviewing pay for employees outside the service desk / helpdesk area should take into account the same underlying principles.

#### **14) Equal Pay Review (Settlement agreement 2007, ACAS 2010, 2011 and 2013)**

The Company is committed to doing an Equal Pay Review and will work jointly with UNITE in Manchester to agree a timescale.

The Company will continue to work on a more open and transparent pay system, working with Unite to achieve this. In addition, the Company will work with Unite and other employee bodies in developing its approach to pay and benefits.

The Company and Unite will set up a working group to contribute to the "Think, Act and Report" initiative and feedback to the Joint Working Group. The initiative supports the Company's business aims and, in particular, its CSR strategy by valuing and promoting a diverse workforce and identifying to managers and employees the benefits of inclusivity.

#### **15) Implementation and Monitoring (2009, 2010, 2011, 2012 and 2013)**

The Company will provide UNITE with appropriate information for joint monitoring of pay and benefit outcomes, particularly where these relate to agreements reached.

The Company will nominate before 1<sup>st</sup> August 2013 a single point of contact should UNITE wish to clarify any points arising from the implementation of the Manchester Pay & Benefits Agreement. The Company will work with UNITE to:

- Ensure a full and timely implementation of the Manchester Pay & Benefits Agreement
- Monitor the implementation of the 2013 pay review

The Company will work with Unite to ensure that the 2013 pay deal has been implemented fully and fairly. The Company will provide information to allow Unite to monitor this by 9<sup>th</sup> August 2013. The Company is committed to spending the entire budget on pay rises effective from 1<sup>st</sup> August 2013. If, for any reason, the Company has spent less than agreed on any of the elements of the pay review, the Company will discuss this with Unite and agree how to spend the shortfall on employees. The Company commits to getting agreement with UNITE and resolving any shortfall by 23 September 2013. Any increases to correct a shortfall will be effective from 1<sup>st</sup> August 2013.

#### **16) Legal Status**

In accordance with the Trade Union and Labour Relations (Consolidation) Act 1992, part IV, Chapter I, Paragraph 179, the parties agree that the following aspects of this agreement are intended to be legally enforceable parts of the contract between the Company and its Employees:

- a. Section 3
- b. Section 4
- c. Section 5
- d. Section 6
- e. Section 7
- f. Section 8
- g. Section 9
- h. Section 10
- i. The aspects of section 11 which explain the term "promotion" and which mandate an immediate review on promotion and aspects relating to responsibility allowances
- j. Section 12
- k. The aspect of section 13 relating to service desk / helpdesk employees
- l. Section 14
- m. Section 15
- n. The Appendices relating to the 2013 pay review
- o. The Appendices relating to specific pay systems.

It is not the parties' intent for any other parts of this agreement to be legally enforceable, but it is our intention to honour it in full.

Where an employee leaves the bargaining unit, this agreement will no longer apply to them. The Company will inform the employee in writing of any change to their terms and conditions prior to transfer.

Any employee who believes their pay review has not been implemented in accordance with this agreement must put a query in writing to [hrdirect@uk.fujitsu.com](mailto:hrdirect@uk.fujitsu.com) within two months of being notified in writing of the outcome of their pay review. Any employee who does not do so has no contractual right to a higher rate of pay as a result of incorrect implementation of Appendix 1 for the 1<sup>st</sup> August 2013 pay review unless they did not have access to Company email to receive the relevant communications and raised it promptly once they became aware of the issue. Anonymised complaints will be discussed between Unite and the Company with the aim of agreeing a solution. Employees who want UNITE to see their full complaint should copy it to [unitetheunion@uk.fujitsu.com](mailto:unitetheunion@uk.fujitsu.com).

### 17) Review and Termination

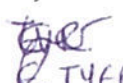
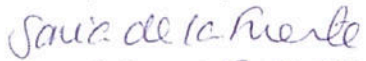


The agreement is intended to be reviewed and updated on at least an annual basis, partly to allow for the annual pay review effective from 1<sup>st</sup> August each year. This will be undertaken using the agreed procedure for dealing with collective issues.

Either party may give six months notice to terminate this agreement. Such notice to be given in writing and delivered to the other party's registered office. In the event that this agreement or the Recognition Agreement is terminated, individual terms and conditions remain unchanged unless subject to appropriate consultation with relevant parties.

### 18) Signatories

On behalf of

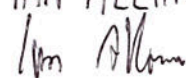

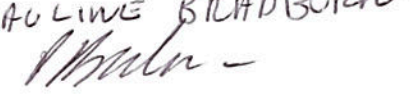
Fujitsu Services Limited (names & signatures)

     
E.THER SONIA DE LA FUENTE S.CHADWICK. JAJACQUES  
J O'Reilly JENNY O'REILLY

Date:

22nd July 2013

Unite – The Union (names & signatures)

IAN ALLISON MARK NORMAN PAULINE BRADBURN  
  

Date: 25<sup>th</sup> July 2013

The effective date of this version of the agreement is the date on which it has been signed on behalf of both parties

## APPENDIX 1: Points for August 2013 Pay Review

Any employee whose pay is below £7.45 an hour (the current Living Wage figure) will have it increased to that level with effect from 1<sup>st</sup> June 2013. For 2013, this is funded outside the pay review budget.

The Company has set aside a budget for the Manchester Bargaining Unit of 2.5% for pay increases effective 1<sup>st</sup> August 2013. The Rise+ and median pay budgets are managed and allocated separately so each have a 2.5% pot. The 2.5% figure is calculated after any increases to the Living Wage. If additional funds become available through the year employees in the bargaining unit will have access to these on the same basis as those outside of the bargaining unit.

The 2013 pay review applies to all employees within the UNITE Manchester bargaining unit, except for those employees on the Graduate Scheme and Apprentices whose pay review is managed centrally.

Our pay principles must be based on the principle of equal pay for equal contribution and **must not** be discriminatory.

All pay rises will be fully consolidated.

The details for the Rise+ and Medians pay systems are detailed in Appendices 2 and 3 respectively.

## **APPENDIX 2: RISE+ PAY SYSTEM 2013**

The base pay levels for the Rise+ pay system are:

	Foundation	Foundation+	Intermediate	Intermediate+	Advanced
TSS 1	£15,500	£15,750	£16,000	£16,300	£16,750
TSS 2	£17,000	£17,500	£18,250	£19,000	£19,750
TSM 1	£21,000	£23,000	£25,000	£27,000	£29,000

TSS 1 Foundation will not be used in the Manchester Bargaining Unit.

For clarity, whilst there is a guideline pay range, there are no defined "maximums" in the Rise+ pay structure.

In 2013, there is one individual on TSM1 in the Rise+ area doing a job for which there is no relevant Rise+ capability matrix. For the purposes of the 2013 pay review they will be treated as "Advanced".

The 2.5% pay budget for the 2013 pay review will be distributed based on three key elements applied in this order:

Element	Amount
Cost of Living	1.1%
Lower Comparator / Progression	Estimated to be 1.17%
Management Discretion	The remainder of the 2.5% pot, which is estimated to be 0.23%

### **Cost of Living**

All employees will receive a cost of living rise of 1.1%.

### **Lower Comparator**

The Company will ensure that from 1<sup>st</sup> August, all Employees in the Bargaining Unit are paid at least the applicable Lower Pay Comparator. Any corrections to bring employees to the Lower Pay Comparator will be applied on 1<sup>st</sup> August 2013.

### **Management Discretion**

The remainder of the total 2.5% budget not allocated to the other elements will be allocated at management discretion for the Rise+ pay system. The intention is for this to be targeted as follows:

- a. To reward individuals based upon their PAC rating
- b. Pay anomalies

### **Pay Anomaly**

Pay planning managers should still be alert to pay anomalies which are defined as:

- a. Individuals whose salary has not been increased for a number of years. Where an individual's salary has not been increased for a number of years a check should be made to ensure that the salary is at the level appropriate to the individual's current contribution and value.
- b. An employee who has received an Outstanding or an Exceeds PAC rating for the past two years and has not received a Rise+ increase. The activity being undertaken as part of the "Pay and Progression" element of this Agreement is also designed to help address this type of anomaly.

### **APPENDIX 3: MEDIANS PAY SYSTEM 2013**

The 2.5% pay budget will be distributed based on four key elements applied in this order:

<b>Element</b>	<b>Amount</b>
Cost of Living	1.1%
Performance and Progression	1.1%
Increase to Lower Comparator	Estimated to be 0.08%
Management Discretion	The remainder of the 2.5% pot, which is estimated to be 0.22%

#### **Cost of Living**

All employees will receive a cost of living rise of 1.1%.

#### **Performance and Progression**

1.1% of the budget for those on the medians pay system will be spent on PAC-related pay increases and progressing people through their pay band. PAC-related rises are as follows:

<b>PAC</b>	<b>Increase</b>
O	Median x 50% x <i>factor</i>
E	Median x 37.5% x <i>factor</i>
A or NS	Median x 25% x <i>factor</i>
P	Median x 12.5% x <i>factor</i>
U	Not applicable

The "factor" is calculated to spend 1.1% from the budget and will be published before 1<sup>st</sup> August 2013. The factor is estimated to be approximately 0.0455 based on data already available.

To ensure that individuals can progress through the band, rises are greater for those paid below a target percentage of their median, where the target is also PAC-related.

For some individuals, their pay increase under this element would take them past their "target" percentage of the median. That part of the increase which exceeds the target is scaled back as shown in the following table:

<b>PAC</b>	<b>Target % of median</b>	<b>Above-Target scaling</b>
O	125%	50%
E	112.5%	50%
A or NS	100%	50%
P	87.5%	0%
U	N/A	N/A

Examples, assuming a factor of 0.0455 and a median of £30,000:

- Employee A is paid £22,500 (75% of the median) and has a PAC of A. Their increase under this element would be  $£30,000 \times 25\% \times 0.0455 = £341.25$

- Employee B is paid £30,000 (100% of the median) and has a PAC of A. Their increase under this element is entirely above their target level (100%) so is scaled back to 50% and would be  $£30,000 \times 25\% \times 0.0455 \times 50\% = £170.62$
- Employee C is paid £29,900 (99.7% of the median) and has a PAC of A. The first £100 of their increase under this element is below their target level. The remaining £125 is scaled back to 50% making a total rise of  $£100 + (£125 \times 50\%) = £162.50$

### **Lower Comparator**

The Company will ensure that from 1<sup>st</sup> August, all Employees in the Bargaining Unit are paid at least the applicable Lower Pay Comparator. Any corrections to bring employees to the Lower Pay Comparator will be applied on 1<sup>st</sup> August 2013.

### **Management Discretion**

The remainder of the total 2.5% budget not allocated to the other elements will be allocated at management discretion. The intention is for this to be targeted at the following groups:

- a. Pay anomaly.
- b. Where an employee merits a supplementary increase for some other substantial reason (e.g. scarce skills or known future requirements).

### **Pay Anomaly**

Pay planning managers should still be alert to pay anomalies which are defined as:

- a. Individuals whose salary has not been increased for a number of years. Where an individual's salary has not been increased for a number of years a check should be made to ensure that the salary is at the level appropriate to the individual's current contribution and value.
- b. Individuals Whose Salary is below 75% of the Current Pay Comparator. Individuals whose full time equivalent salary is at or around 75% of the CPC for their role should be reviewed to check that the salary is at the rate appropriate to the individual's contribution and value.
- c. A pay anomaly can be defined as an employee who has received an Outstanding or an Exceeds PAC rating for the past two years and is not yet at the median of their role. The activity being undertaken as part of the "Pay and Progression" element of this Agreement is also designed to help address this type of anomaly.

## **APPENDIX 4: NEGOTIATION TIMESCALE AND DISCLOSURE OF INFORMATION**

It is in the interests of the Company and its Employees that collective bargaining is conducted efficiently and on the basis of timely and reliable shared information.

### **Timescale**

It is recognised that discussions around actual salary increases have a dependency on top level Company decisions. However, it is agreed that more general discussions can start before this point, these will include:

<b>Activity</b>	<b>Time window</b>
The Company providing the latest pay and benefit guidelines/comparators (if updated)	By end of January
Identify and attempt to agree deviations from information detailed in appendix 4.	By 16 <sup>th</sup> March
The Company providing information as detailed in Appendix 4 (snapshot as of 1 <sup>st</sup> April) (incorporating any agreed deviations from the standard list)	By 10 <sup>th</sup> April
Joint team produce cost-model ready for negotiations	By end of April
Unite Submit and present to the Company negotiating team their annual pay claim	By end of April
Line Managers completing Appraisals (including Company checking of employees who don't have a PAC)	January – March where possible By end of April in all cases
Company provides remainder of appraisal PAC information	By 31st May

Once the Company decisions referred to above have been made, the pay negotiations can further progress. Steps will be taken earlier where practicable.

<b>Activity</b>	<b>Time window</b>
Stage 1 negotiations	Offer voted on by 14th June
If required stage 2 negotiations	Offer voted on by 30 <sup>th</sup> June
If required stage 3 negotiations	Offer voted on by 14 <sup>th</sup> July
Guidelines issued to line managers (following discussions between Unite & the Company)	By 22nd July
Pay planning complete	By end July
Pay review effective	1 <sup>st</sup> August
Company provides UNITE with information, snapshot at 1 <sup>st</sup> August	By 10 <sup>th</sup> August
Notification of pay review to individuals by managers	Before August pay date

At the start of the process, UNITE and the Company will jointly review the timetable and agree any variations that are required.

### **Appraisal Timescales**

Managers are encouraged to complete and upload the results from appraisals for employees in the bargaining unit within the standard January to March window. In areas where this is not possible, they must be completed and uploaded by the end of April.

Only partial PAC information will be available when the Company provides the data snapshot at 1<sup>st</sup> April, so the timetable includes provision by the Company of the final PAC data before stage 1 negotiations conclude.

### **Disclosure of Information**

The Company is committed to meeting or exceeding the standard set out in the ACAS Code of Practice on Disclosure of Information to Trade Unions.

To streamline the process, a standard and consistent set of information will be disclosed in advance of annual negotiations, for monitoring of outcomes and for other collective bargaining that may take place during the year. The information will be disclosed in the same format each time wherever possible. Both Fujitsu and Unite will endeavour to provide data in an understandable format. Insofar as either side requires further clarification or explanation the other side will assist without delay. The standard information to be provided will comprise:

**Generic information:**

1. managers' guidelines (in draft if final ones are not yet available) for the "standard" pay review applying to people outside the bargaining unit
2. the size of the Corporate planned pay pot and budget (with an explanation of any difference between the two)
3. any financial considerations that the Company wishes to take into account
4. any roles where the Company wants to focus spending, for example to address recruitment or retention difficulties
5. any points relating to particular units (e.g. requirements to stage spending during the year), professional communities or roles
6. any external benchmarking information the Company uses for pay or benefits
7. list of roles which would be in scope of Recognition if undertaken by a Fujitsu employee which are currently being filled by contractors, temps or agency staff, including for each the job/skills
8. figures for attrition over appropriate time periods, broken down by role code, for the UK as a whole and for the scope of the Recognition Agreement. This should include an explanation of which types of leavers are included in the figures. The figures will separate voluntary and involuntary attrition. The parties will agree how to provide the involuntary data at a level that maintains anonymity.
9. figures for vacancies over appropriate time periods, broken down by role code, for the UK as a whole and for the scope of the Recognition Agreement.

**Comparator information in relation to each role for which there is someone in the bargaining unit:**

10. Professional Community
11. Role
12. Professional Community Role Benchmark Level/Detail Code
13. Lower comparator for Rise+
14. Median salary for UK employees on the role code. Median salaries are to be calculated without including the salaries of those not managed on this pay system(see section 3)
15. Guideline benefit levels including car, medical, bonus, notice periods, overtime

Comparator information is produced periodically by the Company. The Company will promptly provide UNITE with the new information when it is updated in January and August and the Company will inform UNITE promptly if it proposes to change this schedule. Unless agreed otherwise, pay reviews will be based on the latest comparator information at the effective date of the pay review.

**Anonymous information in respect of each individual in the bargaining unit:**

16. A unique identifier for the individual which is the same in each set of disclosed information
17. Pay Bargaining Marker (e.g. UNITE07)
18. Contractual base location (Building Code)
19. Contractual date of joining (Contractual Join Date)
20. Date Joined Company
21. TUPE marker
22. Date Harmonised
23. Current salary (Salary)
24. Current salary effective date (Salary Eff Date)
25. Reason for salary increase (Change Reason Description)
26. Previous salary (Prev Sal)
27. Previous salary effective date (Prev Effect Date)
28. Performance Appraisal Category (PAC)
29. PAC date
30. Previous PAC
31. Previous PAC date
32. Which pay system are they managed on?
33. If applicable, their current Rise+ level and date
34. If applicable, their previous Rise+ level and date
35. Current Professional Community (Prof Community Code)
36. Current Role (Professional Community Role Code)

37. Current Professional Community Role Level/Detail Code (Benchmark)
38. Previous Professional Community
39. Previous Role (Prev Community Role Code)
40. Previous Professional Community Role Level/Detail Code (Previous Benchmark)
41. Date of last role code change
42. Amount of last promotional pay increase
43. Effective date of last promotional pay increase
44. Contractual working hours on the day before the snapshot relates to
45. Contractual working hours on the day the snapshot relates to
46. Organisation Unit "Group"
47. Organisation Unit "Division"
48. Organisation Unit "Div-1 Desc"
49. Organisation Unit "Div-2 Desc"
50. Organisation Unit "Dept Desc"
51. Pay Plan Manager Name
52. Consolidated disturbance allowance amount
53. Date disturbance allowance was consolidated
54. Current car category entitlement (i.e. what the individual currently has before trading up or down)
55. Medical Entitlement
56. Current bonus scheme, including incentive schemes (Bonus Eligibility Description)
57. Current on-target bonus level (including incentive schemes)
58. Current fuel card benefit
59. Pension Entitlement
60. Pension Scheme
61. Gender
62. Ethnic Origin
63. Year of Birth
64. Nationality
65. Disability
66. Leave Entitlement
67. Severance Scheme Description
68. Employer Notice
69. Employee Notice
70. OOH overtime code
71. OOH standby code
72. OOH shift allowance code

In all reports, the Company will specify the date to which each aspect of the information relates. The "previous" value means the value immediately prior to the most recent change in value.

For the avoidance of doubt, the levels to be provided are *prior* to any alterations an individual may have made to their package via a Choices scheme.

Fujitsu and Unite will discuss, with the assistance of ACAS, ways in which Fujitsu can provide Unite with information to monitor the implementation of agreements relating to the Excluded Group, any who have asked Fujitsu not to disclose their personal information to Unite, and any who are still within the time limit for objecting to the disclosure of their personal information to Unite.

Fujitsu will provide on a monthly basis the total numbers, broken down by contractual base location, of employees who are in the bargaining unit and have asked Fujitsu for exclusion and either:

- a) Have asked Fujitsu not to disclose their personal information to Unite, or
- b) Are still within the time limit for objecting to the disclosure of their personal information to Unite.

Should UNITE believe that additional information is required for a particular relevant purpose, it will make a specific request for this, explaining what is required and why, and the Company will respond within two weeks to such a request. Some examples of information that may be requested are shown below.

1. Total bonus/incentive payments received in last 12 months
2. Overtime paid in last 12 months
3. Standby paid in last 12 months
4. Shift paid in last 12 months
5. Hours recorded on SST or equivalent time booking system in the previous 12 months

Where applicable, the parties may decide to conduct negotiations on other topics or at additional times, which may also require different information.

### **APPENDIX 5: GRADUATE PAY SYSTEM 2013**

The starting salary for employees on the Graduate scheme is currently £26,500.

Individuals on the 2-year Graduate scheme will receive up to four pay increases on a 6-monthly basis, based on their PAC ratings. Typically increases have been as set out below but can be subject to change and are dependent on business performance conditions:

- O: £2,000
- E: £1,500
- A: £1,000

Any increases to the starting salary in this Appendix which are applied elsewhere in Fujitsu will also be applied to the bargaining unit.

### **APPENDIX 6: APPRENTICE PAY SYSTEM 2013**

There are currently two Apprentice schemes – “intermediate” and “advanced”. The table below sets out the starting salaries.

	<b>INTERMEDIATE APPRENTICE</b>	<b>ADVANCED APPRENTICE</b>
<b>Year one starting salary</b>	£11,500	£14,500
<b>Year two starting salary</b>	£14,500	£16,000

Any increases to the starting salary levels above which are applied elsewhere in Fujitsu will also be applied to the bargaining unit.

Any salary increases for individuals during the year, above the starting salary, would be at management discretion, based on performance.