CWU

TELECOMMUNICATIONS

INDUSTRY CONFERENCE ON

NEW GRID

YORK – 3RD-4TH AUGUST 2000
Dear Colleague,

After some two years on intensive negotiations, BT has presented its final definitive proposals on NewGrid. A summary of the proposals was issued to branches and this document to Conference contains the definitive correspondence from the Company, together with associated letters and annexes. This document will be before delegates at the Special Conference in York on 3rd & 4th August 2000.

Yours sincerely,

Jeanie Drake
Deputy General Secretary (T)
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WITHOUT PREJUDICE - NOT FOR PUBLICATION

Ms J Drake 21 June 2000
Deputy General Secretary
CWU
150 The Broadway
Wimbledon
London SW19 1RX

Dear Ms Drake

NewGRID

This letter summarises the company's final and definitive proposals to the CWU on the NewGRID arrangements. We have now established through our partnership approach a joint vision of a single integrated non-hierarchical structure that will enable us to move from the current outdated and over-complicated structure to one that is simple and easy to understand. The new structure is also designed to support company competitiveness in today's aggressive and challenging market as well as providing enhanced arrangements for the future.

The NewGRID arrangements will apply to all non-management people across BT plc. Therefore people in Yellow Pages, Northern Ireland and Syntegra to which the terms of BT plc's agreements with the CWU currently apply will be covered by the NewGRID arrangements including the mapping outlined in Annex E to this letter. Additionally people in BT Cellnet will be covered.

Background

It is worthwhile re-affirming the background to NewGRID and re-stating the clear benefits it will bring to BT and our people. In dealing with the NewGRID agenda with the CWU we have negotiated against our overriding background principles of removing barriers to flexibility and introducing arrangements that are simple to understand, administer and affordable. We have also sought to take account of external best practice and market forces, whilst recognising that "internal worth" is a key consideration. NewGRID's vision is to provide a single integrated non-hierarchical structure that will remove the existing rigidities and barriers to people moving to new roles, as well as enabling organisational effectiveness and productivity/efficiency improvements.

We need to release the potential of our people and, in developing the NewGRID agenda, there has been a focus on exploiting their willingness to learn and to enhance their career development to meet the changing needs of the business, customer requirements and product innovation. In this context we have agreed new
arrangements with the CWU for the future that will enhance our capability to lead the next wave of the communications revolution. These are vital to the future well being of our Company and to achieving our vision of becoming the most successful worldwide communications group and support the major restructuring of the company announced recently.

This change will be beneficial to all our people and will create a whole new range of opportunities within the UK and overseas. From all of the above you will recognise that it is essential that both the company and the Union, in reviewing the package, look at it "in the round" and with the fullest consideration of the benefits that will derive from the implementation of the NewGRID arrangements.

Benefits

NewGRID is particularly crucial in providing the policy architecture that will support our position as employer of choice and help people to gain access to the opportunities set out above. We want to motivate people through arrangements that will:

Enable flexibility by

- Introducing a simplified structure and reduced number of grades
- Introducing a single set of improved terms and conditions
- Taking a fair and consistent approach to everyone

Help people to take control of their own careers by

- Providing development and progression opportunities
- Providing a structure to encourage people to adopt the will to learn to enhance their own careers

Lead to a changing culture by

- Enhancing the relationship between BT and individuals
- Enhancing the relationship with the union

Boost performance by

- Getting people with the right skills into jobs
- Increasing the movement of people through jobs
- Reducing the risk of intractable surplus

Support commercial behaviour by

- Pay levels being amongst the best against our competitors and other leading companies
- Reducing administration costs
- Ability to anticipate future trends
- Enabling easier change in the future
Facilitating BT's transformation to "the next wave".

Provide improvements to existing arrangements through

- Reduced hours
- Improved holiday arrangements
- Unparalleled pay and pension protection arrangements
- Greater number of highly paid roles
- Improvements to:
  - shiftworking
  - on call

This letter sets out the company's definitive position on all NewGRID issues.

Negotiating Agenda

Against the background of my previous letters and the CWU's 1999 conference mandate we have progressed the discussions across the range of outstanding issues but with a particular focus on the mapping of jobs onto the NewGRID structure and the establishment of the terms and conditions to be associated with the structure, having established the NewGRID structure, non-core arrangements etc. in the previous phase of the project. The following sets out our complete and final proposals for all of NewGRID and they are as follows:

1. **STRUCTURE, ASSIMILATION, RECRUITMENT AND ADVANCEMENT**

*Structure, Skill Bands and Salary Ranges*: Our definitive proposals for the NewGRID Skill Bands and salary ranges are attached at Annex A. This sets out our proposals for a single integrated structure with 4 Skill Bands encompassing 8 salary ranges. It is our view that the proposed ranges balance the skill requirement and the internal and external markets. However we will continue to review the D Skill Band to ensure we remain competitive.

*Skill Progression Points (SPP)*: Whilst the Union did raise reservations on the SPP concept, we believe that we have demonstrated during our negotiations that limited and controlled use of SPPs will provide long term value as we seek to deal in a pragmatic manner with the limited number of jobs which may not fall within the standard NewGRID arrangements. As you know, we believe that they are particularly appropriate to the Sales environment and will facilitate a smooth transition to the NewGRID arrangements for that community. We have removed the proposed SPP for the existing T1A population as further research has shown the B2 salary range is now appropriate. The company firmly believes that the introduction of new SPPs will be on an exceptional basis as we are determined to protect the integrity of the simplified NewGRID concept. We would also expect to discuss and agree any requirements for SPPs with the CWU at BT IR level.

*Grading*: The Skill Band Descriptors (Annex B) provide the prime focus for differentiation with the Job Dimensions (Annex C) providing the essentially
secondary basis for differentiating between Salary Ranges within Skill Bands. These represent a significant simplification of the previous complex grading arrangements, and we believe that these Skill Band Descriptors and Job Dimensions will provide the robust, ongoing basis for creating the jobs that will be needed in the future, free of hierarchical barriers, and for managing grading within the NewGRID structure. I attach at Annex D the detailed management guidance for the use of the descriptors/dimensions against which job descriptions – which should have a job title reflecting the role – will be assessed.

**Assimilation:** An overview of the assimilation to the NewGRID structure is set out at Annex E with the assimilation protocols we have established at Annex F. These cover all non-management jobs in BT plc and reflect the result of intensive negotiations with the CWU including the result of discussions on all proposals submitted by the Union for mapping to a higher salary range than the standard arrangements. Due to the unique nature of the existing operator remuneration/attendance arrangements more detailed supplementary information has been provided in separate correspondence. With regards to existing jobs, where there is a future need for change or new roles, this we would expect to take place as a result of detailed dialogue between HR Policy/Business Units and the appropriate CWU representatives; and this will continue to be managed under BT IR aegis using, where appropriate, the skill descriptor and job dimensions.

**Salary Management**

It remains our intention that the main pay review should take place on 1 April, and we have proposed in our letter of 3 February a common pay progression date of 1 October for people moving through the salary ranges with pro-rated increases for new starters/promotees in their first year on the job. The following summarises the position we put in that letter:

**People currently progressing to their salary range maximum** - we propose to move their progression date to 1 October. The payments they would receive in October 2000 salaries would be adjusted depending on whether their progression payment is coming early or late in relation to their previous expectation. This means that for those people whose salary advancement is being brought forward to October the increase would be adjusted appropriately. In addition, I have written separately to CWU regarding the transitional compensation arrangements to be applied for the small number of people who would have experienced a shortfall as a result of this change. In following years, their pay would advance in line with NewGRID standard arrangements in October salaries i.e. normally 5% of max. We have discussed this with the CWU in detail - we were able to demonstrate that there would be no disadvantage to people and have agreed jointly that this is a pragmatic and sensible approach to standardise these arrangements.

**People whose current pay is below their new salary range minimum** – we propose to move their pay to the new minimum on implementation day. This
will benefit a number of people who are currently below the new recruitment rates we are proposing.

People whose job is in the “non-aligned and non-standard upward movement” category – we propose to make a first payment towards addressing the pay difference on 1 October 2000 in line with the NewGRID standard arrangements.

People moving onto pay and pension protection whose salary is below their old salary maximum – we propose the standard NewGRID advancement arrangements for calculating the supplement.

In making these proposals the company has taken account of views expressed by the Union and sought to address the complex range of issues in a fair, consistent and pragmatic manner.

Basis for Market/Relativity Forces Impact on the Structure: It is important that we understand the impact that the market will have on the evolution of the structure. This is a vital element of the arrangements which will support the structure, ensuring we remain flexible and responsive as the markets change – this has been an inherent deficiency of the previous pay and grading structures. The key elements will be:

- Market/Relativity forces impact on the structure;
- The scope of this impact to ensure relevant market comparison;
- The data we expect to share when evolving the structure against the market.

Whilst the company will continue to track the external market, it is not our intention that this information should be used in isolation. We see external market information as one of the elements we take into account, along with the internal worth dimension that we have discussed.

Advancement/Recruitment: Against the background of our recruitment principles (see Annex G), our proposed arrangements for the Recruitment and Advancement in the NewGRID structure are attached at Annex H, along with confirmation of our Selection Policy, which we have discussed with you, at Annex I. As we have discussed and agreed, these are based on previous best practice and provide a simple and easy to understand basis for the future which will apply in the NewGRID structure. The key elements of these new arrangements are:

- The standard minimum starting pay of a salary range will be set at 80% of the Salary Range or SPP.
- Annual advancement within a salary range will be at a standard 5% of the maximum of the range or SPP with the facility to pay higher or lower against the criteria set out in Annex H. This will mean standard advancement from the minimum to the maximum of the salary range in 4 years.
• Starting pay on promotion (between skill bands) will be in the range of 5% to 10% of existing salary subject to the minimum of the salary range.
• Recruitment arrangements for apprentices/young people etc will begin at 50% of the max. of the salary range but could be as high as the minimum of the main range when taking into account age, skill, experience, etc.
• Recruitment arrangements for sales roles will begin at 70% of the maximum of the salary range or SPP maximum, but guarantee progression to the maximum in no more than 5 years (except for Band A where the NewGRID standard arrangements outlined above will apply). This reflects a significant improvement from existing arrangements and takes account of the CWU concerns over flexible recruitment rates in Sales.

Selection Principles: At Annex 1 we have set out the principles against which selection for jobs in the NewGRID environment will be conducted. We will work with the CWU to produce implementation guidance before implementation.

2. NON-CORE ARRANGEMENTS

We have discussed and agreed our approach for the Non Core arrangements as part of the NewGRID package on Attendance Arrangements, Bonus, Local Allowances and Special/Casual Leave. We must not underestimate the worth of these in ensuring NewGRID continues to provide the flexibility required to grow and evolve our business, and these will be key enablers in delivering the future improvements in terms and conditions to which we are committed. The key elements of these include:

• Joint commitment to a new responsiveness to change in these areas;
• The flexibility we require in the non-core areas if we are to achieve fully flexible arrangements needed to meet customer and operational requirements;
• Consultation responsibilities and timescales when changing non-core arrangements.

We regard these as an integral part of the overall NewGRID package and available at Annexes J, K and L respectively are our protocols on the frameworks for Attendance Arrangements, Bonus/Incentive and Local Allowances against which changes to such arrangements would be pursued.

3. NewGRID TERMS AND CONDITIONS

The key drivers in determining the new terms and conditions to support the NewGRID arrangements were as follows:

• Simple – easy to understand and administer;
• Best Practice – in line with external best of class and internal best practice;
• Affordable – cost effective and beneficial to our people.

I am pleased to confirm that much progress has been made in our negotiations on this issue, and a summary of the company’s definitive proposals is attached at Annex M.

The key points to note of these new arrangements are:
- Standard 37 net hours per week for all of our people from implementation;
- A single annual leave entitlement across the structure of 25 days, rising to 28 days after: 10 years service, with 30 days after 20 years, all incorporating BT holidays from 1 April 2001.
- from 1 April 2002 the 30 days A/L entitlement will become effective after 18 years service.
- people currently in A/L group 2 will receive 32.5 days after 22 years service;
- existing people will retain service steps at 5 and 8 years;
- Standard 1.5 x overtime Monday to Saturday and 1.75 x for Sunday overtime, with all overtime non-pensionable except that on Sundays for shift workers with rostered overtime that forms part of their contractual attendance. (On an exceptional basis we will recognise all Sunday overtime as pensionable solely for those people over 50 years of age who leave the company on retirement or voluntary redundancy before 30 June 2001).
- Unified shift/on call arrangements;
- Unified allowance arrangements which reflect the reality of current practice.

As you know the negotiations on terms and conditions have been detailed and intensive and the above represents the arrangements to which we will assimilate people on implementation. This package represents a real improvement in the overall terms and conditions for all of our people and is market leading. The new arrangements are a vital component of the NewGRID package and will represent overall an enhancement for our people, whilst retaining our competitive position.

Notwithstanding the above, throughout these negotiations the Union has pressed strongly for a further reduction to the working week beyond the improvement to 37 hours at the implementation of NewGRID. It is in that context, and against our joint expectation of external trends and the realisation of the benefit to be accrued from NewGRID as outlined in this letter, that the company proposes significant movement to 36.5 hours wef 31 December 2001 and a further reduction to 36 hours on 31 December 2002. We will wish to monitor and assess with the union at all levels the delivery of the benefits at regular intervals.

ETG Day Subsistence. In line with the principles for determining the NewGRID terms and conditions and the need to have an integrated approach across the spectrum, we have been reviewing the continuing validity of ETG Day Subsistence arrangements. We do not believe they are appropriate and they will not feature as part of the revised Business Expenses arrangements. Therefore as part of the NewGRID package we propose the cessation of ETG Day Subsistence and we have written to the Union separately outlining the arrangements to facilitate this.

4. LEARNING AND DEVELOPMENT

As you know our approach to the Learning and Development Principles (Annex N) has not been developed from a standing start. Many of the building blocks are already in place and both the company and its people should be justly proud of its many achievements in this area which we have discussed throughout our NewGRID
negotiations. We are particularly proud at having gained Investors in People corporate recognition which demonstrates that we currently recognise and support our people's development needs. We have done much during the NewGRID debate to build on this platform through an ongoing commitment to investing in our people's learning and development. We will continue to develop our learning and development arrangements as a centre point of our business strategies and will continue to discuss these improvements with the CWU.

BT has an excellent range of processes relating to the area of performance, learning and development. The 1999 CARE results show significant satisfaction in this area of our people management, and our intention is to continue to improve upon this level of achievement. Through the establishment of a "road map" that has as its core a personal development planning process, a skills audit planning process based on the methodology that is being developed jointly with Oxford Brookes University could be linked to future job opportunities. Through these initiatives we want to identify the talent that is available within our workforce and help them to realise their potential to the overall benefit of the company, the shareholders and our people. This has to be underpinned by a willingness on our people's part to learn and invest in their future.

The range of learning and development tools is being developed to complement the NewGRID agenda and to ensure we keep the NewGRID change machine oiled and dynamic. These include current activities such as the Queen Mary and Westfield Computer Science Foundation course - a very successful partnership between the university, BT and the CWU- the BT Academy, the Internet College and the NVQ programmes, and in partnership with the UK Government. We will want to ensure that we build on this platform and put in place robust monitoring arrangements that will enable us to track progress jointly and maintain the momentum.

BT is also working closely with the Government on the development of a programme to support individual learning accounts, to encourage a range of training and skilling options.

5. REPRESENTATION

BT recognises the CWU Operator, Clerical and Engineering Constituencies within the NewGRID arrangements and under the BT consultative arrangements for the purposes of representation on occupational issues. Equally, the company understands that the CWU does accept that job design will be based on principles established between the CWU and the company and wholly within the context of one single integrated non-hierarchical structure that both the company and the union have committed to deliver. The company also understands that the CWU accepts that there will be integrated representation on the core arrangements (pay, structure, terms and conditions, advancements, etc.).

6. IMPLEMENTATION

It is our plan to issue all our people with a notification of their NewGRID skill band/salary range, terms and conditions, salary management arrangements etc. We also intend to continue to review with the CWU all previous contractual related documents/agreements/ISIS etc. and these will be re-issued through the normal
channels in support of the NewGRID changes. It remains our intention that implementation of the NewGRID arrangements should begin as soon as possible. As we have discussed, all of the above represents a significant implementation challenge for the company and the Union. In the past good quality agreements have lost some sparkle on implementation and the company is determined that this will not happen with NewGRID. I would like to focus on the word 'agreement' and use NewGRID as a test bed to ensure that where we agree both sides then implement with enthusiasm and commitment. In that context we would want to work with you on arrangements for ensuring that business unit management and the various levels of union hierarchy can work together to secure a quality implementation.

7. COMMUNICATIONS

Continued effective communications will be essential to enable this, and both parties have already made highly practical use of their respective websites and this will be our preferred means of communication for the future, although we would expect to communicate in a variety of ways over the next few months to explain NewGRID to our people.

Building on the approach adopted towards previous communications, we should aim to share our respective communications in advance wherever possible. It is our view that, where possible, joint communications will be an effective tool in getting the NewGRID message across.

SUMMARY AND CONCLUSION

In summary, we feel that the company and CWU have dealt with an unprecedented range of detailed and complex issues in the most demanding of timescales. There will be further challenging issues as we move through implementation, but the implementation model we have developed is robust and we are confident that it will help us deliver the vital changes which NewGRID will bring and following implementation we will deal with some downstream issues we have flagged up in discussions before 31 December 2001:

Common Overtime Rate: We expect to continue to progress towards a common Monday to Sunday overtime rate. The company recognises that during the discussions on a common overtime rate we will be required to demonstrate a sustained reduction in Sunday overtime levels. We remain committed to having overtime arrangements that are simple and promote our approach to family friendly principles and we remain firmly of the view that a standard overtime rate applied throughout the week is appropriate. We will be putting proposals to the union consistent with this approach;

Equal Opportunities: We believe it is in the interest of both the company and the CWU to take a proactive approach to emerging equal opportunities legislation and ensure that there are no institutional recruitment barriers;

Non-Core Arrangements: We should aim to complete an audit and review of the effectiveness of our utilisation of the non-core arrangements against in particular the respective commitments outlined in the attendance framework;
Efficiency Arrangements: We will want to explore jointly initiatives aimed at improving productivity, raising accountability and giving a greater focus on outputs.

We will wish to monitor and review progress on these particular issues with you at national level, to ensure that we are building on the platform established at implementation of NewGRID and delivering the changes that are necessary to move the business forward. I look forward to receiving your confirmation that the union are able to accept the full set of proposals covered in this letter and the associated annexes and to moving forward to full implementation of NewGRID.

Yours sincerely

CHARLIE McKay
NewGRID

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21/6/00

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NewGRID Salary Ranges - Skillbands

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<th>Max</th>
<th>80%-100%</th>
<th>Min</th>
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<tr>
<td>D1</td>
<td>25630</td>
<td>5126</td>
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<td>C3</td>
<td>23126</td>
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Annex A to letter to CWU, 21 June 2000
## NewGRID – SkillBand Descriptors

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<th>Basic A</th>
<th>Fully B (inclusive of A)</th>
<th>Higher C (inclusive of A &amp; B)</th>
<th>Advanced D (inc. of A, B &amp; C)</th>
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<td><strong>Skill</strong></td>
<td>Basic skill requirements</td>
<td>Comprehensively skilled in own work areas. Deal effectively with a variety of standard issues.</td>
<td>Skilled in higher level of work. Deal with non-standard issues.</td>
<td>Advanced level of specialist, technical or commercial skills, continually refreshed. at leading edge of work area.</td>
</tr>
<tr>
<td><strong>Experience/ Knowledge</strong></td>
<td>Limited work experience required.</td>
<td>Developing knowledge in one area or breadth of knowledge across a range of issues</td>
<td>Extensive work experience and comprehensive knowledge of systems, customer and commercial environment and related areas - used as a source of rounded expertise</td>
<td>Requires an in-depth knowledge of current specialist area(s), may be used as a unique expert reference point.</td>
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<tr>
<td><strong>Entry Requirements (from outside companies)</strong></td>
<td>Aptitude is major factor</td>
<td>GCSE standard of education, or relevant NVQ, or equivalent demonstrated skill or competence or relevant work experience.</td>
<td>High GCSE standard of education or relevant NVQ or equivalent demonstrated skill or competence, and relevant work experience.</td>
<td>BTEC and significant relevant work experience. Accreditation from suppliers: be applicable.</td>
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<tr>
<td><strong>Complexity</strong></td>
<td>Deal with problems in immediate work areas using standard and well supported processes</td>
<td>Deal effectively with non-standard or less common issues and tasks</td>
<td>Deal with standard / non-standard problems interpreting and satisfying customer requests, may organise resource requirements.</td>
<td>Deal with complex current and potential issues and possession of high level analysis commercial/diagnostic skills. Need to work pro-actively to resolve problems.</td>
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<tr>
<td><strong>Customer and Commercial Breadth</strong></td>
<td>Understands and/or involved in work practices in immediate area.</td>
<td>Understands and/or involved in business practices in own area.</td>
<td>Understands and/or involved in wider issues and processes impacting on business area.</td>
<td>Understands and/or involved in wider issues and processes impacting on own and other business areas.</td>
</tr>
<tr>
<td><strong>Communicative/ Interpersonal Requirements</strong></td>
<td>Communicating and collaborating effectively with other team members / customers. Able to understand written and verbal instructions on defined tasks</td>
<td>Involves written and verbal communication with internal and external customers and suppliers. May involve team leadership and the need to coach, influence others.</td>
<td>May present and represent business data, communicate effectively with internal/ external customers. May involve responsibility for or direct a group of people</td>
<td>Good written and verbal skills, team leadership and motivating skills may be required. May require presentation complex data to senior managers. Able to communicate effectively with customers.</td>
</tr>
<tr>
<td><strong>Responsibility / Discretion</strong></td>
<td>Has accountability for own work activities. Follow set processes accurately and correctly. Little or no discretion</td>
<td>Accountable for own contribution to team success Limited discretion to make non-standard decisions</td>
<td>May involve coaching and supervision of others - work flow, guidance and feedback to team and individuals, ensuring quality and safety of team's work, working in a stand alone capacity and taking responsibility for resolving non-standard issues.</td>
<td>Involves a high level of personal discretion ownership and resolution of issues.</td>
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Annex B to letter to CWU, 21 June 2000
# NewGRID – Job Dimensions

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<tr>
<th>Job Requirements</th>
<th>Dimensions</th>
<th>Overview Range of dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skill</td>
<td>Single/Dual Functions</td>
<td>Covers one single function, Covers more complex single function, Dual or more functions requiring the application of different skills</td>
</tr>
<tr>
<td></td>
<td>Expertise</td>
<td>Needs only basic instruction, Needs training on job experience, Needs in depth training on job experience, Able to assist others at 2nd line support, Able to act as expert consultant to develop new applications or solve difficult issues</td>
</tr>
<tr>
<td>Experience/Knowledge</td>
<td>Proficiency</td>
<td>Few days, Few weeks, Few months, Time to build up product/customer knowledge, Knowledge of BT structure, Several years to build technical knowledge, gain technical/professional qualifications</td>
</tr>
<tr>
<td></td>
<td>Scope products customer base</td>
<td>Limited knowledge of products &amp; services, Basic products and services, Range of products and applications, How to mix and match to develop solutions, Key technology</td>
</tr>
<tr>
<td></td>
<td>Commercial/Regulatory</td>
<td>Understand the Regulatory, Fair Trading and Competition rules, relating to their work, sufficiently to be able to comply with them</td>
</tr>
<tr>
<td></td>
<td>IT Literacy</td>
<td>Limited PC skills, Basic PC skills, Knowledge of packages/applications e.g. Excel, Word, Knowledge of specific system packages/applications, TP (transaction protocol) expertise (Line, etc), web authoring, etc, Development &amp; implementation of programmes</td>
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<tr>
<td></td>
<td>External Market</td>
<td>Take account of commercial position within the external market, external market comparison, internal worth to BT and comparison with similar jobs within BT</td>
</tr>
<tr>
<td>Entry Requirements (from outside companies)</td>
<td>Education Level &amp; Qualifications</td>
<td>Requires a level of basic education / no formal qualifications required, GCSE standard of education or relevant NVQ, High GCSE standard of education or relevant NVQ, BTEC, A levels, Professional qualifications</td>
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<tr>
<td></td>
<td>Training &amp; Work Experience</td>
<td>None or limited general work experience/training, Related work experience/training (e.g. admin, manual), Specific work related experience/training (e.g. accounts, field engineering), Specialist work experience/training required</td>
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<tr>
<td>Complexity Problem-Solving</td>
<td>Problem-Solving</td>
<td>Repetitive with some tasks continuously, Repetitive with some variation of skill, Similar tasks within a broader unit, Decisions to be made within a defined area, Analyses and develop solutions sets as constraints/acceptance testing</td>
</tr>
<tr>
<td>Systems Complexity</td>
<td></td>
<td>Input to a PC, Limited knowledge of applications, Knowledge of several applications, Understanding of how the applications work, Able to analyse the output of application, Development of IT systems</td>
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<tr>
<td>Job requirement</td>
<td>Dimensions</td>
<td>Overview, Range of dimensions</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------</td>
<td>-------------------------------</td>
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<tr>
<td>Customer Grid</td>
<td>Size of Customer</td>
<td>Residential/ internal equivalent</td>
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<td>Business/ internal equivalent</td>
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<td>Branding</td>
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<td>Complexity of Customer's Systems</td>
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<tr>
<td>Complexity of Queries</td>
<td>Provision of standard information</td>
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</tr>
<tr>
<td>Impact of Customer Relationship</td>
<td>Dealing with basic customer queries</td>
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</tr>
<tr>
<td>Impact of Sales/Services</td>
<td>Minimal impact on sales and services</td>
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</tr>
<tr>
<td>Communications</td>
<td>Contacts - external &amp; internal customers / suppliers</td>
<td>Fact-finding</td>
</tr>
<tr>
<td>Interpersonal</td>
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<td>Simple queries/providing information</td>
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<tr>
<td>Requirements</td>
<td></td>
<td>Interviewing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Complex queries / provide answers or information</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Influencing others</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Negotiating/selling</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Account management/ high level relationship skills</td>
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<tr>
<td></td>
<td></td>
<td>This range of contacts should be considered in terms of the degree of progress chasing/ escalation and problem resolution</td>
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## Responsibility/Discretion

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Overview: Range of dimensions</th>
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</table>
| Decision-making | - Detailed instructions  
- Established rules  
- Limited discretion within procedures  
- Interpret rules  
- Judgement within procedures  
- Action within defined boundaries  
- Initiate corrective actions  
- Detailed instructions  
- Established rules  
- Limited discretion within procedures |
| Supervision | - Constant Supervision  
- Direct supervision  
- Close supervision  
- Limited supervision  
- General guidance  
- Supervisor available |
| Thinking Process | - Prescribed  
- Direct instruction  
- Patterned  
- Analytical  
- Creates solutions  
- Need to consider several aspects e.g. commercial/regulatory |
| Impact on Company | - Little impact  
- Impact on BT  
- Significant impact on BT  
- Major impact on BT  
- This range of impact should be considered in terms of the impact on BT image and BT financial outcome |
| Risk-taking Discretion | - No discretion to take risks  
- Limited discretion to take risks  
- Discretion to take risks  
- Significant discretion to take risks |
| Resources Controlled | - No resources controlled  
- Dedicated equipment and tools  
- Section equipment  
- Specialized equipment controlled |
| Coaching | - No organizing required  
- Limited organizing required  
- Organizing  
- Coaching  
- Coaching & organizing  
- Coaching, organizing & directing |
SkillBand Descriptors & Job Dimensions

MANAGEMENT GUIDANCE

1. Introduction
The following management guidance builds on the principles and process agreed with the CWU on NewGRID Assimilation Protocols (annex G of the overarching letter of April 2000) and as such will be the subject of consultation and, where appropriate, negotiation with the CWU.

NewGRID has provided the opportunity for the introduction of a single integrated non-hierarchical structure that is simple and easy to understand, from the over complicated, old fashioned structure previously in place.

An assimilation and mapping exercise has been undertaken, in consultation with the Business Units and the CWU, to assign existing jobs to the NewGRID skill-based structure. The assimilation exercise has been supported by a simple and systematic process of analysis:

- to ascertain the appropriate SkillBand for a job using generic SkillBand Descriptors (Annex B).
- to facilitate the collection of more detailed information about a job, and to ascertain the appropriate Salary Range within a SkillBand, using Job Dimensions (Annex C).

This process will support the implementation of NewGRID and on-going assessment of jobs within NewGRID.

2. Scope
All non-management jobs in BT, based in the United Kingdom.

3. SkillBand Descriptors
The SkillBand Descriptors define the skill level required within each of the four SkillBands. They specify the skill level needed in key areas of jobs:

- Skill
- Experience/Knowledge
- Entry Requirements
- Complexity
- Customer & Commercial Breadth
- Communications/Interpersonal
- Responsibility/Discretion

The SkillBand Descriptors are key because they define the contractual status to a common skill level across all jobs in the integrated structure. They should be used to determine the appropriate SkillBand for a job, focusing upon the skill level required for a job and practised in that context. They are designed to be 'job specific' and to run in parallel to the 'person-based' capability and competency framework. The appropriate SkillBand will be determined by the skills required to competently carry out the core activities within a role and people may carry out some activities requiring a higher or lower skill level.

4. Job Dimensions
The Job Dimensions have been developed to support a simple, systematic process to carry out further analysis of a role and skill requirement to determine the appropriate Salary Range for
a job within a SkillBand. They have been designed to provide a consistent approach for the collection of information about jobs to determine the salary range.

The use of the Job Dimensions involves an examination of the job requirements (skill, customer and commercial breadth, etc.) underpinning the SkillBands, by prompting a series of questions. The intention is to draw out a further level of information about a job’s requirements to enable a decision to be made on where a job should be positioned within the SkillBand, and therefore the appropriate Salary Range.

Job Dimensions have been agreed to cover the full range of activities found in NewGRID jobs. These are labelled “ALL”.

Job Dimensions are used once the SkillBand has been determined, and to aid this discussion, specific versions of the Dimensions have been produced for each SkillBand. These versions use appropriate parts of the range of dimensions - the Job Dimensions for SkillBand A show the initial part of the range, the Job Dimensions for SkillBand D show the last part of the range, etc. These are labelled “A”, “B”, “C” and “D”.

5. Guidelines for Assigning Jobs to the NewGRID Structure using the SkillBand Descriptors and Job Dimensions

➢ The use of the SkillBand Descriptors and Job Dimensions, in assigning jobs, is intended to be flexible and light touch; it is not intended to be labour intensive. The use of both tools is essentially about looking at the job in the detail required to make an assessment of the appropriate positioning for the job with respect to SkillBand and Salary Range. Cognisance should be given to internal comparisons at the point of assimilation with regards to volume grades. The descriptors and dimensions must be applied in such a way to ensure that there is no discrimination on any grounds in the positioning of jobs.

5.1 Using the SkillBand Descriptors

➢ Jobs should be considered against the SkillBand Descriptors to determine the SkillBand appropriate to the job, in each of the job requirement areas. The local Job Description may provide sufficient information, but in practice not all Job Descriptions are of a uniformly high quality and may need to be supplemented with local knowledge and information.

➢ For some jobs, the job requirements are all clearly identified at one SkillBand level e.g. SkillBand B, making the overall assessment of SkillBand simple.

➢ Other jobs have been found to have the majority of job requirements at one level and one or two requirements at a higher or lower SkillBand level. The Descriptors do not offer an absolute answer. In these cases, the main activities and skill level requirements of the job need to be clearly understood and applied to determine the overall SkillBand level appropriate. If a significant volume of work is at a higher level this should be taken into account in the assessment; equally, infrequent, one-off activities should only be considered in the context of the wider job.
5.2 Using the Job Dimensions

- The second level of assessment is to determine the position of a job within a SkillBand using the Job Dimensions e.g. should a job identified as appropriate to SkillBand B be positioned at B1 or B2?

- Job Dimensions are designed to generate questions seeking further information about the dimensions of a job. The intention is to draw out the level of further information needed to assess where a job should be positioned within a SkillBand. The notes under 'Range of Dimensions' are not designed to represent an exclusive set of answers or options but to represent examples of the range of a dimension which it may be appropriate to question. For example, with customer focused jobs, it may be more appropriate to question the level of relationship required by the job with internal rather than external customers. The questions must be geared towards establishing the job requirements and the Dimensions then applied flexibly.

- As with the Descriptors above, the local Job Description may provide sufficient information; otherwise Business Units may find it necessary to supplement with local knowledge and information.

- Jobs should be assessed in the round and not on the basis of one dimension matching a higher or lower level to the rest. In some cases, the assessment clearly shows a job as being appropriate to a particular position within a SkillBand and therefore, a particular Salary range. Other assessments may have the range of dimensions varying across the job requirements. As with the Descriptors, the Dimensions do not provide an absolute answer and it will be necessary to focus upon the main activities and requirements of a job.

5.3 Additional Guidance

- Job descriptions must be up to date and accurate and reflect the job/s currently undertaken.

- As part of training and development for a higher grade and/or to provide a degree of flexibility in the practical execution of work, people may be required from time to time to undertake, within their competence and training, some work appropriate to a higher salary range. Provided that the time remains in modest proportion to that which is covered by the appropriate job descriptor/ dimensions and the job description for that role. If work carried out is judged to be disproportionate, the job must be reassessed. In line with section 3.4 of the Assimilation Protocols, using Skillband descriptors, Job dimensions and Job descriptions as appropriate.

- Ensure that the SkillBand Descriptors and Job Dimensions are applied to the requirements of the job rather than to assess the capabilities of an individual performing the job.

- In the assimilation of existing non-standard jobs to the NewGRID structure, it has been necessary to demonstrate that these jobs are clearly either in a different SkillBand or at a different Salary Range — future assessment will require the same clear distinction.

- Should weightings be applied to the criteria? None should be applied as being more important, depending upon the level of activities in the job requiring particular skills and level of skills.
Annex D

> There is no formal means of analysing results. The information is gathered about a specific job. Line management in conjunction with their HR support units should then determine the appropriate SkillBand / Salary Range. The focus must be on the main activities and a judgement made across the whole job.

> Some Business Units carried out some early job assessment work in 1998. Generally, this work was designed to determine SkillBand levels and therefore, whilst the work is useful, it may be necessary to supplement the use of this early work by use of the Job Dimensions to identify the appropriate Salary Range.

> Business Units should be aware of similar jobs within their units or in other units, and ensure a check should be undertaken to ensure consistency of approach and to understand the differences and similarities between jobs, as appropriate.

> Jobs that are identified as moving up or down will require a clear business case with supporting detailed analysis which should be agreed with HR Policy Comp and Benefits.

6. Review

The SkillBand Descriptors and Job Dimensions documents have been formulated in consultation with HR Policy, the Business Units and the CWU. The HR Policy/ Compensation and Benefits group owns the documents and process. Changes to the generic documents may only be authorised by this group.
### Current grade

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<thead>
<tr>
<th>Grade Code</th>
<th>Grade Title</th>
<th>Grade Max</th>
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<th>Salary max</th>
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</table>

**Standard**

45458

^ Non-standard arrangements for some jobs in these grades (all jobs in T08)

### NewGRID

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**Total**

889

---

*Annex E to letter to CWU, 21 June 2000*
<p>| Current grade | Grade Code | TSL4 Typing &amp; Secretarial Level 4 | C3/S5 Computing Grade 3 - Special Skills | TRNG Trainer | WSI Workshop Supervisor I* | TSL3 Typing &amp; Secretarial Level 3 | C3 Computing Grade 3 | RAOP Radio Officer | SSO Sales Support Officer | SPHGR Senior Photographer | C2 Computing Grade 2 | TSL2 Typing &amp; Secretarial Level 2 | SGAFM Business Fault Service Manager | TSSL Typing &amp; Secretarial Level 1 Supvr | SGAC2 BT Cabinet CC2 | SGARS Call Reception Supervisor | SGOS Operational Support | SODA Senior Drawing Office Asst | TSL1 Typing &amp; Secretarial Level 1 | MH Materials Handler (TIIA) | TIIA Technician IIA | MECH Technician (MT) | C1 Computing Grade 1* | TIB Technician IIB (includes TIIBS)* | ASMEC Assistant Technician MT | MAS Materials Assistant (TIIB) | PATMN Patrolman | PPI Photoprinter I | WOPR Warehouse Operative | SGACO Team Coach | DDA Drawing Office Assistant | SGAC1 BT Cabinet CC1 | DCLNR Domestic Cleaner |</p>
<table>
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<tr>
<th>Grade</th>
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*Non-standard arrangements for some jobs in these grades*
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<th>Grade Max</th>
<th>Total #</th>
<th>NewGRID</th>
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<th>Salary max</th>
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| **Total**  | **2692**                          |           |         |          |             |            |             |
# NewGRID - total grade mapping

**salaries from 4/00**

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<tr>
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<tr>
<td>OSO Operational Support Operator 14388 x 37/34 (21-MOD, 65-ResTX)</td>
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<tr>
<td>OSO Operational Support Operator 14388 x 37/34 (69-NI Admin)</td>
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<tr>
<td>OSO Operational Support Operator 14388 x 37/34 (58-TrngTX)</td>
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**Summary**

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59% 36% 5%

---

Annex E: in letter to CWU, June 2000

- 24 -

Page 1 of 1
ASSIMILATION PROTOCOLS

1. INTRODUCTION

The following are protocols and a process to manage the assimilation of people from our existing grading structures onto the NewGRID structure. This will be simple with the aim of identifying anomalies, which can be discussed in detail, rather than undertaking a Company wide job assessment process. Salary anomalies will be addressed under the salary management principles which will be developed to support the development of the NewGRID Structure.

2. PRINCIPLES

- Majority of people assimilate at existing salary.
- Group assimilation to ensure equal value internally and external market adherence.
- Job description ownership at the operational units but skill descriptors and basis of dimension the province of Group.
- Simple and quick process.

3. PROCESS

The process for assimilation would be as follows:

1. Descriptors and appropriate dimensioning outlining skill requirements for each band will be agreed with CWU at national level in line with internal/external comparators.

2. Business units in tandem with the project team will apply skill descriptors to existing task based job descriptions which are agreed with the CWU.

3. Group will be responsible for ensuring parity and arbitrating on anomalies/differences.

4. Such anomalies/differences will be subject to consultation/negotiation with the CWU at the appropriate level.

5. Implementation with appropriate protection and salary increases will be agreed by Group and will be managed within the overall pay bill for the Company.

6. Future changes would follow steps 2-5 with Group parity sought as required.

7. Existing procedures for the introduction of new jobs into BT will remain in place i.e. consultation/negotiation will take place between BT and CWU.

4. REVIEW

This procedure will be reviewed 12 months after the introduction of the new arrangements in consultation with the CWU.
BT will continue to seek to fill job opportunities by internal appointment. In that context BT will provide opportunities for all our employees to develop and use their creativity and skills to enhance their career potential and give priority to internal applicants on BT contracts. However in our fast changing industry there will always be a need for external recruitment within all Skill Bands particularly for reasons of skill shortage and geography and to provide job opportunities for graduates, school leavers and to meet our equal opportunities responsibilities.

British Telecommunications plc is an equal opportunity employer and it is our policy that all eligible persons should have equal opportunity for employment and advancement on the basis of their ability, qualifications and fitness for the work. The aim of this policy is to ensure that no job applicant or employee receives less favourable treatment on racial grounds or on the grounds of sex or marital status, or is disadvantaged by conditions or requirements which cannot be shown to be justifiable.
RECRUITMENT & ADVANCEMENT ARRANGEMENTS
FOR THE NEWGRID STRUCTURE

1. BACKGROUND

The following are the arrangements for the recruitment and advancement arrangements which will support the NewGRID pay and grading structure. The focus has been on simplifying the existing arrangements into one single policy which would cover all people.

2. NORMAL STARTING PAY ON RECRUITMENT

With the exception of the Sales community and apprentices/young people, starting pay on recruitment should not be less than 80% of the maximum for that particular role. Starting pay above this would be determined by the skills and experience of the individuals. This would reduce the amount of time for an individual to get to the agreed salary maximum and also allow us to attract high calibre entrants at appropriate pay rates.

Example: Salary 20k Normal starting pay min for role 20k - 20% = Starting range 16k - 20k

The factors to be taken into account when deciding starting pay above the minimum would be as follows:

- the level and amount of relevant experience related to the skills and responsibilities required;
- the individual’s aptitude for the work;
- comparison with existing BT roles of similar skill requirement;
- other appropriate factors

Arrangements for sales functions will allow for a minimum recruitment level of no less than 70% of the maximum of the salary range/Skill Progression Point except in Band A where this will be 80%.

There would also be separate recruitment scales for apprentices/young people (people aged below 18 ) etc. which would begin at 50% of the salary maximum of the range but could be as high as the minimum of the main range when taking into account age, skill experience etc.

3. STARTING PAY ON ADVANCEMENT

Advancement Between SkillBands (From one SkillBand to another)

The new arrangements will allow for payment up to 10% of current salary (subject to the minimum of the scale) for people with exceptional skills/experience. The minimum rise would be 5% of current salary or to 80% of the new salary range maximum (or 70% in the case of the sales function) whichever is greater.

Moves Within SkillBand (To a role within the SkillBand with a higher max)

A move within a band ie. from C2 to C3 will trigger a rise based on skill etc subject to the advancement criteria. This will also ensure the individual is on at least 80% of the new salary maximum (or 70% in the case of the sales function) which would be the normal recruitment point.
4. **STANDARD ADVANCEMENT PRINCIPLES**

The standard advancement arrangements will be as follows:

1. Increases will be awarded at 5% per annum of the salary maximum for normal performance up to the salary maximum or the agreed skill progression point.

2. Increases above 5% can also be made to individuals who have acquired additional recognised skills and/or qualifications which they are utilising in their particular role.

3. Increases will be awarded at 5% per annum except where an overriding procedure is in place, i.e., the appropriate stage defined in the poor performance/discipline procedure.

The following principles will underpin the standard advancement arrangements:

1. Standard advancement will be based on the satisfactory performance and conduct of the individual as defined above.

2. Increases can be withheld or reduced if the individual is at the appropriate stage of the poor performance procedure.

5. **SALES STARTING PAY & ADVANCEMENT PRINCIPLES**

There will be no set limits for salary increases on advancement within the sales structure. These will need to be determined with regard to the advancement circumstances and take into account, in particular, changes in base/bonus relationships.

The advancement principles for the sales function will operate against the background of a maximum 5 years (4 years in Band A) to reach the maximum of the Salary Range/Skill Progression Point of the particular role, subject to meeting the normal performance standards. The normal incremental increase will be a minimum of 5% subject to satisfactory performance (as defined in para 4 principles) and take account of the timeframe for progression to the max of the Salary Range/Skill Progression Point.

6. **REVIEW**

The procedures will be reviewed 12 months after the introduction of the new arrangements in consultation with the CWU.
NON MANAGEMENT SELECTION POLICY

1. General

This policy applies across BT PLC in the UK (Except BTNl where separate procedures apply).

2. Aims

BT's goals are:

For BT people to feel that there is opportunity for career development and progression in line with their skills, potential and aspirations;

For BT people to feel that jobs are filled fairly and to have confidence in selection results;

To give transparency to the Selection processes;

To fill vacancies via internal appointments wherever possible;

To reflect the diversity of the local population and to be confident that all resourcing decisions are in accord with BT's equal opportunities policy;

To recognise and celebrate the achievement of progression;

3. Equal Opportunities

In accordance with legislation and BT's equal opportunities policy, appointments will be made regardless of the applicant's sex, race, marital status, religion, disability, age, sexual orientation or other non job related consideration.

4. Selection Procedures

4.1 Criteria

BT's personal capabilities as published in June 1999, define the competences, attributes, behaviour and style most critical for our future success. It is against these, plus any relevant professional and technical skills, that people will be developed, assessed, sifted and selected.

It is expected that people will move between roles in the same skill band and between skill bands in order to develop their own potential and further their careers.

4.2 Advertising

The Company's focus on re-skilling current employees' means that line managers should first consider people from the Resourcing Solutions Unit. Subsequent to this, vacancies will be advertised using Job News, or other advertising media that reaches an appropriate field of
potential candidates. Every reasonable effort will be made to ensure timely visibility of all advertised vacancies.

4.3 Application

Applicants should ensure that their line manager is aware of their application. Individuals may apply for any vacancy, anywhere in the business, for which they consider themselves suitable, provided they meet the eligibility requirements advertised, which will not be unnecessarily restrictive.

4.4 Selection methods

Line managers will conduct full and fair selection procedures for all vacancies.

For vacancies involving potential upward career progression BT will use one of a range of stringent selection methods, e.g. open advertising and interview, telephone interview, assessment centres, tests, etc.

Interviews will be conducted by people who are trained assessors in using BT’s selection procedures;

The most suitable person for the job will be selected.

5. Results

BT will inform people of the outcome of each stage in a selection promptly.

BT will, via line managers, provide feedback covering the strengths and development areas identified at test/interview, with the aim of identifying personal development opportunities. Applicants who are unsuccessful at interview will be offered the facility to speak with the assessor/s to obtain feedback on their performance. The aim of this facility is to help individuals address future career development requirements, and is not an opportunity to revisit the selection process.

6. Time Limits

People will be informed of their results within 1 week of completion of the final stage of selection.

Successful candidates will be released from their current role within 28 days of being notified of their success unless exceptional circumstances prevent this. Where this is the case, the reasons for delay will be made visible by the appropriate line manager to the successful candidate and the losing or receiving manager as appropriate and an alternative release date will be agreed by the parties.

7. Relocation: Details can be found in BT’s Relocation Policy;
8. Grievances: There is no specific appeals process against non-selection, although individuals who feel they have been disadvantaged, will have recourse to BT's Grievance Procedure.
FRAMEWORK FOR ATTENDANCE
IN THE NEWGRID STRUCTURE

1. INTRODUCTION

Both BT and the CWU recognise that in the rapidly changing markets in which we operate there will be a need to establish attendance arrangements to meet new and demanding operational and customer requirements. In establishing new arrangements account will be taken of the 'best of class' practices, improved flexibility and efficiency and work/life balance.

NewGRID, of itself, does not set out to initiate changes to attendance arrangements, however, this paper concentrates on the protocols which BT and the CWU will observe when new arrangements are identified as being necessary.

2. COMPANY AND CWU COMMITMENT

BT, in association with the CWU, is committed to developing a job and skill based structure that will improve customer services, support greater career flexibility and enhance employability as we move towards the millennium and beyond. This will require a focus on other arrangements which support the new structure offering flexibility to meet both customer/operational demands and reflect best employment practice. Like other aspects of NewGRID to achieve this the guiding principle will be 'commitment for commitment'.

The Company commits to:

Entering into meaningful consultations and working towards reaching agreement with the CWU on changes to attendance requirements within determined timescales.

Engage in the necessary timely consultation and negotiation where appropriate, with the CWU including identifying the need for change and, in the case of large scale change, the opportunity to be involved in any consequential data gathering phase of such a project.

Provide data to support a current or predicted need for change that will ensure the CWU and people identify with the business drivers.

When making changes to attendance arrangements ensure the scope and scale of the change is appropriate to meet operational and customer requirements.

Offering flexible attendance arrangement options, wherever possible, to people which take account of family friendly policies and help them to balance domestic and work responsibilities.

The CWU commits to:

Engage in the necessary timely consultation and negotiation where appropriate with the company and, in the case of large scale change, to be involved in any consequential data gathering phase of such a project.

Entering into meaningful consultations and working towards reaching agreement with the Company, on changes to attendance requirements within determined time scales.
Discussing with the company changes which will include access to the range of appropriate existing attendance agreements required to meet operational and customer demand.

Consulting and negotiating with the company on other attendance arrangements needed to meet operational and customer requirements and reflect “best of class” practices with the aim of providing flexible attendance options wherever operationally possible.

3. PROTOCOLS FOR ATTENDANCE ARRANGEMENTS CHANGES WITHIN THE NEWGRID STRUCTURE

Project NewGRID will provide a single integrated structure and will require one set of protocols covering attendance arrangements for all within the new structure. This will not necessarily require the introduction of new attendance arrangements or widespread changes to existing arrangements.

Assimilation Arrangements

People will transfer into the NewGRID structure with their existing attendance arrangements and future changes will continue to be subject to consultation and negotiation where appropriate, with the CWU, using the protocols set out in this document.

4. CHANGES TO ATTENDANCE ARRANGEMENTS

(i) As with existing arrangements there will be no automatic right to a specific attendance arrangement on transfer or movement within the structure and individuals will, where appropriate, have to accept arrangements other than those they currently have. As a guide it would be inappropriate for people in a work team to have operationally ineffective sets of arrangements.

(ii) Where there is an identified need the Company and the CWU will commit to working towards changing attendance arrangements within a reasonable time frame. As a guide this will be in the order of 3 months from the need being identified to the new arrangements being introduced.

(iii) In aiming to meet the timescale the Company and the CWU will recognise the work/life balance required to meet the demands of the market, our customers and the interests of our people. During any implementation phase of new attendance arrangements account will be taken of any relevant circumstances including personal and domestic issues. Cognisance will also be given to the impact on health & safety of any changes to attendance.

5. REVIEW

These protocols will be formally reviewed 12 months after implementation.
BONUS/INCENTIVE ARRANGEMENTS IN THE NEWGRID STRUCTURE

1. INTRODUCTION

This paper sets out the Company protocols and procedures that will be followed prior to and after the introduction of non-contractual bonus or incentive arrangements for people within the NewGRID structure. The main aims of these protocols will be:

a. To clearly define where bonus or incentive schemes are appropriate
b. To ensure their introduction is appropriate to the business
c. To ensure that there is consistency across BT when a scheme is introduced.

2. DEFINITION

2.1 Bonus

Bonus is appropriate in circumstances where there is a long term need to link performance to additional financial reward and where this performance can be fairly measured to ensure both the business and the individual/team benefit from the arrangements. The most appropriate areas for bonus will continue to be in business arenas where a clear relationship to revenue generation and profit which can be linked to an individuals or teams performance.

2.2 Incentive

Incentive arrangements will normally apply in circumstances where there is a demand to deal with a short term or specific business demand. They may take the form of financial or other reward (vouchers etc) and will have a built in review mechanism to ensure they continue to be appropriate. Incentives are likely to be most appropriate in business arenas where it is difficult to clearly link individual/team performance to revenue generation or profit.

3. NEW ARRANGEMENTS/PROTOCOLS

The following arrangements/protocols set out the requirements of the business on the proposed introduction of a bonus/incentive scheme.

(i) A business case outlining the requirement for the introduction of the scheme for people within a business unit will be signed off at GM level and counter signed by the business unit HRD. The case will highlight:

a. The business/operational requirements for the scheme.
b. Type of scheme bonus/incentive, team/individual, etc.
c. Costs neutrality of the scheme
d. Period of the scheme and population covered
e. Measures - visible, understood, achievable
f. Review

(ii) On completion the business case will be sent to the Group Compensation and Benefits team for concurrence. The team will advise the business unit on the equity of the scheme with other
areas of the business, benchmark against the market and offer a conclusion on the appropriateness of the scheme.

(iii) Consultation will then take place with the CWU outlining the introduction of the scheme and seeking their support. The issues which, as a minimum, will be discussed with the CWU will be:

a. Business rational for the scheme
b. Outline type of scheme bonus / incentive, team/individual etc.
c. Period of scheme and population
d. Measures
e. Review date

(iv) For withdrawal of a scheme a similar business case will be produced outlining why the scheme is no longer appropriate and appropriate consultation will take place with the CWU.

4. REVIEW

This process will be reviewed 12 months after the date of its introduction.
ARRANGEMENTS FOR LOCAL ALLOWANCES
IN THE NEWGRID STRUCTURE

1. INTRODUCTION

This paper sets out the process by which local allowances will be introduced or ceased prior to and following implementation of Newgrid. The aim of this paper is to:

a) Clearly define what constitutes a local allowance.
b) Ensure that the local allowance(s) is appropriate and properly authorised.
c) Ensure that it is consistent with the aims of the remuneration policies associated with a fully integrated non-hierarchical structure.

2. DEFINITION

A local allowance is a compensation arrangements to meet exceptional circumstances which are not included (or to be included) within the terms and conditions of the national pay compendium. Local allowances are non-contractual, non-pensionable and their continuing need is subject to regular review.

The need for a local allowance will be determined by the exceptional circumstances pertaining to the situation and will, by its nature, be confined to a specific geography or operational activity.

The value of these allowances will be reviewed from time to time at business unit level.

3. PROCESS FOR THE INTRODUCTION OF A LOCAL ALLOWANCE

3.1 Where the need for a local allowance arises notification (using the form at Appendix 1) must be given to the Compensation and Benefits team within the BTUK HR Policy Unit who will be responsible for final authorisation.

3.2 On receipt of authority to proceed operational management supported by line HR and BTUK Industrial Relations Unit will consult with the Union(s).

3.3 On conclusion of the joint consultation final authority to implement must be sought from the Compensation and Benefits team within the BTUK HR Policy Unit using the form at Appendix 1 accompanied by a copy of the full and final arrangements.

3.4 Line HR will be responsible for liaising with the relevant finance units to ensure that appropriate mechanisms are in place to process payment.

4. PROCESS FOR THE CESSATION OF A LOCAL ALLOWANCE

4.1 Where an existing local allowance, following a review, has been identified as being no longer required there is a need to consult with the Union(s) prior to implementing any action to cease.
4.2 In instances where no agreement to cease the local allowance can be reached, the issue may be escalated using the Formal Disagreements Procedure. In these circumstances the allowance will continue to be paid until the formal disagreement procedure is exhausted.

4.3 It is the responsibility of the line HR Consultant to notify the BTUK HR Policy Compensation and Benefits team of the cessation of a local allowance using the form at Appendix 2.
REQUEST FOR AUTHORITY TO INTRODUCE A LOCAL ALLOWANCE

1) Full details of the reasons for the need to introduce a local allowance must be detailed below:

_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________

2) Details of proposed compensation arrangement and scope of application, i.e. number of people to which it could apply, unit and activity involved:

_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________
_________________________________________________________________________

3) Details of Operational Manager (must be FCG or equivalent) and Line HR Consultant requesting authority:

Name of Operational Manager: ......................................................... OUC: ..............
Date: ........................................... Tel No: ................................ Fax No: ..............

Name of Line HR Consultant: .......................................................... OUC: ..............
Date: ........................................... Tel No: ................................ Fax No: ..............

4) Initial Authorisation (to be signed by BTUK HR Policy Comp & Bens)

Name: ......................................................... Date: ........................................

5) Final Authorisation (to be signed by BTUK HR Policy Comp & Bens)

Name: ......................................................... Date: ........................................

*On final sign-off a copy of this form, along with a copy of the full and final agreement must be sent to the Line HR Consultant and the BTUK IR Unit. A copy must also be retained within the BTUK HR Policy Comp & Bens Unit for recording purposes.*
Appendix 2

NOTIFICATION OF THE CESSIONATION OF A LOCAL ALLOWANCE

To: BTUK HR Policy Compensation & Benefits

I wish to notify you that following consultation with the Union(s), the following local allowance has now ceased:

Details of Local Allowance:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Name of Line HR Consultant: ........................................ Date: ..........................

OUC: ............................................... Tel No: ..................................................
### Terms & Conditions - summary of offer

<table>
<thead>
<tr>
<th>HOURS:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Standard hours</strong></td>
<td>37 hours net per week</td>
</tr>
<tr>
<td><strong>Breaks - main meal &amp; between attendances</strong></td>
<td>Unpaid</td>
</tr>
<tr>
<td><strong>Calculation of hourly rate</strong></td>
<td>Salary/52.18/37, pro-rated for part-timers; salary/52.18/36 red circled London</td>
</tr>
<tr>
<td><strong>Unsocial Hours:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Saturdays (standard time)</strong></td>
<td>No premium</td>
</tr>
<tr>
<td><strong>Sundays (standard time)</strong></td>
<td>Single hourly rate premium, pensionable/non-contributory</td>
</tr>
<tr>
<td><strong>Nights (standard time/over-time)</strong></td>
<td>0.33 x hourly rate 21:00 - 06:00, pensionable/non-contributory in standard time</td>
</tr>
<tr>
<td><strong>Compensation for loss of unsocial earnings</strong></td>
<td>To be defined</td>
</tr>
<tr>
<td><strong>Overtime</strong></td>
<td>1.5 x hourly rate Mon - Sat, 1.75 x hourly rate Sun, non-pensionable triggers for part-timers after 37 hours worked - 36 hours red circled London</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HOLIDAYS:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal holidays</strong></td>
<td>From 1 April 2001 entry 25 days 10 years’ service 28 days 20 years’ service 30 days - from 1 April 2002 18 years’ service 30 days • includes BT Holidays • protect people currently on 32.5 days • protect 32.5 days holiday after 22 years service for people in existing holiday group 2 at time of implementation • protect current employees: 5 yrs’ service 26 days, 8 yrs’ service 27 days</td>
</tr>
<tr>
<td><strong>Public holidays</strong></td>
<td>3 x hourly rate Christmas Day everywhere, 2.5 x hourly rate rest of days • common days for Scotland (6) – New Year’s Day, 2 Jan, Easter Mon, first Mon in May, Christmas Day, Boxing Day + other 2 days by local arrangement; maintain local arrangements for dealing with non-Scottish traffic</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RESPONSIBILITIES ALLOWANCES:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cover</strong></td>
<td>£54 pw for covering job within or between Skillbands, normally up to 3 months</td>
</tr>
<tr>
<td><strong>Supervisory - long term</strong></td>
<td>£1135 pa for taking on supervisory/some management responsibilities for people in same Skillband (or people who meet the new criteria &amp; are in receipt of the allowance prior to NewGRID can opt for £1086 pensionable/contributable)</td>
</tr>
<tr>
<td><strong>Supervisory - short term</strong></td>
<td>£6.20 per day / £3.10 &lt; 4 hrs for taking on supervisory/some management responsibilities for people in same Skillband</td>
</tr>
<tr>
<td><strong>ON CALL/CALL OUT/CALL UP:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>NB</strong></td>
<td>All non-pensionable</td>
</tr>
<tr>
<td><strong>Formal on call/contracted as part of job</strong></td>
<td>£206 per month for 1 week in 4 availability (formula adjusts for more or less)</td>
</tr>
<tr>
<td><strong>Formal on call/voluntary</strong></td>
<td>£128 per month for 1 week in 4 availability (formula adjusts for more or less)</td>
</tr>
<tr>
<td><strong>Informal on call</strong></td>
<td>No return included, payment as now</td>
</tr>
<tr>
<td><strong>Call out</strong></td>
<td>Min. of 3 hours at overtime rate + night allowance for time in night period</td>
</tr>
<tr>
<td><strong>Call up</strong></td>
<td>Minimum 15 minutes, overtime rate for full duration if more than 15 minutes</td>
</tr>
<tr>
<td><strong>Emergency call out overseas</strong></td>
<td>£52 per night if called from UK, to go overseas with less than 24 hours notice</td>
</tr>
<tr>
<td><strong>Emergency protracted attendance</strong></td>
<td>Overtime rate for duration of the attendance plus £36 if it lasts 6 hours or more and goes through 00:00 hours</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SHIFTWORKING</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NB</strong></td>
<td>All pensionable, non-contributory</td>
</tr>
<tr>
<td><strong>Allowances</strong></td>
<td>7 day 24 hr 7 day double day &lt; 7 day 24 hr &lt; 7 day double day £439 pm £253 pm £351 pm £196 pm • can reduce allowance if more than 1 week of day shifts in the rota • market supplement for shift rota worked by computing grades at implementation: 7day/24hr £148.16; 7day/doubleday £63.87; 6day/doubleday £64.33</td>
</tr>
<tr>
<td><strong>Overtime scheduled in rota</strong></td>
<td>Normal overtime rate, pensionable non-contributory for Sunday scheduled overtime</td>
</tr>
<tr>
<td><strong>Conditions</strong></td>
<td>State minimum number of unsocial shifts to be worked • facility for discussions at business unit level</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER ALLOWANCES:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Keep as is</strong></td>
<td>Offshore working</td>
</tr>
<tr>
<td><strong>Minor modification</strong></td>
<td>Dust &amp; Discomfort (£2.47 pb) – applicable to all if appropriate • Scottish Distant Islands – married persons rates to apply to all • Aerial Riggers – revised, qualifying criteria set.</td>
</tr>
<tr>
<td><strong>Review</strong></td>
<td>Foreign Languages</td>
</tr>
<tr>
<td><strong>Review as part of Business Travel review</strong></td>
<td>ETG Flat Rate Allowance, exhibitions and special events</td>
</tr>
<tr>
<td><strong>Review locally</strong></td>
<td>Sellafield Gas, Payphones Platforms, Payphones Prisons, Heathrow &amp; Gatwick Noise, BT Centre Receptionists/Grooming/Uniform</td>
</tr>
<tr>
<td><strong>Remove</strong></td>
<td>Photocopier I, Domestic Cleaners Supervisory, Clerical Officers Retail Pool, GA Firefighting/BT Tower, GA Driving – buy-out payment following agreement.</td>
</tr>
</tbody>
</table>

Annex M to letter to CWU, 21 June 2000
Learning and Development — the BT commitment to our employees

For BT to be the most successful worldwide communications company our people must be an outstanding team of inspired individuals who are totally committed to the long term success of the company. To enable this, BT will provide opportunities for every employee to develop and use their creativity, skills and potential. The will to learn and to adapt to change earns this commitment.

BT is committed to the life-long learning and development of all its people. Our ongoing competitiveness relies on the capability, flexibility and market responsiveness of all our people. We are determined to establish an ongoing partnership with each of them that promotes and sustains a culture of continuous learning and knowledge sharing which maximises their personal performance, growth and employability. The explicit mutual commitments that follow express this determination.

Commitments

The Company will

Constantly strive to unlock the full potential of every employee: ensuring business success by actively promoting and investing in the continuous development of our people

- develop and sustain a collaborative, knowledge sharing culture in which all our people are able to maximise their opportunities for development and learning, while sustaining a healthy and fulfilling work/life balance
- continuously promote diversity as a learning opportunity and a business advantage
- provide our managers with the frameworks, resources and personal development to enable them to support and coach their people’s lifelong learning
- provide induction processes that rapidly enable new employees and job changers to be confident, productive team members in their new environments.
- provide all our people with opportunities to develop their creativity, knowledge and skills beyond the requirements of their current job, encouraging them to take a global perspective and enabling them to maximise their future contribution, capability and employability and to deal confidently with organisational and commercial change
- provide all our people with ongoing information on the skills and behaviours which we believe are essential to future success and how such skills may be acquired
- seek and make accessible to our people new learning methods and media - actively exploiting our new technologies, multimedia and the Internet to bring personal growth opportunities for all
- provide learning and development opportunities as close to the work place as practicable, maximising the use of on the job coaching and experiential development, with all structured development and training provided to ISO9001 standards
- encourage our people to use the personal growth opportunities that exist outside of the work environment for the physical, mental and emotional growth which increases individual well being and, consequently, overall business success
Learning and Development – the BT commitment to our employees

- benchmark our learning and development provisions against world class standards, (e.g. European Foundation for Quality Management Business Excellence Model), and sustain our recognition in the UK as an "Investor in People"

Our Managers will

- continuously provide the encouragement, coaching, resources and personal support necessary to enhance the skills, behaviours and commitment to lifelong learning for their whole team
- operate performance, development and selection processes fairly and transparently, sustaining regular, mutually constructive one to one dialogues with all their people
- role model "lifelong learning" by committing time and effort to their own continuous professional development

Our Employees will

- recognise that their willingness and ability to adapt and to learn new skills and behaviours are essential to sustain their employability in the fast changing communications industry.
- accept responsibility for managing their own careers, planning and progressing their development and continuously seeking to learn from all opportunities, inside and outside the company.
- keep up to date on company news, identify opportunities and seek to acquire useful new skills and behaviours
Via e-mail

PP323, Westergate, 11 Hope Street, Glasgow G2 6AB: Tel: 0141 220 2464/Fax: 0141 248 9302

Mr M Crapper
CWU
150 The Broadway
Wimbledon
London SW19 5RX

12 June 2000

Dear Malcolm,

PROJECT NewGRID: TIs in NETWORK BUILD

In response to your request for information on the numbers of TIs in Network Build affected by the non-standard proposals I can confirm the following:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Number of TIs to C1</th>
<th>Number TIs to B2</th>
<th>Total current number of TIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>PPO</td>
<td>254</td>
<td>Nil</td>
<td>254</td>
</tr>
<tr>
<td>Pole test</td>
<td>106</td>
<td>Nil</td>
<td>106</td>
</tr>
<tr>
<td>Cabling</td>
<td>90</td>
<td>320</td>
<td>410</td>
</tr>
<tr>
<td>Jointing</td>
<td>15</td>
<td>233</td>
<td>248</td>
</tr>
<tr>
<td>Overhead</td>
<td>74</td>
<td>156</td>
<td>230</td>
</tr>
<tr>
<td>Pole erection</td>
<td>80</td>
<td>76</td>
<td>156</td>
</tr>
</tbody>
</table>

Whilst the above reflects the outcome of our investigations on the assimilation of the main TI jobs it is accepted that where the complexity of work/skill level required merits a different salary value in accordance with the skillband descriptors/job dimensions then this will be the subject of discussion between CWU and the business unit.

In addition there are 100 power construction TIs who it is intended to map across to B2 but this is subject to a review to be completed prior to July 2000.

Yours sincerely,

A PARK
BTUK Industrial Relations
Ms J Drake
Deputy General Secretary
CWU
150 The Broadway
Wimbledon
London
SW19 1RX

5 May 2000

Dear Ms Drake

PAYPHONES MAPPING

We understand that the CWU may wish to continue to raise some issues over ongoing job values in Payphones including posts covered by ETGs on pay and pension protection.

I can reaffirm that these should be raised on a business as usual basis.

Yours sincerely

CHARLIE McKay
Charlie McKay
Head of Employee Relations

Ms J Drake
Deputy General Secretary
CWU
150 The Broadway
Wimbledon
London SW19 1RX

5 May 2000

Dear Ms Drake

NEWGRID

In my letter of 19 April 2000, I confirmed to the union that the NewGRID arrangements will apply to all non-management people across BT plc from 1 July 2000. Therefore people in Yellow Pages, Northern Ireland and Syntegra to which the terms of BT plc's agreements with the CWU currently apply will be covered by the mapping arrangements outlined in Annex E to that letter. Additionally people in BT Cellnet will be covered.

Yours sincerely

CHARLIE McKay
Dear Ms Drake

RESOURCING STRATEGY

Further to my letter of 25 April and our subsequent meeting I attach a revised draft of the “Consultative Arrangements for the use of non BT Labour in the context of BT’s Resourcing Strategy” to reflect the outcomes of these discussions.

In putting the revised documentation to the union for agreement I can confirm that the company will wish to continue to review the levels of non-BT labour and to discuss with the union at the BT and Business Unit levels as part of the ongoing consultation arrangements. This will be set against the background of our stated view that as much of our work as possible will be undertaken by BT people and Union acceptance of the principle of and need for a flexible workforce.

I look forward to receiving your confirmation that the revised documentation is acceptable to the union.

Yours sincerely

CHARLIE McKay
Charlie McKay  
Head of Employee Relations

Ms J Drake  
Deputy General Secretary  
CWU  
150 The Broadway  
Wimbledon  
London SW19 1RX

Tel: (020) 7356 4779  
Fax: (020) 7356 0488  
Email: charlie.mckay@bt.com  

3 May 2000

Dear Ms Drake

RESOURCING STRATEGY

In my letter of 11 April I indicated that in the resourcing and employment models of the future it may be more appropriate for some activities that are currently undertaken within BT plc to be carried out by other companies or through alliances because it would make business sense to do so. In considering the feasibility of an outsourcing route or the creation of a joint venture it would be our intention to engage the union at the earliest opportunity and to deal with the people issues in an open, timely and sensitive manner.

I will be in touch with your office to arrange for us to meet to discuss how we can develop the terms of reference and protocols that will enable us to deal with these situations in a high quality industrial relations manner.

Yours sincerely

CHARLIE McKay

P.P. C7.B, BT Centre  
- 46A -
CONSULTATIVE ARRANGEMENTS FOR THE USE OF
NON BT LABOUR IN THE CONTEXT OF
BT's RESOURCING STRATEGY

1. INTRODUCTION:

This document sets out the criteria for the use of non BT labour in the context of our strategic approach to resourcing and our established consultative processes. BT's stated view is for as much of our work as possible to be undertaken by BT people, be they on permanent, short term or fixed term contracts with the company. BT and the Union accept the principle of and need for a flexible workforce to meet the challenging demands of the dynamic and fiercely competitive market in which it operates, including the use of non BT labour in accordance with the principles set out in this policy. Equally, BT and CWU are committed to following the consultative arrangements outlined in the document which should be adhered to in all circumstances.

2. STRATEGIC APPROACH:

In the context of a Total Labour Resource approach, BT acknowledges the value that BT labour brings in terms of commitment and quality, and can reaffirm that neither release schemes or non conformance to the Working Time Regulations will be used as a means to permanently replace BT labour by external resource. Equally, it is confirmed that there will continue to be a place for the use of people on short term or fixed term BT contracts as an alternative to agency people or external contractors. We do not afford any particular priority to the use of these resourcing alternatives, and will continue to discuss with the union at the right level, the most appropriate employment arrangement for the particular circumstances under consideration. Through the agreed QPB consultative process, the company has undertaken to outline its overall approach to Resourcing issues at national level, with more detailed consultation at Business Unit level, enabling particular issues to be dealt with at the appropriate interface. The Company has made it clear to the CWU that non BT labour will be used to carry out business activities where there are compelling and/or demonstrable benefits in doing so. Nonetheless, BT is committed to retraining and reskilling its workforce for the jobs of the future, and the Company will consider as part of its QPB process, appropriate resourcing arrangements in the leading new technology areas which will be designed to optimise the deployment of the BT labour workforce.

3. CRITERIA FOR THE FUTURE USE OF NON BT LABOUR:

Against this background of an underpinning requirement to optimise the deployment of the BT labour workforce, (including the use of short/fixed term contracts if appropriate) circumstances have been identified where both parties accept the need to consider the use of non BT labour :-

- where there are peaks of work that cannot be reasonably met by the deployment of BT labour;
- during emergencies (e.g. storms, civil emergencies etc.) where BT labour resource levels cannot maintain an acceptable level of customer service and quality of service standards;

- where there are specialist skills, equipment or technology requirements which we cannot deploy in time;

- where there is a need to backfill posts in a closing site;

- where, exceptionally, there are special legal or safety requirements, which we do not meet;

- where in directly competitive tendering situations there are critical advantages on time, cost and/or quality parameters;

- where the work is not of a permanent nature, has a clearly defined end date and cannot be practicably undertaken by existing BT employees;

The listing of circumstances is not exhaustive but indicates the main criteria against which line management should judge the need to use non BT labour. The Business units will consult and negotiate, where appropriate, in a consistent and open way with the CWU on the use of non BT labour in line with the parameters detailed above.

4. CONSULTATION ARRANGEMENTS:

The Company recognises the need to consult and negotiate, where appropriate, with the CWU in a consistent and open way on the requirements for the use of non BT labour. Subject to commercial confidentiality being maintained by the trade union, timely and adequate information will be made available to enable constructive dialogue to take place before final decisions are taken. However, it is accepted by the BT and the Union that in exceptional circumstances, for example, storms, civil emergencies, etc, prior consultation may not be possible. In such circumstances the Union will be informed as soon as possible and a full explanation will be given.

5. CONSULTATIVE PRINCIPLES:

The basic principles of the consultative arrangements will be as follows:

5.1 The prevailing joint consultative machinery will continue to be used to advise the CWU of resourcing plans. Through this and any other ad-hoc fora established for the purpose, resourcing related aspects of the Quality, Plan and Budget will be cascaded through the Company. Details of resourcing arrangements will be provided at each appropriate level with information, consultation and / or negotiation as appropriate, on specific issues.

5.2 The engagement of non BT labour or extension beyond the scope of previously understood date limits or volumes, will be the responsibility of operational management and will be the subject of consultation, and negotiation where appropriate, with the CWU. The company will explain the reason for the decision to...
use non BT labour (including commercial information where applicable on a confidential basis). The Union will be provided with the details of the type, location, volumes and timescales of the work including details of any supervision arrangements required, health, safety and quality aspects. Taking account of the need to keep to timescales that will allow the company to meet urgent operational requirements, the objective of the consultative arrangements will be to secure the co-operation of the Union at the appropriate levels. Such co-operation from the Union will not be unreasonably withheld. Where problems arise both parties are committed to a speedy resolution involving the appropriate CWU national officers where required who will retain overall union authority.

5.3 Any matters of underlying principle on the operation of these consultative arrangements will be referred to BTUK Employee Relations.

6. ROLES AND RESPONSIBILITIES:

In implementing this Policy,

BT ER will be responsible for:

a) Resolution of issues of interpretation and principle which cannot be resolved within the Business Units;

b) Development and monitoring of the Consultation Arrangements at national level.

Business Unit HR will be responsible for:

a) Provision of IR advice, guidance and support for Business Unit line managers on all aspects of the use of non BT labour;

b) Provision of general information to CWU officials;

c) Co-ordination of Business Unit IR arrangements and the consultative processes for the use of non BT labour within Business Units;

d) Co-ordination of information and action on IR issues in the Business Unit

e) Resolution of IR issues, which cannot be resolved at Sector/RDA level;

f) Supporting discussions on use of non BT labour on Business Unit wide basis.

Operational Management will be responsible for:

a) The identification of the need for and the decision to use non BT labour;

b) Ensuring appropriate supervision arrangements for health, safety and quality aspects are in place;
c) Provision of timely information and consultation / negotiation, where appropriate, on the use of non BT labour;

c) Full compliance with the prevailing disputes/resolution procedures.

CWU will be responsible for:

a) Ensuring that they have in place a robust consultative structure for dealing with issues within required timescales;

b) Full compliance with the prevailing disputes/resolution procedures.

c) Ensuring that disputes are pursued with a view to achieving a speedy resolution, involving the appropriate CWU national officer(s) where required.
Via e-mail

PP323, Westergate, 11 Hope Street, Glasgow G2 6AB. Tel: 0141 220 2464/Fax: 0141 248 9302

Ms J Drake
Deputy General Secretary CWU
150 The Broadway
Wimbledon
London SW19 5RX

13 June 2000

Dear Ms Drake

PROJECT NewGRID: SUMMARY OF POST IMPLEMENTATION JOB REVIEWS

I thought it would be helpful and for ease of reference to summarise in a single letter those jobs that we have committed to reviewing after implementation of NewGRID.

The list of jobs to be reviewed within 3 months of implementation of NewGRID are as follows:

Redcare – clerical
Customer Services – STs working in work manager controls
Northern Ireland – CS trainers

In addition we have agreed to carry out a review of a number of T2A jobs in BIS within one month of implementation.

With regard to DOA/SDOA I can confirm that once the new technology is in place and its effects on the work are understood we will re-assess the value of these jobs.

I trust this letter is helpful.

Yours sincerely

A PARK
BT/UK Industrial Relations
Mr W. McClory  
CWU  
150 The Broadway  
Wimbledon  
SW19  

13 June, 2000

Dear Mr McClory

OPERATING GRADES BANK / PUBLIC HOLIDAYS

Given that changes to personal holiday levels will not take place under NewGRID until holiday year commencing 1 April 2001, you have requested that, exceptionally, time off in lieu can be retained as an option at bank/public holidays for the remainder of this holiday year for Operating Grades as they are both the predominant people working these holidays and currently fall within the lower group of annual holiday entitlements. We cannot be absolutely certain of how much use is made of the TOIL option in existing arrangements over time. However, we have looked again at data sources to see if anything is available to us to help in this. We can now see payments for the higher and lower bank holiday rates. This shows us that in this financial year 97% of spend is on the higher payments and that 93% of claims are for the higher payments. Of the 7% of claims for lower payments, 3% are from Operators, 68% of all Operator claims and 82% of OSO claims are for higher rate payments. This supports our contention that the norm is the higher payment.

For this holiday year only, we are prepared to agree the facility for Operating Grades to retain the option for taking time off in lieu. You will appreciate that as soon as NewGRID is implemented, the new levels of bank/public holiday payments will be activated, ie 3 x hourly rate on Christmas Day and 2.5 x hourly rate on all other days. Existing premium rates/allowances will no longer be available as pre-Newgrid data fields for existing allowances will have been removed from our systems. Therefore the options available to them for this leave year only will be:

<table>
<thead>
<tr>
<th>EITHER</th>
<th>OR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Christmas Day</td>
<td>3 x hourly rate</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- 52 -
<table>
<thead>
<tr>
<th>Other days</th>
<th>2.5 x hourly rate</th>
<th>single hourly rate + time off in lieu</th>
</tr>
</thead>
</table>

Time off in lieu will be calculated as now. Attendance credits will be in accordance with NewGRID arrangements.

I look forward to your confirmation of acceptance to this approach.

Yours sincerely

A. PARK
BTUK Industrial Relations
VIA E-MAIL

PP323, Westergate, 11 Hope Street, Glasgow G26 AB Tel: 0141 220 2466/Fax: 0141 246 9302

Ms S Bridge
Assistant Secretary CWU
150 The Broadway
Wimbledon
London SW19 5RX

24 May 2000

Dear Ms Bridge

PROJECT NewGRID: OPERATOR ARRANGEMENTS

Since my letter of November 1999 in which I set out the arrangements for integrating the operator workforce into the NewGRID structure further developments have taken place that necessitate the need to provide you with an updated version of the annexes that had been attached.

You will note from the information provided on the updated annexes attached to this letter that there are significant benefits in relation to earnings and other terms and conditions for operators under the new structure. I am sure that the CWU will wish to secure these benefits for our people to enjoy as soon as possible and that we can work together to achieve early implementation and avoid any disappointment.

Yours sincerely

A PARK
BTUK Industrial Relations
### PROJECT NEWGRID
**BT PROPOSALS TO INTEGRATE OPERATOR GRADES INTO MAIN NEWGRID STRUCTURE**

<table>
<thead>
<tr>
<th>BASIC JOB ASSIMILATION</th>
<th>SALARY RANGE</th>
<th>A2</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>EXISTING OPERATOR TERMS</strong></th>
<th><strong>MAIN NEWGRID PROPOSALS</strong></th>
<th><strong>OPERATOR INTEGRATION PROPOSALS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FULL TIME WEEKLY HOURS</strong></td>
<td>39 Gross (Max = £12531 pa)</td>
<td>37 Net</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Convert existing main meal break to unpaid, which equates current gross hours to 34 net for full time people. This gives two options:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Existing full time operators to be offered option of a new contract at 37 hours net for a pro-rata increase in pay of 37/34ths, which increases pay max to £13637. This will then move by progression to the NewGRID salary range maximum of £13925.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2. Those who do not want to increase hours remain on 34 hours net and same salary. Pay then moves by progression to £12790 as proportion of main NewGRID salary range maximum.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• For effect on pension see note 1.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• For effect on meal breaks &amp; attendances see note 2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• For effect on annual leave see note 3</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Any quoted hourly pay rates assume the individual is on the maximum for the grade.</td>
</tr>
<tr>
<td><strong>PART TIME WEEKLY HOURS</strong></td>
<td>Various, based on proportion of F/T gross weekly hours (39)</td>
<td>Various, based on Proportion of F/T net weekly hours (37)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Existing part timers to have pay &amp; other entitlements based on 37 hours net.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• eg, pay to be recalculated from 20/39ths to 20/37ths and then moving to A2 max by progression.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• for a 20 hr/wk attendance from 20/39ths of £12531 (£6426) to 20/37ths of £13637 (£4737) and then to 20/37ths of £13925 (£7527) by progression.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• For effects on pension see note 1.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• For effect on meal breaks &amp; attendances see note 2</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• For effect on annual leave see note 3</td>
</tr>
</tbody>
</table>

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*NewGRID Operator proposals*
<table>
<thead>
<tr>
<th>EXISTING OPERATOR TERMS</th>
<th>MAIN NEWGRID PROPOSALS</th>
<th>OPERATOR INTEGRATION PROPOSALS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUNDAY PREMIUM</strong></td>
<td>One additional hour's pay for each net hour worked within conditioned hours - pensionable and non-contributory</td>
<td>No change in eligibility, however the payment will be based on the net hours worked and paid at the net hourly rate (eg. £7.21 on A2 salary range maximum), which is an increase in money paid per Sunday attendance.</td>
</tr>
<tr>
<td><strong>NIGHT PREMIUM</strong></td>
<td>0.25 hrs additional pay for each hour worked 8.00pm - 6.00am Mon-Sun - pensionable and non-contributory within conditioned hours.</td>
<td>Paid at net hourly rate for qualifying net hours. If the only night hour people work is 8pm to 9pm, they lose £1.54 per night. BUT if they work on into the night, they start to gain by 11pm. The night premium for each hour worked in the new night period increases from £1.54 an hour to £2.38 an hour so people who work several hours at night will be better off.</td>
</tr>
<tr>
<td><strong>OVERTIME</strong></td>
<td>Mon-Friday: 1.25x first 6 hours, 1.5x next 6 hours, 2 x thereafter, Sat 1.5x, Sun 2.0x - pensionable and non-contributory. Part-time = single rate until 16hr weekly hours worked on any one day, then as F/T multiplier.</td>
<td>Non-pensionable. No paid main breaks. No book through/bidding time. Part time additional hours paid at single rate until 37 hours/week is reached. This also includes residual 34hr net week full time people. Minimum qualifying period 15 minutes. Hourly rate used is the new net rate (£7.06 current max rising to £7.21 NewGRID A2 salary range max). Different hourly rates and different premiums combine to make hourly payments for overtime higher than pre-NewGRID.</td>
</tr>
<tr>
<td><strong>BANK HOLIDAY PAYMENTS</strong></td>
<td>Option of 2.5 x hours pay for time worked or 1.5 x pay plus 1.0 x time off</td>
<td>2.5 x pay (£7.06 rising to £7.21) This results in higher earnings than pre-Newgrid.</td>
</tr>
<tr>
<td><strong>CHRISTMAS DAY PAYMENTS</strong></td>
<td>Bank Holiday pay plus £6.22 allowance per hour, min payment 3 hours pay</td>
<td>3.0 x pay (£7.06 rising to £7.21) This results in higher earnings than pre-Newgrid.</td>
</tr>
<tr>
<td><strong>BANK HOLIDAY CREDITS</strong></td>
<td>For operators &amp; OSOs 1 credit = 395 / 7.75 hours Part time: 1 credit = 16-21.75 hrs wk = 4 hrs 22-27.75 hrs wk = 5 hours 28-30 hrs = 6 hours</td>
<td>Attendance credits remain, but will be calculated on net daily hours e.g. Full time: 37 hrs net = 1 credit = 7.4 hours 34 hrs net = 1 credit = 6.8 hours.</td>
</tr>
<tr>
<td></td>
<td>EXISTING OPERATOR TERMS</td>
<td>MAIN NEWGRID PROPOSALS</td>
</tr>
<tr>
<td>------------------------</td>
<td>-------------------------</td>
<td>-------------------------</td>
</tr>
<tr>
<td>FOREIGN LANGUAGE ALLOWANCE</td>
<td>£2047.46 p.a.</td>
<td>Unchanged but subject to review</td>
</tr>
<tr>
<td>ATTENDANCE LIABILITY</td>
<td>&quot;As part of your normal working hours, you may be asked to work any time of the day or night, on any day of the week, including Saturday and Sundays&quot;</td>
<td>Unchanged</td>
</tr>
<tr>
<td>ANNUAL LEAVE</td>
<td>Annual Leave Group 1: Service days’ leave 0 years 22 + 2.5 BT Hols 5 years 23 + 2.5 BT Hols 8 years 24 + 2.5 BT Hols 12 years 25 + 2.5 BT Hols</td>
<td>From 1 April 2001: Service days’ holiday 0 years 25 5 years 26 (a) 8 years 27 (a) 10 years 28 20 years 30 (b) 22 years 32.5 (c) Notes: No BT Hols. Single table of hols for all (a) for people in service at implementation only (b) from 1 April 2002 becomes 18 years (c) for people in Annual Leave Group 2 at implementation only</td>
</tr>
<tr>
<td>HOLIDAY PAY SUPPLEMENT</td>
<td>Sunday/night premia average paid as holiday pay supplement</td>
<td>Will cease</td>
</tr>
</tbody>
</table>

Originally prepared by Chris Pearce November 1999/amended May 2000
NOTES

1. PENSION EFFECTS

<table>
<thead>
<tr>
<th>FULL TIME PEOPLE</th>
<th>PART TIME PEOPLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>- 3 members accumulate 1 year pension credit for each year worked from NewGRID</td>
<td></td>
</tr>
<tr>
<td>- Pension credits now accumulate at 1/12th for each week worked</td>
<td></td>
</tr>
<tr>
<td>- 1/12th of each year's pension credit equals 0.5</td>
<td></td>
</tr>
<tr>
<td>- 0.54% pension credit applies to each year of work for pension benefits to be paid after 20 years</td>
<td></td>
</tr>
<tr>
<td>- Thus, part time people gain pension benefits quicker than pre-NewGRID.</td>
<td></td>
</tr>
</tbody>
</table>

Under the pension fund arrangements, anyone working for NewGRID or BT's pension scheme (best of the last 3 years) will be entitled to a pension. This will be based on their final salary at the date of retirement, as defined by the fund arrangements. Anyone working for NewGRID will be treated as full-time, although the pension credit for each year worked will be calculated as if the person worked 1/12th of a year. Thus, part time people gain pension benefits quicker than pre-NewGRID.

- 1/12th of each year's pension credit equals 0.5 |
- 0.54% pension credit applies to each year of work for pension benefits to be paid after 20 years |
- Thus, part time people gain pension benefits quicker than pre-NewGRID.
### Annex A

#### 2 Meal Breaks & Attendances

Break times for both full and part-time people become:

<table>
<thead>
<tr>
<th>Time</th>
<th>Break Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-4.5  hrs</td>
<td>15 mins paid</td>
</tr>
<tr>
<td>4.5-6  hrs</td>
<td>30 mins paid</td>
</tr>
<tr>
<td>6+7    hrs</td>
<td>60 mins paid</td>
</tr>
<tr>
<td>7-8    hrs</td>
<td>15 mins paid + 1 hr unpaid</td>
</tr>
<tr>
<td>8-9    hrs</td>
<td>30 mins paid + 1 hr unpaid</td>
</tr>
<tr>
<td>9-12   hrs</td>
<td>45 mins paid + 1 hr unpaid</td>
</tr>
<tr>
<td>12+    hrs</td>
<td>60 mins paid + 1 hr unpaid</td>
</tr>
</tbody>
</table>

In total these are the same as now. As operators are intensive DSE users the paid breaks will be under the provisions of SFYA/LAIPA/825 and ADM/PCDF/011 as the formal DSE breaks.

Anomalies: Where less than 5 attendances a week are worked, some adjustment to duties will need to be made:

- Full time people working less than 7 hours on any attendance will not have the 1 hour unpaid main meal break for that day, because of the adjustment from gross to net hours. To correct this:
  - If they opt to stay on 24hrs net, 1 hour’s overtime will be paid if the weekly attendances are unchanged, or the total weekly attendance can be reduced by 1 hr.
  - Those moving to 37 hours will need to only have +2 work hours scheduled.
  - In total this affects about 300 full-time weekly duties.
  - In a few cases there are 3 x 11 hr + 1 x 6 hr attendances, for which only one additional hours work is needed to bring it to 37 net, or 2 hours overtime paid for remaining on 34 hours per week.

#### 3 Holiday

- 37 hour people get the full time annual leave entitlement (which converts to equivalent daily hours at 7.4 hours net per day)
- 34 hour people get the same leave entitlement in days. (which converts to equivalent daily hours at 6.8 hours net per day)

#### Part Time People

- Where a scheduled part time attendance exceeds 7 hours, the unpaid break of 1 hour must be taken off the weekly paid hours
- Or have the weekly attendance changed to have only duties below 7 hours, but same net hours
- Or be given the opportunity to retain a 7 hour attendance, but have an hour added to the weekly attendance
- We believe this only affects about 6 part time people, all based in Number Information.

- The same principle applies, part time people get the same annual leave allowance as other NewGRID people
- This converts to hours at the average net daily hours worked per attendance
- E.g. 25 hours week over 5 attendances gives 5 net hours per day
<table>
<thead>
<tr>
<th>What is your employment status?</th>
<th>NOW full time</th>
<th>AFTER NewGRID move to new full time</th>
<th>stay on equivalent hours to now - part time</th>
<th>NOW part time based on 39 hours gross per week</th>
<th>AFTER NewGRID part time based on 37 hours net per week</th>
<th>NOW part time based on 39 hours gross per week</th>
<th>AFTER NewGRID part time based on 37 hours net per week</th>
</tr>
</thead>
<tbody>
<tr>
<td>PAY:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>How much?</td>
<td>£12531 pa at the min</td>
<td>£13637 pa rising to £13925 pa max</td>
<td>£12531 pa rising to £17906 pa max</td>
<td>£13033 pa at the min</td>
<td>£8214 pa rising to £9409</td>
<td>£8426 pa at the min</td>
<td>£7371 pa rising to £7527</td>
</tr>
<tr>
<td>Why?</td>
<td>max for grade</td>
<td>E12531 / 34 x 37 = £13637</td>
<td>NewGRID salary range = A2</td>
<td>£12531 / 39 x 25 = £8214</td>
<td>rising to E13025</td>
<td>rising to E13025</td>
<td>rising to E13025</td>
</tr>
<tr>
<td></td>
<td>max for grade</td>
<td>E13925</td>
<td>NewGRID salary range = A2</td>
<td>£13925 / 37 x 34 = £8426</td>
<td>rising to E13925</td>
<td>rising to E13925</td>
<td>rising to E13925</td>
</tr>
<tr>
<td></td>
<td></td>
<td>to rise to E13925</td>
<td>= £12798</td>
<td>= £9409</td>
<td>= £9409</td>
<td>= £7527</td>
<td>= £7527</td>
</tr>
<tr>
<td>HOLIDAYS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>same number of days' entitlement as now, pro-rated for part time and converted into hours - same number of days off as now</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PENSION:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What is the pension credit if you work 1 year?</td>
<td>1 year</td>
<td>1 year</td>
<td>25 / 30 x 1 year = 0.819 of a year</td>
<td>20 / 30 x 1 year = 0.513 of a year</td>
<td>20 / 30 x 1 year = 0.541 of a year</td>
<td>20 / 30 x 1 year = 0.541 of a year</td>
<td>20 / 30 x 1 year = 0.541 of a year</td>
</tr>
<tr>
<td>What salary is the pension based on?</td>
<td>assuming max is reached within 3 yrs of retirement age</td>
<td>£12531</td>
<td>£13925</td>
<td>£13925</td>
<td>£12531</td>
<td>£13925</td>
<td>£13925</td>
</tr>
<tr>
<td>What will your pension be? (eg 1 - 25 yrs service before and 5 yrs after NewGRID, at 18/60th for each yrs's credit)</td>
<td>30 / 60 x £12531 = £4699</td>
<td>30 / 60 x £13925 = £5222</td>
<td>25 / 60 x £13925 + 5 / 60 x 0.919 x £13925 + £3012</td>
<td>25 / 60 x 0.814 x £12531 + 5 / 60 x 0.919 x £13925 + £3012</td>
<td>25 / 60 x 0.513 x £12531 + 5 / 60 x 0.919 x £13925 + £3012</td>
<td>25 / 60 x 0.513 x £12531 + 5 / 60 x 0.919 x £13925 + £3012</td>
<td>25 / 60 x 0.513 x £12531 + 5 / 60 x 0.919 x £13925 + £3012</td>
</tr>
<tr>
<td>What will your pension be? (eg 1 - 2 yrs service before and 5 yrs after NewGRID, at 18/60th for each yrs's credit)</td>
<td>15 / 60 x £12531 = £3153</td>
<td>15 / 60 x £13925 = £3541</td>
<td>10 / 60 x £13925 + 5 / 60 x 0.919 x £13925 + £2088</td>
<td>10 / 60 x 0.814 x £12531 + 5 / 60 x 0.919 x £13925 + £2088</td>
<td>10 / 60 x 0.513 x £12531 + 5 / 60 x 0.919 x £13925 + £2088</td>
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<td>10 / 60 x 0.513 x £12531 + 5 / 60 x 0.919 x £13925 + £2088</td>
</tr>
</tbody>
</table>

Pension accrues at 1 year's service for each full time year completed. If someone is employed on a contract with less than full time hours per week then a proportional credit is earned for each year for pension purposes. This is then multiplied by the number of years' service and the national full time pay plus any pensionable supplements. When the percentage of full time hours changes or the length of the full time working week changes then BT Pensions treat the qualifying periods separately for pension credits. So, when NewGRID is implemented, previous pensionable service will be calculated at the old rate and time worked after implementation at the new rate.
Ms J. Drake
Deputy General Secretary (T)
CWU
150 The Broadway
Wimbledon
London
SW19 1RX

11 April 2000

DEAR MS. DRAKE

NEWGRID – YELLOW PAGES/CONNECTIONS IN BUSINESS

You will recall from my previous letters of the 8 February 2000 and Andy Park’s letter to Sally Bridge of the same date that our overall aim within NewGRID has been to bring about a consistency of approach towards issues of structure and terms and conditions to support the implementation of a single integrated non-hierarchical structure.

The company believes that it faces exceptional circumstances that will require a variance to that approach. In this respect we have presented to the Union, in an open and honest way, the commercial challenges facing Yellow Pages and CIB which operate in a fiercely competitive environment and where any addition to their cost base will genuinely impact on commercial viability. Both business’s survival and the employment prospects of its people depend on close and ongoing cost control.

We are proposing, therefore, the following exceptions to the overall Newgrid package, without setting a precedent on the application of the NewGRID package.

For ASOs with Yellow Pages we propose to implement the Newgrid agreed arrangements with the exception of the premium for Sunday working within standard hours – we would pay single rate as per the present arrangements. To move to the Newgrid premium of an additional hourly rate would result in Talking Pages moving from marginal profit to loss. This, you will agree, would be unsustainable in business terms and would have a serious effect on the employment of our people. With regards to Message Services, it is already recognised by the CWU that that this product is in continuous review and the added financial impact of full NewGRID implementation would simply make the current situation worse.

For call handlers within CIB we propose to implement the Newgrid arrangements with the exceptions of the overtime proposals, night attendance premium and Sunday.

PP: C7.D. BT Centre
- 61 -
within standard hours premium. Instead, the compensation arrangements that are currently in place would be maintained thereby removing the significant threat that would be posed to their financial position on their ongoing contracts e.g. the ATOC contract where this would become a loss maker if the standard Newgrid terms were to apply.

I know that the Union fully understands the cost drivers facing Yellow Pages and CIB and that there is a combined will to ensure that both not only survive but are given every opportunity to flourish in what is a commercially challenging and fiercely competitive market arena. To ignore these exceptional circumstances would not be in the best interests of our people, the company or the Union. When the commercial situation improves we will review the position with the Union with full disclosure of the financial position, within both Yellow Pages and CIB, with the commitment to determine when the commercial situation will allow for the full NewGRID terms and conditions package.

I would ask you to confirm that you are prepared to agree these proposals on a without prejudice basis pending final agreement on the overall Newgrid package and its wider benefits.

I look forward to a positive response.

Yours sincerely

P Thompson
BTUK Industrial Relations
Ms J Drake  
Deputy General Secretary CWU  
150 The Broadway  
Wimbledon  
London SW19 3RX  

22 May 2000

Dear Ms Drake

PROJECT NewGRID: REVIEW OF NATIONAL ALLOWANCES

As a consequence of our recent discussions on the issue of the review of national allowances I am prepared, on a without prejudice basis and subject to acceptance by the Union, to commit to the following:

Allowances reviewed / increased in line with main pay review

# annual hours allowance – outside broadcast  
# annual hours allowance – terrestrial earth station  
# on call – formal contractual  
# on call – formal voluntary  
# responsibilities – cover  
# responsibilities – long term supervisory  
# responsibilities - short term supervisory  
# shiftworking  
# pay and pension supplement

Allowances reviewed annually

# dirt and discomfort  
# foreign languages  
# emergency call out overseas  
# emergency protracted attendance  
# London Weighing  
# offshore working  
# Scottish Distant Islands  
# market supplement for shiftworking  
# aerial riggers

If the above meets with agreement from the Union then this will form an integral part of the NewGRID agreement.

Yours sincerely

A PARK  
BT UK Industrial Relations
Mr R Hull  
CWU  
150 The Broadway  
Wimbledon  
LONDON  
SW19 1RX  
10 May 2000

Dear Mr Hull,

BT RETAIL REMUNERATION PROPOSALS

Over the last year we have been discussing with the Union the critical need for revised remuneration arrangements for our Retail people, culminating in our meeting on 26 April and subsequent discussions in which I have set out the company’s final position. The purpose of this letter is to confirm the company’s proposals which would be implemented from 1 July 2000 in line with Newgrid implementation.

Our proposals seek to build on the many essential changes that have taken place within the last two years within the Retail environment, including the introduction of concept stores, new resourcing and attendance arrangements, significant revisions to our product offerings, including the explosive growth in the mobile market, and the move of DRMs into the RCG structure. All of these changes have been designed to enable the Retail business to remain competitive within an extremely tough and volatile retail environment.

During our discussions we have outlined openly and honestly the present and foreseen trading situation and the types of challenges being posed by competitors, all of which provide significant threat to the ongoing viability of our Retail business and the prospects for Retail people. To counter this threat we must take all possible steps to grow revenue and increase profitability whilst ensuring that our Retail people are fully motivated to achieve success with sales driven behaviours within a sales driven culture. Making further shifts in sales driven behaviours is absolutely key to revenue growth and increasing profitability, both of which have become even more critical in the light of the company’s 3rd quarter results announced on 2 February 2000.

So, in addition to the changes already effected to address this threat, we have proposed the introduction of a revised base pay/bonus mix that will align us closer to external best practice in the Retail sector and that will stimulate the sales behaviours and culture that will enable us to achieve our ambitions of growing revenue and increasing profitability.
Salary and Commission

The key element of our proposal is for the introduction of a salary value of £10,794 to £13,158 with commission payments on all sales to be paid at a flat rate of 2% per sale, except for sales of prepaid mobiles of £1 and contract mobiles of £10. People will be bonus on an individual basis against the sales revenue they generate. There will be no minimum threshold for bonus payments and no upper limit on the amount of commission an individual may receive.

We view the outcome of these proposals, which are very significant improvements on our earlier position, as enhancing the potential earnings of Retail Consultants – as you are aware there is at present a 12.5% cap on commission payments; under these proposals there is a significantly higher base and improved and uncapped bonus potential. These terms are still at the top end of the market when compared against our competitors.

Pay and pension protection

In our discussions we have stressed the crucial need to engender sales driven behaviours and our view that these can be discouraged by the current remuneration arrangements whereby base salary, unaffected by sales achievements, is the prime contributor to overall earnings. The Union has equally stressed that the issue of pay and pension protection is critical to the interests of their members.

In that context, and in order to reach a conclusion to these negotiations, the company is prepared to improve significantly on its earlier proposals by offering the standard terms of the provisional agreement on pay and pension protection to all existing permanent Retail Consultants.

In offering these terms and in the spirit of the company’s approach, which is some way beyond what our competitors would provide, we would expect our people to respond very positively and focus firmly on the crucial need to drive sales volumes upwards. We would not expect them to rely on the protection – we would expect them to be successful and benefit the company and themselves.

Next Steps

We would propose to work with the Union on the detail of the operation of the commission system in the context of pay and pension protection. In addition we would be prepared to hold early discussions on a without prejudice basis on commission scheme issues such as the approach to consultation with the Union, notice periods, and the implementation of any changes to the scheme arrangements.

Conclusion
The company has consistently stated to the Union that the sales growth and sales
behaviours are fundamental to enabling BT Retail to continue operating within the
Retail market place and I hope that the Union will be prepared to demonstrate a
willingness to help the Retail business achieve success through agreeing to these
proposals and thus help to secure its future and the careers of our people within.

The company has made very significant movement from its earlier positions on both
the pay and commission arrangements and the approach to pay and pension
protection, and we believe that this set of proposals continues to provide first class
remuneration arrangements.

I do hope that the Union will recognise this and agree to the implementation of these
proposals with effect from 1 July 2000. I look forward to receiving a positive and
early response.

Yours sincerely,

PAUL THOMPSON
Via e-mail
PP323, Westergate, 11 Hope Street, Glasgow G2 6AB

Mr W McClory
Assistant Secretary CWU
150 The Broadway
Wimbledon
London SW19 5RX

18 May 2000

Dear Mr McClory

RECORDING OF HOLIDAYS

I am writing to confirm our position on the recording of holidays under NewGRID.

Days – Holiday will be recorded in days (or hours, if preferred) where people work 5 daily standard attendances of equal length.

Hours – Holidays will be recorded in hours where people work an attendance arrangement other than a standard 5 day week.

The conversion from days to hours will be on the basis of 1 week of 5 days = 37 hours, so it follows that 1 day = 37/5 = 7 hours 24 minutes. This provides all people, regardless of attendance pattern, with the same number of hours of holiday per annum e.g. 32.5 days = 240.5 hours.

However, it is recognised that for people on, or reaching, 32.5 days of holiday, the conversion may not provide sufficient hours in some attendance patterns for the final half day of holiday, given that the minimum amount of holiday that can be taken is a half-day. We would intend to address this by allowing the remaining hours to be rounded up to enable the half day to be taken before the end of the annual leave year or carried forward to the next. The words we would put into the detailed holiday rules to clarify this are:

*For people with 32.5 days holidays whose holidays are recorded in hours and who work less than 5 attendances each week:

If the pattern of taking holidays results in too small an amount of hours left to take the half day of holiday at year end the following options will be made available:-

a) the time will be rounded up to enable a half day to be taken, without bringing forward any holiday allowance from the following year

or

b) the time to be rounded up and carried forward to the following year.

I trust the above will meet with the acceptance of the Union and look forward to an early response.

Yours sincerely

A PARK
BTUK Industrial Relations
Via e-mail

PP323, Westgate, 11 Hope Street, Glasgow G2 6AB. Tel: 0141 220 2464/Fax: 0141 248 9302

Mr J Drake
Deputy General Secretary CWU
150 The Broadway
Wimbledon
London SW19 5RX

12 June 2000

Dear Ms Drake

PROJECT NewGRID: SUNDAY OVERTIME PENSIONABILITY

I refer to your enquiry regarding the position of Sunday overtime that pre-NewGRID was pensionable and whether this would continue to be counted towards the final pension.

As you know an individual's pension is based upon the best pensionable earnings over the final 3 years of their employment and any pensionable Sunday overtime worked within that 3 year period would count towards that person's pension. The fact that Sunday overtime will become non-pensionable does not discount the pensionable overtime earned within the 3 year period. The same principle applies for all pensionable earnings.

I trust this response allays any concerns the Union may have had.

Yours sincerely

A Park
BTUK Industrial Relations
13 June, 2000

Dear Mr. McClory

NewGRID Shiftworking

Following our series of discussions I am writing to table to the Union our full proposals on shiftworking.

These proposals fully align with our key principles of seeking to introduce terms and conditions that are simple, reflect best practice and are affordable. Both BT and the CWU have always recognised the complexity, diversity and history of shiftworking within BT. In broad terms we have tried to take the same approach to shiftworking as we have to all other NewGRID terms and conditions issues but there is one significant difference in that, unlike other attendance arrangements, we have had to establish a new common framework to apply across the whole NewGRID structure to ensure equity in the application of rules and payments. In doing so, we have taken the opportunity to address some of the complexities and grey areas which have made shiftworking so very difficult to understand and operate over the years. As a result, we believe we have produced a simpler framework that recognises the flexibility needed to build shift patterns to cover a wide range of operational circumstances, quite unlike those of most external comparators, that will help take the legacy of contention out of shiftworking in the future, thus making a clear break from the past.

Our main aim has been to move to standard monthly payments for shift pattern types which gives BT clarity of costs and provides all shiftworkers with clear and regular earnings, as well as better enabling changes to patterns as operations evolve. We have further sought to align terms and conditions to standard ones wherever feasible, notably net hours, overtime rates and compensation for loss of unsocial earnings.

The draft framework attached to this letter forms the basis of our proposal. There are also a number of points I need to make in support of its contents.

Existing local agreements – Existing local agreements will continue until such time as they are changed by the processes contained in those agreements. This is particularly relevant in respect of issues such as the organisation of hours, allocation of overtime in the cycle and cover. However.
we anticipate some adjustment arising from the reduction of the working week for ETGs, and possibly the application of net standard hours for clerical/computing people where this may impact on paid meal breaks. There may also be a small number of local agreements that fail to meet the major criteria in the framework, eg the fundamental definitions, that we would expect to be revisited very quickly as payment arrangements will not be capable of being operated. This latter point includes shifts that do not meet the weekend working criteria for 7 day patterns where currently payment would revert to that for a non-7-day pattern in some weeks which will no longer be possible. Any shifts like this will be subject to change through consultation or, where appropriate, negotiation within a month of NewGRID implementation to ensure that the criteria are met.

Shift Allowances/Abatement – We have amended the monthly shift allowances to reflect the recent pay review. For people claiming irregularly, predominantly on cover, we are now proposing an hourly rather than a daily payment in order to treat shifts of varying lengths more fairly.

Both BT and CWU have been concerned to design a simple and equitable abatement formula to take account of shift patterns that have more than one week of daywork shifts. Very serious consideration has been given to having no abatement at all to remove the complexity it entails, but the Company has dismissed this as it would impose unacceptable costs on some groups where patterns are spread out for good operational need and which abate or do not pay shift allowances at the moment.

We welcome the CWU’s positive approach to finding a solution to this issue and are now able to propose abatements as shown in the draft framework. Again, we have carefully considered a single solution of paying 90% of monthly payments (a more positive spin than reducing monthly payments by 10%) for all with two weeks of daywork shifts, but there are a few shifts with a reasonable number of people which have 3 or more weeks of daywork shifts and we believe it is appropriate to extend the logic a little further by paying 85% of monthly payments regardless of how many weeks beyond 2 there are in the pattern, which preserves the principles of simplicity and affordability.

Holiday and Cover - To an extent these are related issues in that holiday taken at certain times can generate high cover costs. We believe strongly that, if we are paying monthly shift allowances for coverage of specific working patterns, an individual should regularly work all types of attendances in that pattern and not concentrate holiday either at nights or weekends where cover could be expensive. We welcome your assertion that holidays should be spread across a rota, in line with current arrangements, and have sought to re-inforce that point in the draft framework. We have also clarified the payment arrangements that would apply to people undertaking cover to remove current ambiguities and adhere to the most commonly applied current arrangement, which also smooths costs between days and nights. This has enabled us to remove explicit restrictions on holiday which we were minded to include in the draft framework.

Shift retention - We have proposed a single arrangement on “Compensation for loss of unsocial earnings” that supercedes all the current shift retention arrangements and the loss of unsocial earnings arrangements applicable only to Operating and GA grades. I am writing to you separately on this subject.
Supplements – We have been working closely with business units to define the area of activity covered by supplements. You are aware that our concerns are around retention of Computing Grades in certain locations and that our proposal is, therefore, to pay a market supplement. We propose to restrict this to all shift rota worked by Computing Grades (pre-NewGRID C1, C2 and C3 people) at the point of NewGRID implementation (i.e. 7,6,5 day 24 hour shifts; 7,6,5 day double day shifts). It follows that appointees to those rota after NewGRID implementation will also be paid the market supplement to maintain equity of payment for all people on those particular rota.

All people currently in receipt of lower shiftworking payments than the proposed monthly allowances – These people will transfer to the new monthly allowances on the implementation of NewGRID.

All people currently in receipt of higher shiftworking payments than the proposed monthly allowances – These people will also transfer to the new monthly allowances on the implementation of NewGRID. In addition, they will receive 9 months’ compensation under the payment mechanism in the new “Compensation for loss of unsocial earnings” arrangements. It is recognised that the “Compensation for loss of unsocial earnings” arrangements are normally intended to apply to circumstances where patterns of unsocial working have changed, resulting in loss of earnings. What we are dealing with here, though, is different and a rare exception in that there will be a change to the level of shiftworking allowance (with some other relevant changes to hours and overtime in particular) but not necessarily a change to working patterns. We firmly believe that the compensation mechanism outlined in the arrangements is a practical and fair one for addressing reductions in unsocial earnings so it equally lends itself to this specific situation. However, I can confirm that clerical people in receipt of the current Clerical shift allowances will receive the current value of those allowances for one year through the payment of a personal supplement in addition to the standard NewGRID shift allowance. We will review the value of these allowances after one year.

Uplifting the allowances and supplement – This should be dealt with as part of the general debate we are having on the review of all allowances, upon which the company has already written to the Union.

Consultation – We have built into the framework consultation arrangements for new or changed shiftworking patterns, stressing that this should take place at an appropriate level within the business.

Conclusion
Shiftworking has been a highly complex area of our NewGRID discussions but we believe that we have addressed satisfactorily all the issues that have arisen and do hope that the Union are able to respond positively to the proposals.

I look forward to an early response.

Yours sincerely

- 71 -
Paul Thompson
Industrial Relations Manager
BTUK

phone 020 7356 3190
fax 020 7356 6488
Shiftworking Framework

This is an attendance arrangement framework which replaces the shiftworking framework agreement in place prior to NewGRID. Local agreements, including the allocation of overtime in a cycle, are maintained until such a time as they are changed through consultation.

1. Definitions

2. Shift Patterns

3. Guidance for establishing shift rota

4. Implications of the Working Time Regulations on shifts

5. Process for moving people onto and off shift-working

6. Shift allowances

7. Adjusting the Allowance

8. Working a shift on a Bank Holiday

9. Scheduled overtime within shifts

10. Paid meal breaks within shifts

11. Absence from the shift rota and cover

12. Shift retention

1. Definitions:

A Shift Rota involves the redistribution of daily standard hours over a period of weeks. Shiftworkers rotate systematically through the resulting attendance pattern. The Shift Cycle is the time taken for someone to complete all the shift duties scheduled within the rota and return to the first duty to repeat the shift rota.

<table>
<thead>
<tr>
<th>Shift</th>
<th>A continuous period of rostered duty with a maximum break of two hours.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shift Pattern</td>
<td>7 day – A pattern which operates between Monday and Sunday with a minimum of 125 hours 48 minutes scheduled on Saturdays and 125 hours 48 minutes scheduled on Sundays.</td>
</tr>
<tr>
<td></td>
<td>This criterion must be met.</td>
</tr>
<tr>
<td>Daywork Shifts</td>
<td>Attendances wholly within the hours of 07:15 and 19:15.</td>
</tr>
<tr>
<td>Non-Daywork Shifts</td>
<td>Attendances rostered to fall wholly or partly outside of the daywork shifts.</td>
</tr>
<tr>
<td>Night Shifts</td>
<td>Attendances including at least 5 hours worked between 21:00 and 06:00.</td>
</tr>
</tbody>
</table>
2. **Shift Patterns**

There are two types of shift pattern or rota which can be arranged over five, six or seven days a week:

- **24-hr. - 7 days** - requiring at least one person to be on duty for the full 24 hours each day of the rota. The shift cycle should schedule at least 225 hours of 'night shifts' over a 12 month period.
- **Double-day - participation in the full 24 hour period, with an earliest start time of 06:00 and a latest finishing time of 23:00. Within these outside limits at least one person must be on duty for a daily minimum coverage of 12 hours.**

If the criteria for the 24-hour shift allowance are not met, the relevant double-day shift allowance applies instead, with night attendance payable after 21:00.

3. **Guidance for Establishing Shift Rota**

Shift rotas should only be introduced where it is operationally essential and where it is more cost effective than the use of overtime or other attendance arrangements. When determining which shift pattern to employ, the following should be considered:

- Relative costs of alternative attendance arrangements
- Operational requirements
- Due regard for peoples' personal circumstances

1. Volunteers should be sought for shift rota. If there are insufficient volunteers, discussions will take place at an appropriate level (national or local), to find an acceptable way of meeting customer and operational requirements.

2. Shift rota should always provide for the working of standard hours, when averaged over the complete shift cycle. Scheduled overtime should be kept to a minimum.

3. If one week of the cycle happens to require the working of more than the basic weekly hours, overtime is not due unless over the whole rota cycle on average more than the basic weekly hours are worked.

4. Subject to the usual holiday arrangements, holidays should be evenly spread over all the shifts in the rota e.g. people should not only take their holiday when rostered on night shifts. Line managers may refuse holiday if it is not being spread evenly over all shifts.

5. Rota should be published as far in advance as possible in order for holiday, etc. arrangements to be defined before the event.

6. When drawing up shift rota, the following general principles should be taken into account:
- Inconvenience and social/domestic disruption should be minimised by grouping days off to provide reasonable rest periods.
- Shift rota should not provide for more than 7 consecutive shifts to be worked, and there should normally be a minimum of 24 hours off when changing from night shifts.
- Rota should follow a repeating cycle so that people are able to predict their working pattern for reasonable periods.
- Shift change times should, as far as possible, be reasonable and convenient, in relation to local public transport and domestic life.
- Rostered shifts should not be unduly long, and only exceptionally be longer than 12 hours or involve more than 12 hours worked in any one 24 hour period.

7. Consultation will take place at an appropriate level for the organisation, e.g. national or local, to determine actual patterns of attendance and rota where an operational need has been identified for new or changed shift-working patterns. Everyone concerned will be committed to resolving the issues, normally within one month of the Union receiving proposals.

8. Notice periods to cease shift working:
• Shiftworkers who wish to cease shift working must give the local manager three months notice.
• Exceptional personal circumstances (e.g. urgent domestic matters) will be taken into consideration with any request to cease shift working.

4. Implications of the working time regulations on shifts
The Working Time Regulations provide that people must have a minimum daily rest period of 11 consecutive hours in 24 hours. In addition to this, people are also entitled to a weekly rest period of not less than 24 hours in each 7 day period or 48 hour period in each 14 day period. This must be taken into consideration when drawing up shift rota’s. The availability of the compensatory rest feature within a reasonable time scale may also be used under the regulations.

Under the Working Time Regulations, people working a 24 hour rotating shift pattern are classified as night workers. The ‘normal’ hours of night workers must not exceed an average of 8 hours in 24 hours over a 17 week period. In line with legal requirements, BT provides a free health assessment for all 24 hour shift workers and other night workers. Line managers should encourage night workers to complete the questionnaire and return it to the OHS.

5. Process for moving people onto and off shiftworking
There are a number of scenarios for moving people onto or off shiftworking. In all cases a Pay & Contract Request Form (P&CRF) should be completed and returned to HR & DS at the address at the top of the form. * In all cases HR & DS will send the person a letter to confirm their contract variation. The P&CRF can be obtained from [http://hr.intभू.com/contracts/](http://hr.intभू.com/contracts/) or by telephoning 0800 731 4747 option 1. * Does not apply to BT Northern Ireland where local processes are in place.

The scenarios:
Moving Someone onto Shiftworking for the First Time
• The P&CRF needs to be completed in order to assign the new allowance

Moving Someone onto a different Shift Type (i.e. 7 day 24 hour to 7 day double day)
• The P&CRF records the change in allowance and HR & DS will then assign the new allowance.
• If the new shift type results in someone receiving a lower shift allowance, compensation for loss of attendance related payments should be paid if the qualifying conditions are met.
• The P&CRF allows you to cease the old allowance and detail the new allowance in order that HR & DS can calculate any compensation for loss of attendance related payments due.

Ceasing the Shift Allowance
• The P&CRF enables a shift allowance to be ceased if someone is promoted into a new job not requiring the shiftworking, if someone moves off shiftworking voluntarily or if shiftworking is ceased for operational reasons.
• Compensation for loss of attendance related payments may be payable if qualifying conditions are met.

6. Shift Allowances
Shift allowances are paid in recognition of the unsocial hours built into shifts to meet operational requirements and the element of rotation employed within shift rota’s.

People must be employed on a formal shift rota for a minimum of four weeks continuously (including paid absences) in order to receive the full shift allowance. However when shift working is not constant but operates on an ad-hoc basis determined by operational requirements, the hourly allowances shown in the table should be claimed in respect of the standard hours worked.

The current shift payments are shown below:
<table>
<thead>
<tr>
<th>Shift Type</th>
<th>No. of days</th>
<th>7-day</th>
<th>Less than 7 day</th>
</tr>
</thead>
<tbody>
<tr>
<td>24-hour</td>
<td>Per Month</td>
<td>£439</td>
<td>£251</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£2.73 per hour</td>
<td>£2.18 per hour</td>
</tr>
<tr>
<td>Double Day</td>
<td>Per Month</td>
<td>£263</td>
<td>£196</td>
</tr>
<tr>
<td></td>
<td></td>
<td>£1.63 per hour</td>
<td>£1.22 per hour</td>
</tr>
</tbody>
</table>

Payment is made as a standard monthly allowance as shown above, providing the qualifying criteria are met. The shift allowance is payable during absence subject to the criteria set out in paragraph 11.

Hourly rate calculation:
Monthly shift allowance x 12 divided by £2.18 divided by 37

Patterns with a maximum of one week of daywork shifts per cycle qualify for an allowance. Therefore, if the pattern contains more than one week of daywork shifts (known as a “straight week”), the standard monthly shift allowance in the table above should be adjusted as follows:

- one straight week = full standard monthly allowance
- two straight weeks = 90% of standard allowance with shift hourly rate based on this figure
- three or more straight weeks = 85% of standard allowance with shift hourly rate based on this figure

Shift allowances are not included in the pay used for calculating overtime compensation, but they are pensionable and non-contributory. Shift allowances are subject to tax and National Insurance in the normal way.

7. Adjusting the Allowance
When someone joins or leaves the shift rota part-way through a month, the allowance is prorated by payroll.

8. Working a shift on a bank holiday
Where attendance as part of a scheduled duty is required on a Bank/Public Holiday, the shiftworker will qualify for the appropriate Bank/Public Holiday premia in addition to the shift allowance. The shiftworkers are also entitled to the appropriate Bank Holiday attendance credit.

9. Scheduled overtime within shifts
Overtime may only be scheduled as part of a shift rota where it is operationally essential, and should be kept to a minimum. The line manager must ensure that the rota clearly states which are standard and which are overtime hours. Scheduled overtime premia are only paid for overtime actually worked, except in cases of paid meal breaks where the overtime is paid regardless of whether the break is disturbed by an operational issue.

Scheduled overtime is paid at the normal overtime rates. Any scheduled overtime on a Sunday is pensionable non-contributory.

All other overtime which is not scheduled, or any additional shifts worked are paid for by the normal overtime arrangements plus the relevant night attendance premium where the qualifying criteria are met.

10. Paid meal breaks within shifts
On an exceptional basis some designated shifts have paid meal breaks where a shiftworker is operationally required to remain on duty.
11. Absence from the shift roster and cover

When booking holiday, shiftworkers should be aware that they should spread their holiday evenly across all shifts. For example people must not always book holiday when rostered on nights. Line managers may refuse holiday if it is not being evenly spread over all shifts over the year. Those taking holiday will have all standard hours/days for the period of holiday deducted from their holiday allowance. Standard hours do not include scheduled overtime.

Shiftworkers may swap attendances to cover their holiday arrangements with prior agreement of their line manager but this arrangement cannot be enforced.

When someone is absent from the shift rota (e.g. due to holiday, sickness, project work, training etc) they will continue to receive the shift allowance.

It may not always be necessary for all of those rostered in on a Bank/Public Holiday to attend. It is the responsibility of the line manager to notify those people who will be stood down as soon as it becomes known. Ideally people should be given at least a complete cycle’s notice that they will be stood down. As a minimum they should be given 4 weeks notice.

Should a shiftworker be absent from the shift rota long-term, it is the responsibility of the line manager to examine the individual circumstances and normally cease the allowance after 30 days (except in cases of maternity leave, paid special leave, paid holiday or whilst “covering” a higher paid job). If the person subsequently returns to the job and of shiftworking, the allowance can be reinstated.

When a shift worker is absent, the line manager must find the most suitable way to cover the shift(s).

- It is the line manager’s decision if the shift needs to be covered.
- Someone may swap shift(s) with a fellow shift worker on the same shift type to accommodate holiday – no variance in payments required.
- Payment of hourly shift allowance for the designated standard hours of the shift being covered. Payment of overtime where the time worked exceeds standard hours. No other unsocial hours premia are payable except on a Bank/Public Holiday. (For example, if the shift being covered has 11.25 standard hours and 0.5 scheduled overtime hours a person covering that shift would be able to claim 11.25 hours at shift hourly rate plus any overtime as appropriate).

12. Shift Retention

For details please see Compensation for loss of attendance related payments.
Compensation for loss of attendance related payments in standard hours

1. Qualifying criteria for compensation
   Compensation for loss of attendance related payments (night, shift and Sunday hours within standard hours) will be paid when for operational, administrative or career development reasons:
   - Someone is taken off a job requiring nights, shifts or Sunday working within standard hours
   - Someone is transferred to a new job requiring fewer standard hours to be worked during nights or on Sundays or to a shift attendance that attracts a lower allowance.
   - Someone's existing job is changed to such an extent that they can no longer meet the night, Sunday or shift attendance
   - Someone is promoted as a result of being displaced in their former role because of organisational restructuring and the requirement for night/shift/Sunday working in standard hours ceases or is reduced.

   Compensation for loss of attendance related payments does not apply:
   - to people who choose to cease night/shift/Sunday working
   - to people promoted outside of the NewGRID structure
   - to people who choose to take a promotion with the result that night/shift/Sunday working in standard hours ceases or is reduced
   - to routine variations (whether daily, weekly, monthly or seasonal)
   - to reductions in the level of voluntary overtime
   - to trainees on training when other arrangements (if appropriate) will apply.

   All non-managers who have worked nights, shifts or Sundays within their standard hours for a period of 6 months or more are eligible to claim.

2. Period of compensation
   The duration of the loss of attendance related payments vary according to:
   - the length of time the person has been performing nights, shifts or Sunday working
   - the length of notice given of the change in working arrangements

3. Compensation payments
   The line manager must notify HR&DS of the average monthly level of night or Sunday hours working within standard hours prior to the change and that expected for the new job if any. HR&DS will calculate a monthly payment by multiplying the loss of hours by the relevant hourly rate. The resulting standard monthly payment is payable for the appropriate length of time as indicated below.
<table>
<thead>
<tr>
<th>Period of Notice Given</th>
<th>Duration of nights/shift/Sunday hours working</th>
<th>Shiftworking compensation rate &amp; period</th>
<th>Night and Sunday hours compensation rate &amp; period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 6 months</td>
<td>Less than 6 months</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>More than 6 months but less than one year</td>
<td>Relevant less than 7 day allowance for 6 months</td>
<td>Average monthly night or Sunday hours payments for 6 months</td>
</tr>
<tr>
<td></td>
<td>One year or more</td>
<td>Existing allowance for 9 months</td>
<td>Average monthly night or Sunday hours payments for 9 months</td>
</tr>
<tr>
<td>6 months or more</td>
<td>Less than 6 months</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>More than 6 months but less than one year</td>
<td>Relevant less than 7 day allowance for 3 months</td>
<td>Average monthly night or Sunday hours payments for 3 months</td>
</tr>
<tr>
<td></td>
<td>One year or more</td>
<td>Existing allowance for 4 months</td>
<td>Average monthly night or Sunday hours payments for 4 months</td>
</tr>
</tbody>
</table>

Therefore:
- If someone has nights, shifts or Sunday hours ceased, the payments are paid in full in accordance with the above table and criteria.
- If someone moves onto a job with less nights or Sunday hours or a lower shift allowance, the payments are reduced by the value of the new night/shift/Sunday allowances received.
- If someone moves onto a higher paid attendance pattern, the new allowance applies and no compensation for loss of attendance related payments are due.
- If someone is promoted as a result of organisational restructuring, the payments are reduced by the value of the promotion increase (and by the value of any night/shift/Sunday payments in standard hours in the new job).

Compensation for loss of attendance related payments is:
- paid monthly
- pensionable, non-contributable
- not included in the pay used for calculating overtime
- payable during absence

Once calculated, the compensation payments remain at that rate and do not increase if the allowances on which they are based subsequently increase.

4. Further changes to working arrangements

Compensation for loss of attendance related payments will cease if the person:
- Returns to the same attendance patterns with the same or more night or Sunday hours or the same shift allowance
- Leaves BT

If a further change to working arrangements during a period of compensation for loss of attendance related payments entails the person to a second period of payments, the second period is measured from the date of the change in duties (i.e. before the first period of payments expires). However, payments relating to the second period do not begin until the first period expires. Only payments relating to the first compensation period are paid during the period of overlap.
Mr W McClory  
CWU  
150 The Broadway  
Wimbledon  
SW19

13 June, 2000  
via email

Dear Mr McClory

Cover Guidance

I am pleased to attach the guidance for managers on operating the Responsibilities Allowance - Cover.

I can confirm it is the company’s intention to manage the operation of Cover responsibilities in a robust manner to ensure that the terms of this guidance are adhered to. In that context the company will audit at National/Business Unit level the use of this allowance and share this information with the CWU at the appropriate level to ensure compliance.

Yours sincerely

Paul Thompson  
BTUK IR Manager
**Guidance for managers on operating the Responsibilities Allowance Cover**

Details of the arrangements agreed between BT and CWU can be found on the Terms and Conditions Website at .......... and should be read in conjunction with this guidance.

The principles underpinning these arrangements are:

- **Cover must be allocated on a fair and equitable basis.**

- **Cover provides an opportunity for people to develop themselves by undertaking more challenging roles, within their capabilities and training, whilst meeting operational requirements.** Such opportunity is limited on a day-to-day basis. In line with the Learning & Development principles the company will provide training/coaching, if required, to enable people to take advantage of development through providing this type of cover.

- **People will be remunerated for cover of a role lasting one normal working week or more by payment of the Responsibilities Allowance.** If cover is assigned at short notice to cover unpredicted sick absence, it should be paid for the period of sick absence, so long as this is one week or more.

- **It is not acceptable for cover to last for a protracted period because BT's employment structure is based on payment of a level of pensionable salary commensurate with the skills required by a role.** This is supported by fair procedures for the appointment of people to these roles. Addressing a role by cover with the payment of an allowance is not equitable with the Company's permanent procedures and therefore must be operated as a temporary measure only.

To ensure that cover operates in a fair and successful way, two key issues have been identified that business units will ensure they address, both of which relate to the length of cover:

1. Managers must not share short cover opportunities between people in such a way that payment is avoided.

2. Cover of a single role will normally be for no more than 3 months. There are limited exceptions, as noted on the detailed arrangements.

Data will be available to enable the examination of cover length so that it can be regulated and controlled.

There will be an initial exercise to regulate cases exceeding the normal 3-month limit on cover that which exist prior to NewGRID implementation. This exercise will be conducted jointly with the CWU and concluded within 6 months of NewGrid implementation.
VIA E-MAIL

Andy Campbell
BTUK Industrial Relations Manager

Ms J Drake
Deputy General Secretary
CWU
150, The Broadway
WIMBLEDON
SW19 1RX

4 May 2000

Dear Ms Drake

PROJECT GENESIS

Thank you for your letter of 4 May. I can confirm that the roles and job descriptions of the current engineering grades carrying out repair work within UK Markets are not affected by Project Genesis. There is therefore no change to the proposed mapping arrangements.

Yours sincerely

Andy Campbell
BTUK IR Manager
Corporate Clients

Job Description

Technical Officer

<table>
<thead>
<tr>
<th>Name of Job Holder:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reports to:</td>
<td>Corporate Clients</td>
</tr>
<tr>
<td>Unit:</td>
<td>MW</td>
</tr>
<tr>
<td>Grade:</td>
<td>Technical Officer</td>
</tr>
</tbody>
</table>

Key Purpose of the Job

- To provide technical advice and expertise for clients and management within the Service Management Centre.

Key Job Responsibilities

- To provide technical advice to clients and all members of the Virtual Account Teams and:
  - act as an interface between the client and BT agents, following fault management processes using technical and managerial escalation where required.
  - provide testing at client instigation in order to maintain and improve client satisfaction.
  - raise client awareness of their own in-house diagnostic capability as necessary.
- To champion client related issues, undertaking long term and pro-active management of wider client problems.
- Identify and pass sales leads, including ideas for revenue protection and generation, to Account Managers as necessary.
- Resolve any issues of client dissatisfaction.
- Ensure all queues and mailboxes of computerised fault and query handling processes are accessed as necessary and appropriate action taken.
- To be aware of current operational targets and contribute to their achievement
- To undertaking ownership and responsibility for the integrity of the customer's inventory on ServiceView as appropriate.
- Provide expert input to the Service Development Plan as required.
- Attend meetings with clients as necessary, providing reports and/or statistics on network and equipment performance as necessary.
- To carry out any other related tasks as directed.

Issue 2: 15 December 1999

Corporate Clients, Systems & Training

- 83 -
Resources for which Job Holder is Accountable

People: As necessary
Budget: To manage personal budget as necessary
Fixed Assets: As necessary

Key Working Relationships

Internal Contacts: All BT levels and departments, depending on need
External Clients: Client's own management, consultants, contractors and agents
Suppliers: As necessary

Person Specification

Core Competences
- Problem Solving
- Planning and Organizing
- Communication Skills
- Commercial Approach
- Team member skills
- Customer Focus
- Continuous improvement
- Decision making
- Self-management
- Flexibility and personal development

Certification
- Obtaining Service NVQ level 3 is the recognised method of proving consistent achievement of good client service standards.

Information Security

To actively support, at all times, company policy and best practice in the area of security with particular emphasis on protection of sensitive customer information.

Ensure that I and my team are fully aware of the need to safeguard sensitive customer information at all times, so that our customers perceive BT to be a trustworthy organisation.

You are authorised to access, use or disclose customer information only when you need to do so to perform your BT operational duties. Any other access, use or disclosure may only be made on receipt of additional authority in accordance with SEC/POI/A008 - Information Security.

Regulation

The postholder will understand the regulatory, fair trading and competition rules relating to their work sufficiently to be able to comply with them, relying on their own knowledge or their ability to recognise that they need specialist advice.

General

- Work unsociable hours when required and present a professional image at all times.
- Able to cope with pressure.
Display Screen Equipment: This job has been generically assessed as a DSE USER. For guidance on DSE precautions, training etc. refer to your line manager.
Via e-mail

PP223, Westergate, 11 Hope Street, Glasgow G2 6AB Tel: 0141 220 2464 Fax: 0141 248 9302

Ms J Drake
Deputy General Secretary CWU
150 The Broadway
Wimbledon
London SW19 1RX

26 April 2000

Dear Ms Drake

Project NewGRID: Products and Solutions

I am writing to confirm that as a result of the representations made by the Union we have had a further in-depth look at the T2A jobs that the Union believes merit a higher banding.

We now propose that MSU T2A installers will map across to NewGRID Band C1. This reflects the fact that the level of technical and customer handling skills required is significantly higher than other field technician jobs.

In addition we will commit to conducting a review with the Union of the T2A jobs relating to Norstar applications, ISDX, Options 11 and Fusion to be completed within one month of full NewGRID implementation.

I trust the Union will recognise and accept this proposal concluding the mapping debate for Products and Solutions.

Yours sincerely

A Park
BTUK Industrial Relations Consultant

cc Dave Morris
Via e-mail

PP323, Westergate, 11 Hope Street, Glasgow G2 6AB

Ms J Drake
Deputy General Secretary CWU
150 The Broadway
Wimbledon
London SW19 1RX

4 May 2000

Dear Ms Drake

PROJECT NewGRID: DATACOMS ALLOWANCE D1

I refer to the Union's enquiry of 7 February 2000 regarding the position of technical officers in training to receive the datacoms allowance.

It is accepted that people will move to D1 on gaining the appropriate skills/certification needed to meet the requirements of the job as per the agreements on the criteria reached on a business unit basis with the CWU.

Yours sincerely

A PARK
BTUK Industrial Relations
Guidance on Formal Contractual On-Call Schemes

Where there is a need for on-call, it is expected that, in the first instance, a formal voluntary on-call scheme will be introduced. However, there will be circumstances in some Business Units where, to meet customer requirements (e.g. specific contractual requirements in commercial contracts), it is necessary to implement a formal contractual on-call scheme. The guidance below sets out the process for establishing such a scheme.

1. When is formal contractual on-call appropriate?
   Formal contractual on-call rotas may only be established:
   • To facilitate on-call resourcing where there is a commercial requirement for people to be on-call
   • Where this requirement is critical and
   • Where a voluntary approach has not achieved the resourcing necessary to deliver an appropriate level of customer service.

2. Establishing a formal contractual on-call scheme.
   To set up a formal contractual on-call rota the Business Unit should consult with the CWU at the appropriate level as soon as a possible requirement is identified. The Company and the CWU commit to consultation within a reasonable time frame that meets customer and operational requirements to establish a formal contractual on-call scheme. BT will provide the:
   • Clear commercial requirement to have people on-call with certainty of cover outside normal attendances
   • Current numbers working on-call against the short fall
   • Maximum number of people who will work formal contractual on-call
   • Skill requirements, on-call commitments and possible location

   Consideration should be given to the number of people operationally required to work formal contractual on-call – particularly where 75% or more of any specific work group is needed.

3. Following Consultation
   • People already on a formal voluntary on-call rota within the agreed business unit may be transferred onto a formal contractual on-call contract if they volunteer and they meet the requirements.
   • If there is still a requirement for people to move onto a formal contractual on-call contract, people not on any on-call rota within the agreed business units may be given the opportunity to volunteer for a formal contractual on-call rota if they meet the requirements.
   • If there is still a requirement for people to move onto formal contractual on-call contracts, these may be offered to other groups within the business unit.
   • Once consultation has taken place, future vacancies may be advertised as requiring formal contractual on-call.
   • The requirements/on-call commitment should be discussed at the job interview to ensure the applicants understand the terms and conditions associated with the arrangements for the job.
   • People should be advised of the duration and frequency of the commitment they are being asked to work, and be advised subsequently of any proposed changes to their commitments. They should also be given an indication of the expected incidence of call out.
   • By accepting the terms and conditions of the job, formal contractual on-call becomes an integral part of a person’s role and is therefore included within the job description.
   • Any individual who cannot meet the new formal contractual on-call commitment will be retained in the work group unless there are compelling operational reasons to move them. In these circumstances, the issue should be resolved within the business unit in consultation with CWU, but a fast track resolution process would operate between CWU national union officers and BT IR when this is not possible.
4. Notice periods - changes to someone’s personal circumstances
   - The higher level of on-call allowance payable to those people on formal contractual on-call is in recognition that on-call is part of the job. As such the standard 3 month notice period to come off on-call, which is applied to voluntary schemes, does not normally apply.
   - However, the Company recognises that there may be situations where someone’s personal/domestic circumstances change and this change means that they can no longer fulfil their contractual obligation to be on-call. For example new caring responsibilities for children or another member of the family. Where such a change has occurred, the Company commits to treat such cases sympathetically on their merits and where appropriate will agree to the cessation of the on-call contract after 3 months or sooner if the circumstances are exceptional.
   - Where a person carries the formal contractual on-call commitment for urgent domestic matters it is likely that the person can continue with their existing role, without the on-call commitment, because their skills are in demand on a day to day basis within that team. However, in some cases it may be necessary to find alternative work. If this situation were to arise, the line manager must work with the individual to find suitable alternative work using the Process For Effective Deployment of Displaced Individuals if necessary.

5. Notice periods - resulting from operational change
   - The situation may change from the Company’s perspective and it may no longer be operationally necessary to run with a formal contractual on-call scheme in a particular work area. If this were to happen, the Company will provide the people working contractual on-call in this area with 3 months notice of the change to their on-call contractual status.
   - If, due to operational necessity, the level of on-call commitment expected of an individual significantly increases, that person may request to cease formal contractual on-call working if they are no longer able to meet the requirements. Where such a change has occurred, the company commits to treat such cases sympathetically on their merits and where appropriate will agree to the cessation of the on-call contract after 3 months or sooner if the circumstances are exceptional.

6. Development moves for people on formal contractual on-call
   - If a person who is on a formal contractual on-call scheme wishes to apply for a development move to another role, either within or outside of their current business area, the line manager must not seek to prevent such moves on the basis of the person’s on-call commitment.
   - The Company’s Career Development Framework must be applied. This can be found at http://sft inertia.iminished/career.htm or as an ISIS document (PNL/EMP/F008).

7. Managing the implications for displaced people
   - Should a person from a work area which does not apply a formal contractual on-call scheme agree to seek alternative work as a result of operational changes the Company will ensure that these people are not disadvantaged in terms of wider career opportunities due to this contractual commitment being applied in particular work areas.
   - The process for Effective Deployment of Displaced Individuals should be applied with the support of the Business Unit HR team.
   - Should a formal contractual on-call job be deemed suitable, the displaced person should be given the opportunity to assess the characteristics and implications of the role.
   - Should the individual refuse to accept the job on the grounds of the formal contractual on-call commitment, the line manager and Business Unit HR Manager must accept this refusal because there is a fundamental difference in the contract terms.
   - As such, the Fast Track Resolution Procedure will not be implemented as a result of this refusal.
   - If there are no other suitable jobs within the contexts set out within the process for Effective Deployment of Displaced Individuals, the Business Units must consider removing the formal contractual on-call element of the role if this means the displaced person will accept the job.
Ms G Winestein  
Asst Secretary  
CWU  
150, The Broadway  
WIMBLEDON  
SW19 1RX  
9 June 2000

Dear Ms Winestein

TELEMARKETING GRADING REVIEW

Thank you for meeting with Richard Jillings and me yesterday. We discussed the range of issues still seen to be outstanding from the Telemarketing Grading Review and I give below the position between us and the company's final offer.

To restate my original offer:

My review of the work content within the Telemarketing (TM) channel against the skill descriptors and job dimensions shows that the existing A2 SPP (annual salary £13119 + bonus) is justified and compares well with industry and internal benchmarks. The new work moving into the channel (New Sales channel etc.) does show a slightly more complex mix of work but still within the A2 range. However in order to provide operational flexibility we are prepared to remove the SPP and make the full A2 salary range available to all those in the channel. This is a significant movement allowing progress for all people within TM and for everyone to have access to a full range of work and opportunity.

I would also like to re-iterate that grading and new work is a continuous process and Newgrid recognises this. I am therefore naturally prepared to continue to discuss with you any specific areas within the channel that would appear to justify different grading as the role evolves or emerges.

At our meeting you further broke down the work areas and turning to these:

Sales Channel: This work is agreed at A2 with the union's position on review in the future with a view to establishing the work at the B1 range noted.  
SoHo: We also agree that this is A2 with the union's position on review and desire for B1 noted.

Prospect: My strong view is that this is comparable to other outbound work but I accept the A2 banding in line with the offer we have made and am prepared to work with the union to review this as required.

PP, F1, Telecom House, 125-135 Preston Road, Brighton BN1 6BG
- 90 -
COTS: In the site specific environment in which COTS currently operates there is no justification for banding other than A2 as above—although again I am prepared to work with you to review this in the future.

However the company understands and accepts that a career progression should be introduced in TM. The company accepts that when people are trained and able to be flexible and capable across all of the sales work streams in the channel that B1 grading is appropriate. To this end we are prepared to offer B1 grading for those people who are fully trained flexible and capable across the range of workstreams. We will establish a working group which I will lead, and which will have CWU representation as partners, to map out how this will be delivered. The working group will dimension the job by the end of August with implementation from 1 November 2000.

You also raised 3 further issues:

Bonus: The union claim to 35% is noted. However I must point out that those in the sales channels who receive 35% are engaged in account type work which is more intensive and where the opportunities are more limited than is the case in the volume channel in which our TM PSAs are working. Having said this it is clearly in all of our interests to ensure that our people are bonused in a way that is comparable both internally and externally. We are confident that the bonus is well positioned in the market and in fact the way in which we structure the bonus on the basis of £2.50 per selling hour maximises the impact on earnings making internal comparisons very favourable. For example an adviser on the current mid-point rate of £12540 p.a. has an equivalent weekly rate of approx. £240 which yields an equivalent hourly rate (based on a 37 hour net week) of £6.50. A bonus of £2.50 on this basic pay represents a bonus of 38.3%. For those lower down the scale the yield is, of course, proportionately higher. Even for those on the current maximum of £13119 (hourly equivalent £6.80 the bonus represents 36.75%. On the new maximum of £13493 the bonus will still be paid at an effective rate of over 35%.

We will therefore maintain the status quo on bonus. However I am pleased to confirm that we do regard the bonus element as a contractual element of terms and conditions. We will negotiate with CWU on this issue, including its value, in the future.

Resourceing: It is the company's intention to honour existing agreements between us including 60/40 permanent to agency ratio in the New Sales channel. As we explained there have been some short term difficulties. These have primarily arisen from the need to draft in extra resource and the most expedient route to do this was via agency which has temporarily affected the ratios. The company is committed to an overall review of resourcing including the scope to differentiate between "core" and "campaign" work and improve the level of permanent staffing without prejudice to these existing agreements. The Company will further progress the conversion of temporary contracts to BT permanent contracts which will help to address the balance. We intend to complete this review and take the necessary action to meet the agreements, consulting with CWU as appropriate, by 1 October 2000.

PP: F1, Telecom House, 125-135 Preston Road, Brighton BN1 6BG
Use of CAs in support: We were pleased to see the union's acknowledgement of the strong career path that already exists in the support organisation. This clearly leaves open opportunities for use of all grades and we will be pleased to discuss the potential for using CAs once our proposals are clear.

The company has listened closely to the arguments presented by the CWU and we have been able to accommodate many of your proposals and issues. In particular we have increased the maximum for all people within the channel and, in addition, have established the basis on which we can build a genuine career path leading to B1 grading for the most able individuals in all of the TM centres. We have ascertained that the bonus scheme provides a comparable level of reward for our advisers so that the overall remuneration package for advisers is very favourable and meets both the union's and the company's aspirations for its people.

I now look forward to your positive endorsement of these proposals.

Yours sincerely

Andy Campbell
BTUK IR Manager
WITHOUT PREJUDICE - NOT FOR PUBLICATION

Ms J Drake  
Deputy General Secretary  
CWU  
150 The Broadway  
Wimbledon  
London SW19 1RX

10 May 2000

Dear Ms Drake

NewGRID Salary Progression

Further to our recent discussions, I set out below our proposal to manage certain issues on salary progression which arise on the transition from the current grade structure to NewGRID.

Current 6% of base salary progression
For some grades, notably Clerical Officer, the rate of salary progression is 6% of current individual base salary. The NewGRID progression arrangements of 5% of the maximum of the salary range will be less advantageous above a specific point in the salary range.

We propose that individuals affected
- will continue to be included within the revised overall arrangements for the timing of salary progression, and will move to an October review date, with increases adjusted for old progression dates, as outlined previously
- will have their progression payment adjusted upwards in the October review to reflect the shortfall from the change from “% of base” to “% of max”.

Below minimum of current main range
For some grades, notably Clerical Officer, the current progression arrangements allow for movement from the Adult Minimum to the Main Range Minimum after one year. The NewGRID arrangements bring everyone to the 80% NewGRID minimum on implementation in July 2000, and this will be less advantageous where the Main Range minimum is greater than the NewGRID min. We propose that individuals affected will be brought to the salary of the current Main Range minimum on NewGRID implementation on 1 July 2000.

Yours sincerely

CHARLIE McKay
Mr C McKay
Head of HR Relationships
BT Centre
PP C7B
81 Newgate Street
London EC1A 7AH

12 June 2000

Dear Mr McKay

NewGRID PROPOSITIONS CARRIED AT T&FS ANNUAL CONFERENCE 2000

Please find set out below a number of propositions that were carried at the CWU T&FS Annual conference which we are submitting to the company and will need to be discussed as part of the CWU policy on Project NewGRID

PROP 10

That this Conference instructs the incoming Telecom and Financial Services Executive to ensure that a phased, year on year reduction in the scandalous numbers of agency staff in BT is included as an integral part of any proposed agreement on Project NewGRID.

PROP 61

That this Conference instructs the incoming Telecom and Financial Services Executive to ensure, that as part of any agreement on Project Newgrid, all members should secure a reduction in working hours.

PROP 62

That this Conference instructs the incoming Telecom and Financial Services Executive to oppose any attempts to introduce compulsory on-call contractual arrangements.
PROP 63

That this Conference instructs the incoming Telecom and Financial Services Executive to improve BT short-term cover payment conditions, and to ensure that such improvements form part of proposals for a replacement scheme to short-term cover under 'Newgrid'.

Unlike short-term cover to the MPG and within ex-UCW grades, short-term cover pay between ex-NCU grades is not given for days off, weekends, bank/public holidays, annual leave, paid sick leave and paid maternity leave. It is unfair that this unequal treatment persists, so the TFSE is urged to seek to remedy this as soon as possible and secure these payments as part of Newgrid.

PROP 64

That this Conference instructs the incoming Telecom and Financial Services Executive that the current proposals under Project NewGRID where there is no choice of a day in lieu as an option for Bank Holiday compensation is unacceptable and the negotiating team is instructed to re-open discussions with BT in order this is re-instated and forms part of the final agreement.

PROP 66

That this Conference instructs the incoming Telecom and Financial Services Executive that the current proposals for the mapping over the OSO’s, TDC’s and WIT’s in NI agreed under Project NewGRID is unacceptable and the negotiating team is instructed to re-open discussions with BT in order that they are mapped over at a higher skill band.

PROP 68

That this Conference instructs the incoming Telecom and Financial Services Executive that NewGRID must include an agreement that deals with advancement through its various pay bands i.e. a Promotion Agreement.

Yours sincerely

Jeannie Drake
Deputy General Secretary (T&FS)
Dear Ms Drake

NEWGRID PROPOSITIONS CARRIED AT T&FS ANNUAL CONFERENCE 2000

Thank you for your letter of 12 June setting out the propositions carried at the T&FS conference last week relating to Project NewGRID. As you will know the propositions relate to issues on which the arguments have been well rehearsed between negotiators and against the background of a thorough understanding of the NewGRID themes and principles. My comments on the propositions are as follows:

Prop 61: As you know we have said from the outset that we could not contemplate the type of approach advocated in the proposition. We have therefore sought to establish in the negotiations on the reduction in hours a sensible transition to common arrangements which are affordable and line up with external best practice. Our development of the net hours approach recognised the existing differences in arrangements and sought to provide an approach which in its flowthrough to overtime did address the types of concerns that lie beneath the proposition, which for me demonstrates the dangers of looking at individual items in isolation. The package needs to be looked at in the round.

Prop 62: In negotiations we identified a pragmatic way forward on this issue which has addressed the concerns that lie beneath this proposition. We need compulsory on call contractual arrangements for certain activities.
Prop 63: In negotiations we determined cover arrangements which have taken into account the issues raised in this proposition. There will be no further change in the company’s position.

Prop 64: In our final set of negotiations on the terms and conditions we were able to demonstrate to the union negotiators that only a very small number of people had opted for time off in lieu. Nonetheless we conceded that over this year’s Christmas period this option would continue to be available but thereafter compensation payments at the appropriate rates would be the only option for attendance on Bank Holidays, Christmas Day etc.

Prop 66: The company is not prepared to assess jobs other than against the skill band descriptors and job dimensions, where appropriate. It is in the interests of neither the company or the CWU to deviate from that approach for the OSOs, TDCs and WITs in NI. The assimilation arrangements established between negotiators for these jobs are entirely appropriate.

Prop 68: The “Recruitment and Advancement Arrangements of the NewGRID structure” set out in Annex H to the overarching letter provides for starting pay and advancement both between and with Skillbands.

I trust that the above does provide the TFSE with sufficient input from the company for the policy discussion on Project NewGRID that is referred to in your letter.

Yours sincerely

CHARLIE MCKAY
Ms J Drake  
Deputy General Secretary  
CWU  
150 The Broadway  
Wimbledon  
London SW19 1RX  

14 June 2000

Dear Ms Drake

PROPOSITIONS ON RESOURCING AT T&FS ANNUAL CONFERENCE 2000

Thank you for your letter of 12 June 2000 setting out the terms of Proposition 10 carried at the annual conference in Bournemouth last week.

In negotiations we determined "Consultative Arrangements for the Use of Non BT Labour in the context of BT's Resourcing Strategy". These were attached to my letter of 5 May 2000 which confirmed our intention to continue to review the levels of non-BT labour and to discuss with the union at the BT and Business Unit levels as part of the ongoing consultation arrangements.

Yours sincerely

CHARLIE McKay
Mr W McClory  
CWU  
150 The Broadway,  
Wimbledon  
London SW 19 1RX

11 July, 2000

WITHOUT PREJUDICE AND NOT FOR PUBLICATION

Dear Mr McClory

GA DRIVING ALLOWANCE – BUY OUT PROPOSALS

Further to our recent discussions I am writing on a without prejudice basis to confirm the company's revised proposals for buying out the GA driving allowance.

Our revised proposals take account of the points raised by the Union in these discussions and are based on actual claim values for the period April 1999 to January 2000, then annualised. They are formulated to ensure that all would receive no less than the equivalent of 18 months annualised value or no more than two years (except for the £0 - £20 claimants / non-claimants who would receive the minimum of £50). As you will see below 74 out of 228 GAs have claimed the allowance during the specified period.

Our intention would be to cease the allowance on 30 June 2000 subject to Newgrid implementation from July 2000 with buy out payments made to those GAs who are on the payroll at that date.
The proposals are as follows:

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<thead>
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<th>Annualised spend</th>
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<th>Cost</th>
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<td>£7900</td>
</tr>
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<tr>
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</tbody>
</table>

The company believes that this proposal costing £41200 - some £500 above our earlier proposal - provides for a fair and consistent approach to the buyout and I look forward to early confirmation from the Union that it is prepared to accept it as part of the wider Newgrid proposals.

Yours Sincerely

Paul Thompson

Industrial Relations Manager
REPRESENTATION

The employer recognises the CWU O, C&E Constituencies (as defined in Annex A) under the BTUK negotiation and consultative arrangements for the purposes of representation on occupational issues. It must be recognised however that jobs will be constructed based on principles established between the CWU and the company.
Annexe A

All members of the O, C&E Constituencies will be defined under one of the following headings:

- Field Technical
- Technical Support
- Commercial (O&C)
- Administrative

**Engineering Descriptors**

Field Technical:

All jobs giving technical service to an internal or external customer where the dominant activity requires a technical competence e.g. maintenance, construction, installation, testing, administration and support services for maintenance of the networks and associated equipment. The control, support or guidance of those people employed within these activities.

Technical Support

All jobs giving technical support and where the dominant activity requires a technical competence e.g. Planning, Provision, Installation, Commissioning, Maintenance, Configuration, IT, R&D of the networks and associated equipment. The control, support or guidance of those people employed within these activities and the training of those people employed within Field Technical and Technical Support activities.

**Clerical & Operator Descriptors**

Administrative:

All jobs giving non-technical administrative support in any Business activity and where the dominant competence is for administrative and associated commercial skills e.g. preparation, checking, processing documentation, correspondence. The control, support or guidance of those people employed within these activities

Commercial

All jobs (except those defined under Operator support) where the dominant skill competencies are: selling, marketing, commercial and administration activities, including providing a Call Centre Customer service for positive interactive selling and dealing with, and processing orders for such services. The control, support or guidance of those people employed within these activities
Commercial (Operator)

All jobs giving service to the customer, where the dominant competence is providing customers with number information and transaction assistance. The control, support or guidance of those people employed within these activities, connection of emergency calls and the handling of queries and complaints with regards to the provision of that information.

These descriptors can only be varied within the terms of Union Rules 9.2 & 15.

Initial Allocation of Jobs

Where there is a dispute over the initial allocation of members (and their jobs) to the constituencies, BT will be requested to provide information that will enable the T&FSE to track the grading of the jobs over the last five years.

Resolution of Constituency Disputes

In the event that jobs cannot be identified, as falling clearly with one constituency the following process will apply:

The Chairs and Vice Chairs of the relevant constituencies, plus the Chair of the T&FSE will seek to establish a clear position for the resolution of the dispute. In the event that a resolution cannot be found all relevant BT and CWU documentation will be collated and the issue referred to the T&FSE for final resolution.
Dear Mr Crapper:

NewGRID – Clerical Night Duty Premium

I am writing to propose the form of words below to describe the situation we have been discussing on Clerical Night Duty Premium and how this would be addressed. Our intention would be to apply this to full and part-time people, as defined, to ensure equitable pay practices.

Objective

To compensate people eligible for the Clerical Night Duty Premium (£10.58 per night for minimum 3-hour attendance between 6pm and 7am and the £21.46 per night for minimum 4.5-hour attendance between 8pm and 9am) at the time of NewGRID implementation who have been working at night on a regular basis as part of their conditioned hours and will continue to do so for loss of earnings resulting from the change to the NewGRID arrangements.

Method

- Identify the people claiming this allowance on a pensionable basis in the 12 months before implementation (Sep 99 - Aug 2000).
- From these, identify those claiming more than £120 (taken as equivalent to 1 claim a month).
- From these, identify those with an ongoing requirement to work nights (eg. people who have moved to day working or people whose claims were for short term project work and similar).
- From these, identify individual working patterns and calculate the difference between old claim values and projected NewGRID earnings over a 6 month period.
- Divide by 6 and pay as a monthly assigned allowance, pensionable but non-contributory and subject to normal deductions.
- Cease the allowance if the individual moves to a working pattern requiring no night working.
- The value of the allowances to be reviewed after one year.

Would you please confirm your agreement to this approach.

Yours sincerely,

Sheila Dawson
Remuneration & Benefits Manager
Mr W McClory,  
Assistant Secretary  
CWU  
150 The Broadway  
Wimbledon  
LONDON SW19 1RX  

19th June 2000

Dear Mr McClory,

ETG DAY SUBSISTENCE – BUY OUT PROPOSAL

Further to our recent discussions I am writing to confirm the company’s proposals for a compensatory buy-out of the ETG Day Subsistence Allowance. The Union will know that it has long been the company’s intention to cease this allowance as we believe that it is a wholly inappropriate component of the overall employment package in the BT of today.

Our proposals take full account of current and anticipated claim patterns and seek to provide an appropriate level of compensation for all ETGs, through taking a pragmatic and balanced approach.

We intend to cease the allowance on the implementation of NewGRID and make individual compensatory payments to permanent ETGs in post at that time.
BUY-OUT PROPOSALS

Value of buyout according to individual value/number of claims made during April 1999 to March 2000.

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<thead>
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<th>Buy Out</th>
</tr>
</thead>
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<td>£ 75</td>
</tr>
<tr>
<td>£50 - 149</td>
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<td>£ 300</td>
</tr>
<tr>
<td>£250 - 349</td>
<td>21705</td>
<td>£ 450</td>
</tr>
</tbody>
</table>

Total Value of Proposal = £ 15.25 m

In making these proposals I should stress that their value should not be considered in isolation from other factors.

Firstly, as you know, it is standard Inland Revenue practice to decree that compensatory payments of this type are subject to standard deductions from employees – however on this occasion we have been able to persuade the Inspector of Taxes to agree in principle on an exceptional basis that a sum representing 12 months subsistence, i.e. circa £9.5 million, can be paid free of deductions. This therefore increases the real value of the payments made through this proposal by more than £2 million – money that will go directly into people’s pockets. This is a particularly valuable exception to have been granted and one which directly increases the actual sums received.

Secondly, the value of this proposal should be considered in the wider context of the improvements that will be particularly applicable to ETGs proposed by the company in the wider Newgrid context, such as the reduction in hours and the upward mapping for all T2As and circa 1500 other ETGs. These are highly valuable and significant in the context of the overall employment package.

Thirdly, the cost to the company is increased by the requirement to pay Employers National Insurance at the rate of 12.2%.
It is the company’s firm view that, when all these points are considered in the round, these proposals provide for a generous, fair and consistent level of compensation for the cessation of the ETG Day Subsistence Allowance and I do hope that the Union will be able to confirm their early agreement. I look forward to receiving your response.

Yours sincerely

CHARLIE McKay
Pay & Pension Protection

1 Introduction

BT is committed to managing its people in a fair and reasonable way, and maximising people's capability. BT will actively search for a suitable alternative job and provide appropriate re-skilling/retraining for someone whose job is displaced or realigned.

Both BT and CWU accept the importance of ensuring that people are employed on work commensurate with their training, experience and salary level. We both undertake to co-operate fully in pursuit of our shared objective to deploy people with pay and pension protection onto suitable work at their higher level of salary on which their pay and pension protection is based at the earliest opportunity. The use of modern technology, where it is practical and cost effective, should be considered if it allows an individual to be employed on work commensurate with their higher level of salary. However, where no opportunities exist at the higher level of salary, BT and CWU accept that people will be required to take up a reasonable job offer on a lower salary range with pay and pension protection.

BT and CWU have the following agreements which are key to achieving these important aims:

- the principle of "Commitment for Commitment", which requires specific action by the Company, the CWU and individual employees - see Attachment A.
- the agreement to work together to optimise opportunities when an individual is displaced from their job or their job is realigned - see Attachment B.
- the process for effective deployment of displaced individuals - see Attachment C.

In line with these aims, BT has a pay and pension protection policy as described in this policy document.

2 Scope

The Pay and Pension Protection Policy applies to all people who BT requires to move to a job with a lower salary range maximum, or whose current job has been realigned to a lower salary range.

It does not apply where an individual moves a job with a lower salary range at their own wish or resulting from discipline or poor performance procedures.

3 What is Pay and Pension Protection?

Pay and pension protection means that an individual will receive the same level of basic pensionable pay that they would have achieved had BT not required them to move to a job with a lower salary range maximum. It works as follows:

- the individual moves to a salary on the lower salary range of the new or realigned job, and takes on the terms and conditions associated with the new job (also see paragraph 4)
- a salary supplement will be paid equal to the difference between the old higher basic salary and new lower basic salary - the supplement will be pensionable and contributable, and subject to income tax and national insurance in the normal way
- any individual in this situation who has not yet reached their old salary range maximum will have the supplement recalculated in line with salary progression arrangements until they reach their old salary range maximum.

This mechanism protects basic earnings and their pensionability.

The following diagrams show how this will work.
**Diagram A** - shows what happens if someone is on the salary range maximum of their old job or the job before it was re-valued.

**£s high**

<table>
<thead>
<tr>
<th>old salary max</th>
<th>= current pay</th>
<th>new salary max</th>
</tr>
</thead>
<tbody>
<tr>
<td>salary supplement</td>
<td></td>
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</tbody>
</table>

**At Day 1**
- Salary is re-aligned to new salary range max
- All hourly related premia are re-aligned to new salary max
- Salary supplement, which is pensionable, is calculated on the difference between old salary max and new salary max
- The salary supplement is divided by 12 and paid monthly

**Afterwards**
- The salary supplement is recalculated when salary supplements are reviewed

**£s low**

**Diagram B** - shows what happens if someone is progressing towards the salary range maximum of their old job or the job before it was re-valued AND their current pay is between their new salary range maximum and their old salary range maximum.

**£s high**

<table>
<thead>
<tr>
<th>old salary max</th>
<th>= current pay</th>
<th>new salary max</th>
</tr>
</thead>
<tbody>
<tr>
<td>salary supplement</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Afterwards**
- Salary is re-aligned to new salary range max
- All hourly related premia are re-aligned to new salary range max
- Salary supplement, which is pensionable, is calculated on the difference between current pay and new salary range max
- The salary supplement is divided by 12 and paid monthly

**At Day 1**
- The salary supplement increases in line with salary progression rules until it equals the difference between the old salary max and the new salary max
- The salary supplement is recalculated on the progression date when there is an assumed progression towards old salary maximum
- AND it is reviewed when salary supplements are reviewed
- These are likely to be at different times of the year
Diagram A - shows what happens if someone is progressing towards the salary range maximum of their old job or the job before it was re-valued AND their current pay is lower than their new salary range maximum.

- **At Day 1** -
  - no pay supplement is due
  - all hourly related premia continue to be based on current pay

- **Afterwards** -
  - what was current pay at Day 1 is assumed to rise in line with salary progression rules to old salary range max
  - when current pay equals or exceeds new pay point, follow Diagram B starting at Day 1

Diagram D - shows what happens if an individual is on mark-time pay from before NewGRID and their current pay is above their new salary range maximum.

- **At Day 1** -
  - base pay is re-aligned to new salary range max
  - all hourly related premia are re-aligned to new salary range max
  - salary supplement, which is pensionable, is calculated on the difference between current pay and new salary range max
  - the salary supplement is divided by 12 and paid monthly

- **Afterwards** -
  - the salary supplement is recalculated when salary supplements are reviewed

4 Other points

**Attendance-related premia** (e.g., overtime, unsocial hours payments) will be calculated on the new basic salary, excluding the salary supplement.

**Holidays** - an individual will retain the level of holidays for their old salary range. Where they have not yet reached the maximum, they will continue to progress towards it.

**Redundancy payments** - any calculation of redundancy payments will include the salary supplement.

**Personal Accident Insurance** - the salary supplement will be included for the purpose of calculating this.

5 Recalculation of salary supplements

Salary supplements will be reviewed as part of the main pay review.

**For someone who has not yet reached their old salary range maximum**, the supplement will be recalculated in line with salary progression arrangements until they reach their old salary range maximum.

**If someone moves again to a different salary range**, the salary supplement will be re-calculated in line with the principles above - as shown in the diagrams - looking at the individual's salary level, their original salary range maximum and their new salary range maximum.
JOINT STATEMENT

BT, in association with the CWU, is committed to developing a non hierarchical grading structure which will support greater career flexibility and enhance employability as we move toward the Millennium and beyond. The new structure will also enable a review of the value assigned to jobs. In developing and realising the structure we will focus simultaneously on improving our peoples skills, in order to release their potential to play the vital and changing roles being driven by customer demand and product technology.

To achieve this, the guiding principle will be 'Commitment for commitment'.

BT and the CWU both recognise that a successful reconfiguring of the non management structure requires the support of employees in non management grades. A key factor in ensuring this support is pay and pensions protection.

The COMPANY commits to:

Reaching an agreement with the CWU which will provide an enduring solution to pay and pensions protection as an integral part of agreement on Project NewGRID.

Ensuring visibility of, and access to, alternative career opportunities within the Company, consistent with the requirement to achieve best fit and in line with current and future business needs.

 Provision of high quality retraining/reskilling assistance to enable employees to take advantage of career opportunities.

The UNION commits to:

Entering into meaningful negotiations, with the aim of reaching agreement on the reconfiguring of non management grades (NewGRID) to reflect projected skill needs and the need to integrate certain skills and work streams.

Recognising the need for different resourcing solutions within an agreed framework.

Supporting actively the deployment of people and the creation of an environment which enables individuals to move into alternative job opportunities.

The INDIVIDUAL, within this environment commits to:

Flexibility and a willingness to reskill/retrain, wherever possible, to meet changing skill needs in the Company.

Accepting reasonable job opportunities in the event of changes in organisation, location and job requirements.

May 1998
WORKING TOGETHER TO OPTIMISE OPPORTUNITIES

NewGRID will deliver a single integrated non-hierarchical structure which will provide a much improved environment for the placement of people into new and suitable jobs. Central to NewGRID is the Company’s commitment to retrain and reskill its people to meet the skill and job opportunities of the future. The Company is fully committed to creating this new environment and in return it requires its people to be flexible and willing to retrain and reskill to meet those opportunities.

The following sets out our agreement to work together to optimise opportunities in situations where individuals are displaced from their job for operational reasons or where an individual’s revalued job does not line up with their personal salary level. It is the responsibility of management, union and individuals to build an ongoing approach to the issue that is underpinned by the commitments set out in Appendix A to this attachment.

The company’s overriding aim is to maximise the existing capability of individuals by moving them into a job commensurate with their experience and training and personal salary level. If this is not immediately possible, the company, following discussion with the individual, taking account of the individual’s APR and any current Personal Development Plan and, wherever possible, their preferences and aptitudes, will seek to identify jobs at their personal salary level for which the individual has the capability but requires development and training.

If the company cannot identify any immediate job opportunities at the individual’s personal salary level it will seek to identify a reasonable job offer within the individual’s immediate capability (or future, with development and training) which is not commensurate with their current personal salary level. The Pay and Pension Protection policy will then apply whilst the individual performs a “lower salary” job until the company identifies and offers an appropriate job at the previously “protected” level.

The following factors should be considered when assessing reasonableness, along with any personal circumstances which would significantly impact on the individual’s deployability:

a) Location of the work, taking account, for example, of distance from the individual’s home, additional travelling time, availability of public transport, etc.

b) Skill requirements of the job and the individual’s capabilities and/or potential.

c) The range of job opportunities within the geography.

In line with Appendix A to this attachment, throughout the resourcing process BT commits to manage actively the retraining, reskilling and placement of people into reasonable alternative jobs across the non-management spectrum at their personal salary level. Consideration will be given to the viability of using BT’s technology, if operationally feasible and within a reasonable cost, to overcome location difficulties. In return the individual is required to undertake such retraining and reskilling and accept any reasonable job offer. Similarly, where a reasonable lower salary job is offered with pay and pension protection the individual is required to accept it.

The CWU will be notified of potential job displacement in a geography and will work with line management to identify job opportunities. Where an individual refuses to co-operate with any reasonable offer of alternative employment at their personal salary level or at a lower level the CWU will be notified in order to help resolve the matter.
Where, despite the efforts of the Company and the Union, an individual refuses the offer of a reasonable job either at or below their personal salary level, this will be interpreted as a refusal to comply with a reasonable instruction, and, under the established HR procedures, the person will render themselves liable to dismissal. The Union Head Office will be advised of the intention to issue a notice of dismissal. If, after appropriate opportunity to reflect the individual persists in this refusal, notice of termination will be given, during which time an appeal may be lodged. Any appeal will be subject to the established HR procedures.

BT is committed to taking account of the impact on job opportunities in a particular geography when considering the rationalisation of operations and locations. However, there may be circumstances where, for example, to closure of a site or the remoteness of the individual's working location it will not be readily possible to find suitable alternative employment. Where such a situation is identified this will be notified to the Deputy General Secretary of the Union with a view to seeking to resolve wherever possible the situation through making the full use of available enablers.

21 September 1996
<table>
<thead>
<tr>
<th>BT COMMITMENTS</th>
<th>CWU COMMITMENTS</th>
<th>INDIVIDUAL COMMITMENTS</th>
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<tbody>
<tr>
<td>To actively manage the retaining/retraining and placement of people into reasonable alternative jobs across the non-management spectrum, with a primary focus on internal sourcing. If no job can be found at personal pay value, a job of a lower value will be sought - pay and pension protection will then apply. A process to review such cases, to seek higher value jobs, will be implemented.</td>
<td>To promote a learning and reskilling culture amongst CWU members.</td>
<td>To take positive steps to retain and reskill and when required for operational reasons to accept a reasonable alternative job either at their personal pay value or at a lower value with pay and pension protection.</td>
</tr>
<tr>
<td>To provide information to employees about career, training and development opportunities and describe route maps, against a background of improved career development arrangements.</td>
<td>To negotiate constructively with BT to secure the introduction of processes and mechanisms which enable individuals to move into alternative job opportunities across the non-management spectrum.</td>
<td>To maintain timely awareness of career, training and development opportunities.</td>
</tr>
<tr>
<td>To extend the concept of learning accounts.</td>
<td>To assist in the identification of training needs and facilities to enable maximum advantage to be taken of career opportunities and the alternative employment process.</td>
<td>To take appropriate advantage of learning and development facilities provided by BT.</td>
</tr>
<tr>
<td>To extend access to learning and development facilities, including the internet.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>To equip managers to participate fully in the career development process.</td>
<td></td>
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<tr>
<td>To monitor application of pay and pension protection, and management and individual adherence to redeployment, retraining and reskilling policies, and share data with CWU nationally.</td>
<td>To become involved in the operation of a joint fast track problem resolution process in the redeployment and reskilling of individuals.</td>
<td>To be open-minded and honest with both BT and the CWU in the problem resolution process.</td>
</tr>
<tr>
<td>To operate a joint fast track problem resolution process with CWU in redeployment and reskilling/retraining of individuals.</td>
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</table>
PROCESS FOR EFFECTIVE DEPLOYMENT OF DISPLACED INDIVIDUALS

This process will apply where, for operational reasons, an individual is displaced from their present post, and will be applied with the support of the Business Unit HR team.

Throughout the process the Line Manager is responsible for fully documenting each stage. The individual should also document all personal steps taken.

1. The Line Manager should interview the individual as soon as s/he is displaced to:
   - identify their personal preferences and circumstances
   - confirm their skills, aptitudes and experience
   - discuss the full range of available opportunities and any requirement for retraining/reskilling
   These discussions should include consideration of opportunities outside an individual’s existing skill set and/or location, including the feasibility of remote working.

2. Line Managers should, in the first instance, seek to find people a job at the same basic rate of pay to that which they are currently receiving. Where a suitable alternative job is available it should be offered to the individual ahead of any other resourcing practice, eg promotion/recruitment/short term cover/agency /contractor. If the job is outside their current field of experience, the individual should be given, where possible, the opportunity to assess the characteristics and implications of the role.

   The suitability of a job should be considered in the context of:
   - the range of immediate opportunities within the geographical area
   - its location and travelling time, to and from
   - the skill requirements
   - the individual's capability, potential and reskilling/retraining needs, and
   - the individual's personal circumstances.

3. Should the individual refuse to accept a reasonable alternative job offered the Line Manager should seek to resolve the situation as a matter of urgency. The individual should be given 3 working days to allow further thought and consideration. (Where this is impractical sufficient additional time may be allowed but the focus should be on meeting the set timescales.) If s/he continues to refuse the offer, the individual must explain why the job is unsuitable and the Line Manager should seek to resolve any concerns the individual might have, involving the Business Unit HR Manager.

4. If, having reviewed the situation, the Line Manager accepts that the concerns of the individual are justified then s/he will not be directed into the job and the search for a suitable job will continue.

5. However, should the Line Manager and the HR Manager agree that the job is suitable then the Line Manager should advise the individual in writing of the decision, and that the Fast Track Resolution Procedure will commence. The HR Head (or their designated representative) should immediately contact BTUK IR with full case details. BTUK IR will, in association with the CWU, seek to resolve the case, wherever possible within 5 working days, under the Fast Track Resolution Procedure. This will involve immediate discussions with the appropriate CWU officials to assess the reasonableness of the job offer. If the outcome of this procedure is
that the job offered is considered unreasonable the Line Manager should advise the individual and ensure that the search for a suitable job will continue.

6. However, where the job offered is considered reasonable by both the Company and the CWU, the following steps should apply:

   i) The CWU will advise the individual as to the reasonableness of the offer, that it is in line with the agreed criteria and that it is fair and consistent with the agreed processes and procedures.
   ii) The Line Manager should answer the individual’s concerns and explain why the job is considered suitable.
   iii) The Line Manager should advise the individual that a further refusal to take up the job will be deemed as a refusal to accept a reasonable instruction, which will lead to disciplinary action being taken against them.
   iv) The Line Manager will then direct the individual into the job.

7. If the individual continues to refuse to take up the job the Line Manager should notify the individual immediately, in writing, of the severity of the situation and invite them to an interview with a manager, senior to that of the individual who took the original decision, to determine the facts of the case and give the individual an opportunity to state his/her case before a final decision is made. This interview should be on a specified date, normally within 5 working days. Where this is impractical sufficient additional time may be allowed but the focus should be on meeting the set timescales.

At this interview, the individual may be accompanied by a friend, who must be a BT employee and/or a representative from a Trade Union recognised by the Company.

The interviewing manager will consider the points put forward by/on behalf of the individual and then will either:

   i) decide that the original decision to direct was inappropriate and re-instate the job search process or
   ii) decide that the original decision to direct was appropriate, re-offer the job to the individual, advising that continued refusal to accept would result in disciplinary action which may lead to suspension and subsequently dismissal. If at this point the individual agrees to accept the job the procedure will cease.

However, if the individual has continued to refuse the reasonable job offer, the Company would, immediately following the interview, advise both the individual and the relevant senior officer of the CWU in writing of the intention to issue a notice of dismissal.

8. If within a further two working days of reflection the individual does not agree to accept the job offered, notice of termination will be given. Any appeal will be subject to the established personnel procedures.
A REASONABLE JOB OFFER: GUIDANCE FOR MANAGERS

The Company's overriding aim is to maximize the existing capability of individuals; where this cannot be achieved it is reasonable to offer an alternative job that is within their potential, after suitable retraining/reskilling, taking account where possible of personal preferences and circumstances.

The following provides guidance to line managers on what might be considered a reasonable job offer. However, each case needs to be considered on its own particular merits and in light of the individual's personal circumstances.

- **Range of Potential Opportunities** - Individuals may be asked to perform any duties at or below their current personal pay level (with appropriate pay and pension protection) which are within their capability and/or potential. The individual's suitability for different types of work should be assessed before a decision on an alternative job is made.

- **Within the Geographical Area** - In certain geographical areas BT's operations will potentially provide a range of alternative job opportunities. In this situation it is reasonable that this range is quickly explored with the individual before a job is offered, so that the best match can be made in terms of skills/pay etc. Where BT operations are unable to provide for more than a single opportunity it will be considered reasonable for this to be offered, provided it is within the individual's capability and/or potential.

- **Location of Job** - In some cases a job offer may require an individual to change their travel arrangements or incur additional journey time. It is impractical to give definitive guidance on what would constitute a reasonable offer to cover all instances, given the range and complexity of revised travel arrangements that may arise and the availability and frequency of public transport in any particular locality. However, as a general guide it may be considered reasonable to offer a job that involves an extra journey time on a regular basis of up to 45 minutes each way, so long as total travelling time does not exceed 90 minutes each way, on a regular basis. However, where an individual's current journey time is greater than 90 minutes it would be reasonable for an alternative job to be equal to or within the travelling time of the current job.

If no jobs are available within these parameters mutual consideration should be given to seeking a reasonable job further afield if the individual is willing to consider such a move on a voluntary basis. The prevailing relocation terms would apply in such circumstances.

December 1998
NewGRID Learning and Development Roadmap

Contribution & Capability

Developing People Programme

Learning & Development
Review
Line Mgr & Individual

Investors in People

Resourcing Solutions

Self Diagnostics

Web Access to Information

Growing Knowledge & Experience
Secondments; Work Shadowing; Mentoring; Virtual Teams

Gaining External Qualifications
NVQs; Further Education; Professional Accreditation; Degree Access; Degree; Learning Accounts

Training in Work Related Skills
Technical; Commercial; Managerial; Interpersonal

Learning in the Community
Learning Accounts; Community Involvement (school governors; territorial army; charity work, etc.)
Via - e mail

PP323, Westergate, 11 Hope Street, Glasgow G2 6AB. Tel: 0141 220 1433/Fax: 0141 248 9302

Ms J Drake
Deputy General Secretary CWU
150 The Broadway
Wimbledon
London SW19 5RX

22 June 2000

Dear Ms Drake

CUSTOMER SERVICES: 150 RESTRUCTURING

I refer to Keith Griffith's letter of 20 June 2000 in which he, on behalf of CWU, rejects the proposal set out in my letter of 12 June 2000.

To say that I am disappointed with the Union's response would, to say the least, be an understatement but I am more confused by what is said in the letter on the issues relating the business requirement for change, how the work would be streamed and the career progression path.

As you are aware there has been a series of meetings and exchanges of correspondence on this matter in which I have given very detailed explanations on these very issues and I cannot agree with or accept the views or conclusions in Keith's response.

In order to try and move forward in a cooperative way I feel it would be helpful to summarise in this letter to you both the background to and the rationale for the changes proposed. In doing so and to demonstrate my wish to be helpful I am prepared, on a without prejudice basis and subject to agreement in full, to make one final movement on the company's position. I trust the Union will recognise this as constructive and reflect on their current stance.

As you know, prior to discussions on NewGRID there were only 3 main clerical grades i.e. CA, CO and Comm O. The inflexibility of this structure meant that jobs had to be assigned to these grades with no opportunity to reflect different skill requirements, job values or market forces. The introduction of new skill/grade descriptors and job dimensions allowed us to re-assess the jobs that our people do and in doing so look also at how we can improve the way in which we work and deliver best value service to our customers.

As a consequence of this, and other organisational changes, an opportunity was created to review the structure of the CS 150 channel taking into account the need to ensure that, in the longer term, a clear progression path would be in place to allow our people to develop and grow. The 150 channel in the main is made up of clerical assistants and clerical officers.

In the series of meetings with the Union we have explained the new structure in detail and clearly demonstrated how the work will be streamed to the various skill levels (see attachment to this letter). It will be based upon a 3 tier structure with a single main queue to handle incoming 150 service calls. This single queue will have a sub-queue structure that will enable us to send higher skilled work to Senior Customer Service Advisors who are currently graded CO and will be assimilated to NewGRID Band B2 (a copy of the job description is enclosed). It is accepted that all clerical officers currently working in the 150 channel have acquired the skills necessary and will, without exception, become Senior Customer Service Advisors.

A new role of Customer Service Advisor carrying out less complex work (a copy of the job description is enclosed) will be introduced. In assessing this role it is clear that the level of skill and knowledge required to carry out the job is less than that expected of a fully skilled Senior Customer Service
Advisor. Again, looking at the skill band descriptors and job dimensions the assessment aligns more to the NewGRID salary range of Band 1. However, in considering the arguments put forward by the Union, I can accept that some of the skill requirements are similar. I am therefore prepared to propose that instead of assigning this job to a Band 1 value it is assigned to NewGRID Band B2 salary range but restricted to a skill progression point equal to 90% of the B2 maximum (£16208 pa). In this way people who progress to the full range of SCSA duties can reach the full B2 Max within a 2 year period.

The third tier in the structure is the current clerical assistant role that remains unchanged and will be assimilated to NewGRID salary range A2.

It is our aim to implement this structure gradually by introducing new recruits/promotes into the channel via the Customer Service Advisor role as opportunities arise through churn and additional recruitment. You will understand that because of the uncertainties in projecting work volumes, wastage and the impact of new technology in the current market environment it is not possible to accurately assess the numbers of CSA posts that will be introduced into the channel beyond a two year period. However, based upon current forecasts and budget provisions, it is estimated that the number of CSA jobs in the channel will be within the range of 10% - 15% in year 1 and grow to no more than 25% of the total population by March 2002.

On the question of the conversion of the 129 FTE from agency to BT contracts I am willing, only on the basis that the union is prepared to agree to the above, to make a further positive gesture and offer full clerical officer (B2) contracts of employment. This as I say, is dependent upon a positive response from the Union.

Given the further movement made by the company in responding to the Union's concerns I trust we will be able to move forward in a cooperative mode and that we can now offer permanent BT contracts to those agency people identified as suitable and for which we have been given authority to recruit.

It needs to be understood that the above represents the company's final and definitive offer and is made on a without prejudice basis subject to Union agreement.

Yours sincerely

A PARK
BTUK Industrial Relations
B2 JOB DESCRIPTION - HANDLING OF WORK TYPES

+ Homemovers, jeopardy management and follow up
  This is driven by the customer's choice on call steering for their initial contact. The jeopardy management and follow up parts are off line work that are given to certain people (SCSAs) who have distinctive CSS profiles to enable them to complete this function. This process is already in-situ.

+ USAF and similar
  This is either driven by specific advisors answering calls on nominated telephone numbers or it is in correspondence format which is given to the same specific advisors who have the knowledge and experience in this area. This is already the case and is deemed to be SCSA work.

+ Delayed provision and progress chasing/KCI
  Initially a customer with a delayed provision will contact 150. At this point the advisor will rectify the situation by re-appointing if possible. If however, the problem needs further investigation or the reason for the delayed provision is not clear, then the customer would either be transferred to a specific number which handles delayed provisions for that geographical areas, or, be referred via a CCH issue. The delayed provision or KCI group (SCSA level) then deals with the issue. This is already the case.

+ Complex off line
  As this would be in the form of correspondence or CCH work, it can be grouped together and given to people with the appropriate experience and/or skill set (SCSA).

+ Transferred sales and billing calls from repair etc.
  This currently goes to anyone in 150. However, advisor pin numbers can be grouped together to answer certain called numbers (such as happened with CAS or Home Highway) to ensure that only SCSAs take the calls.

+ Complex Customer Service Guarantee Scheme (CSGS)
  The straightforward CSGS is dealt with by the first person to deal online. If however, there was a dispute etc. that requires further investigation, then the issue would be entered onto CCH and dealt with as off line work. This will then be dealt with at SCSA level.
• First Point of Contact (FPOC) and Quality Monitor (QM)
QM’s are already in place on most sites. These are a focal point for
quality issues on each site. This function is performed by 1 advisor who is
assigned the task. FPOC is only in place in a handful of sites and performs
the role of being a quality filter for referrals of off line work to check
that either the issue was right to refer or, if it was, that the quality of
the issue is as it should be. Again, this is performed by one or two people
on the site who are assigned this specific task to do. This will be
regarded as SCSA work.

• Complex service enquiries that require further investigation
As with complex CS6S issues, the query would be in the form of a CCH
issue and would be allocated as off line work to people with appropriate
experience and/or skill set (SCSA).

• Modernisation programmes etc.
This type of work tends to come to us in written format and can
therefore be allocated as off line work to SCSAs who have the
appropriate experience and/or skill set.

• Calls from other BT departments
This could be handled in the same way as described under ‘transferred
sales and billing calls’.

• Service calls from Telemarketing
This could be handled in the same way as described under ‘transferred
sales and billing calls’.
JOB DESCRIPTION

This Job Description is based on the requirements of ISIS PNL/EMP/F69 (Performance and Development framework). This Job Description should be reviewed at least annually and be accurate at the time the APR is carried out.

Job Holder: OUC:

Job Title: CUSTOMER SERVICES ADVISOR

Division/Unit: Customer Services – CS2000

Pay Range/Grade: B1 Location:

Reports to: OUC:

Key Purpose of the Job

1. To handle Sales, Billing or Repair calls (or a combination thereof) to World Class standards, where necessary transferring customers to the most appropriate channel. Using appropriate systems to record customer contacts and carry out any actions required to meet the customers requests.

2. To deal with any offline work designated as suitable to be dealt within Customers Services.

3. To handle other work outside the scope of this Job Description appropriate to Customer Services. To identify and understand customer needs and respond to them by selling and promoting appropriate BT products and Services in order to enhance the customer experience and generate revenue.

4. To identify and progress sales leads to the appropriate channel.

5. To proactively seek to ‘delight’ the customer everytime in order to build customer loyalty and satisfaction.

6. To be aware of the commercial environment and balance business and customer needs appropriately.

7. To handle Customer Complaints using the Customer Services Job Specific procedures or NI specific complaint handling procedures, as applicable. (The BT Complaint Handling Process QMS/GQU/A017, of which they are part, has been agreed by OFTEL.) The aim is to resolve the complaint to the satisfaction of our customers, by quickly resolving complaints and keeping customers informed of progress.

8. The post holder will understand the regulatory, fair trading competition rules relating to their work sufficiently to be able to comply with them, relying on their own knowledge or on their ability to recognise that they will need specialist support.

9. You are authorised to access, use or disclose customer information only when you need to do so to perform your BT operational duties. Any other access, use or disclosure may only be made on receipt of additional authority in accordance with BT UK Security Policy Section 4.

In particular, but not exclusively, the work types for the Customer Service Advisor are:

• Identifying & understanding customer needs.
• Provision of service and associated work eg. Exchange line provision
• Matching products and services to Customer needs.
• Campaigns
• Resolving less complex Customer Service Guarantee Scheme cases eg. failed appointments or where evidence is less clear
• Complaint Handling
• SMART error handling
• Res. Official work
• DF follow-up
• Failed appointment and simple delayed provision enquiries
• Illicit attachments and illicit conversions to PST
• Correcting installation details
• Internet enquiries
• Undertake other Customer Services and Sales work as required
• Simple offline work eg. general sales & billing enquiries or complaints including postponed payments, payment card requests, change of F&F nos., itemised billing, direct debit enquiries, duplicate/copy bills, cancellation of customer options
• Fallback forms and protected services

Issue 2: January 2000
Examples of typical work types:
- Selling products & services.
- Product & service enquiries/orders.
- Order progress enquiries.
- Billing enquiries.
- Sales Query Queue.
- Correspondance processing.
- OH/REVIEW/REPRES.

Key Working Relationships
External: To be an ambassador for BT at all times displaying quality excellence in all dealings with external customers, and suppliers.
Internal: To be an ambassador for BT at all times displaying quality excellence in all dealings with internal customers, and suppliers.

Person Specification
Core Competences: (ref to PN/L/EMP/F014) Understanding Of:
- Customer Focus
- Teamwork
- Quality Management System

<table>
<thead>
<tr>
<th>Minimum Training Requirements</th>
<th>Essential</th>
<th>Desirable</th>
</tr>
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<tr>
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<tr>
<td>Safety</td>
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<tr>
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<tr>
<td>Familiar with Customer Services QMS</td>
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Job Holder's Signature: Name: Date:

Line Manager's Signature: Name: Date:

Issue 2: January 2000
**JOB DESCRIPTION**

This Job Description is based on the requirements of ISIS PNL EMPF99 (Performance and Development framework). This Job Description should be reviewed at least annually and be accurate at the time the APR is carried out.

<table>
<thead>
<tr>
<th>Job Holder:</th>
<th>OUC:</th>
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<tbody>
<tr>
<td>Job Title:</td>
<td>SENIOR CUSTOMER SERVICES ADVISOR</td>
</tr>
<tr>
<td>Division/Unit:</td>
<td>Customer Services – CS2000</td>
</tr>
<tr>
<td>Location:</td>
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<td>Pay Range/Grade:</td>
<td>B2</td>
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<tr>
<td>Reports to:</td>
<td>OUC:</td>
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</table>

**Key Purpose of the Job**

1. To handle Sales, Billing or Repair calls (or a combination thereof) to World Class standards. Using appropriate systems to record customer contacts and carry out any actions required to meet the customers requests.
2. To deal with any off-line work designated as suitable to be dealt with within Customer Services.
3. To handle other work outside the scope of this Job Description appropriate to Customer Services.
4. To identify and understand customer needs and respond to them by selling and promoting appropriate BT products and Services in order to enhance the customer experience and generate revenue.
5. To proactively seek to 'delight' the customer every time in order to build customer loyalty and satisfaction.
6. To be aware of the commercial environment and balance business and customer needs appropriately.
7. To handle Customer Complaints using the Customer Services Job Specific procedures or NI specific complaint handling procedures, as applicable. (The BT Complaint Handling Process QMS/GQU/A011, of which they are part, has been agreed by OFTEL) The aim is to resolve the complaint to the satisfaction of our customers, by quickly resolving complaints and keeping customers informed of progress.
8. The post holder will understand the regulatory, fair trading and competition rules relating to their work sufficiently to be able to comply with them, relying on their own knowledge or on their ability to recognise that they will need specialist support.
9. You are authorised to access, use or disclose customer information only when you need to do so to perform your BT operational duties. Any other access, use or disclosure may only be made on receipt of additional authority in accordance with BT UK Security Policy Section 4.

In addition to the work types associated with the Customer Service Advisor role the Senior Customer Service Advisor will be responsible for:

- Undertake other Customer Services and Sales work as required.
- Home Movers jeopardy management and follow up.
- USAF and similar specialist functions e.g. DEROS, House modernisation projects, community alarms
- Delayed provision and progress chasing on behalf of the customer
- Keeping customers informed KCI process
- Complex offline work & service enquiries e.g. complaints requiring detailed investigation such as liaison with CSNP, marketing, etc.
- Transferred billing and Sales enquiries from Customer Assistants, Operators and Repair advisors.
- Complex Customer services Guarantee Scheme e.g. AFL, disputed appointment dates.
- Campaigns – New work into the channel will generally be piloted at Senior Customer Service Advisor level.
- First point of contact quality checks/Quality facilitator duties
- Calls from other BT departments.
- Service calls transferred from Telemarketing Inbound Sales Channel.

(Whilst the above lists the main elements of the job it is not entirely exhaustive)
**Key Working Relationships**

**External:** To be an ambassador for BT at all times displaying quality excellence in all dealings with external customers and suppliers.

**Internal:** To be an ambassador for BT at all times displaying quality excellence in all dealings with internal customers and suppliers.

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**Person Specification**

**Core Competences:** (ref to PNL/EMP/7014)
- High Customer Focus
- Teamwork
- High level of interpersonal skills

**Understanding Of:** Quality Management System

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**Minimum Training Requirements**

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Name: 
Date: 

**Line Manager’s Signature:**

Name: 
Date: 

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Issue 2 January 2000
PROPOSITIONS ON NEWGRID CARRIED AT THE ANNUAL CONFERENCES

1997

Section 2 — Proposition 28c:

This Conference instructs the T&FS Executive to ensure that any proposed agreement with BT on a revised non-management Pay & Grading structure must include the following safeguards:

- Earnings protection for existing rates of pay.
- No regional or performance-related pay.
- No conditions of service being negotiated at local/zonal level.
- A reduction in hours.
- Increased annual leave.
- Confirmation that any agreement is not a cost-cutting exercise.
- Guaranteed protection of terms and conditions in all Divisions.
- A ballot of all relevant members before any agreement is concluded.

Section 2 — Proposition 30c:

Conference notes in Special Briefing 134, BT’s three key statements concerning resourcing in Trading Units.

These principals enshrine a process that encourages the breaking of core terms and conditions. Therefore Conference instructs the T&FS Committee to mount an immediate campaign amongst the membership warning them of the dangers of Local Trading Units, this will take the form of leaflets, articles in the Voice and the provision of speakers at Branch meetings from other Unions who have experienced the effects of Internal Markets. If as a result of Trading Units practices any member is subject to unreasonable pressures in order to keep the work in-house, or that their terms and conditions are undermined the T&FS Executive will oppose this practice and organise a ballot for Industrial Action.
That this conference instructs the incoming Telecoms and Financial Services Executive to reaffirm that the items 1 to 23 forming annex A to Special Briefing No.53/98, review of Technical, Clerical Operator and Allied structure – Project Newgrid, with any amendments/additions agreed by Annual/Special T&FS Conferences, shall form the basis of pay spine negotiations.

Proposition 29c

That this Conference instructs in the incoming T&FSE to organise a Special Conference before any agreement is reached to change the current BT pay and grading structure.

This Conference is to take place prior to any membership ballot or recommendation on the proposals made by the National Executive.

Proposition 31

Conference instructs the incoming T&FS Executive to resist by all means possible any regrading of the DTO/Technical Coaches into the PSGA grading.

Proposition 32

That this Conference instructs the incoming Telecoms and Financial Services Executive that when negotiating the OSO grade-administration duties that an assessment of the job responsibilities be done to ensure that staff are paid the right rate of pay for the work they do as an OSO.

Proposition 33

The NEC are instructed to address the grading anomaly that exists amongst clerical staff in Group Motor Transport with the aim of achieving Clerical Officer grade.

Proposition 34

This Conference instructs the incoming Telecoms and Financial Services Executive that due to the varied duties and situations encountered by the operators of a BT platform elevation, an agreement be reached with BT whereby any ETG who operates a platform elevation as a majority of their duties then they should be graded TI or equivalent in the future grading structure.
Proposition 36

That this Conference instructs the incoming Telecoms and Financial Services Executive to ensure that a Promotion Agreement is achieved as part of the Pay & Grading Review.

Proposition 37

Conference does not accept that special leave and casual leave be regarded as non-core elements resulting from the non-management grading review. Conference therefore instructs the T&FSE to ensure that special leave and casual leave are included as core arrangements in any proposed agreement.

Proposition 38

That this Conference instructs the incoming Telecoms and Financial Services Executive to ensure that regional forums are held throughout the negotiations on the Pay & Grading Review and that these forums are open to ordinary members of the Union.

Proposition 39c

Conference recognises that the roles & responsibilities in respect of the TIIA Field Technicians have changed dramatically over recent years.

Conference therefore instructs the T&FS Executive that in any future negotiations on a new pay and grading structure due account must be taken of these changes in respect of the TIIA placement on any new pay structure.

Proposition 42

This union recognises that flexible starting pay for new recruits, particularly within a single pay spine, could be used by BT as a method of introducing regional pay rates.

It is therefore resolved that in the event of an agreed single pay spine;

(i) All skill bands/job defined pay bands will be based on agreed job descriptions, have agreed maximum and minimum levels and defined incremental progression.

(ii) Where a skill band/job defined pay ban is analogous to an existing grade, the minimum and maximum pay levels will be no less than the current minimum and maximum for the existing grade.
(iii) Where a skill/job defined pay ban is established from a combination of existing grades, the minimum and maximum will be no lower than that of the highest of the existing grades involved.
(iv) All skill bans/jobs defined pay bands will be tied to the annual movement in the main pay spine.

Proposition 189

This Conference instructs the T&FS Executive to renegotiate the ST grading of 151 Technical Coaches with a view to obtaining Technical Officer grading for these duties.

1999

Proposition E5

This Conference notes the proposals on Project NewGRID as detailed in the Company's letter of the 21 April 1999 and which is contained in the Conference document entitled "Project NewGRID Report to Telecom Industry Conference 1999".

The Conference endorses the T&FSE response to the Company as detailed in the Executive's letter of the 23 April 1999 and agrees to the continuation of the NewGRID discussions on that basis.

Any proposed final agreement on NewGRID will be subject to a Conference decision and a membership consultative exercise.

Proposition E6

Whilst noting the proposals on Project NewGRID contained in the Conference document entitled 'Project NewGRID Report to TIC 1999' and endorsing the Executive’s letter of 23 April 1999 we nevertheless establish the following additional principles:-

1. Under 'RECRUITMENT & ADVANCEMENT ARRANGEMENTS'
   a) sub-paragraph ‘Normal Starting Pay on Recruitment’ –
      There will be no exceptions to starting pay at or above 80% of the maximum.
   b) sub-paragraph ‘Starting Pay on Advancement’ –
      All periods of substitution in a higher paid role will count fully towards the starting pay on advancement to the higher paid role or its equivalent.
   c) sub-paragraph 'REVIEW' –
      Procedures will only be changed by negotiation and agreement.

2. Under 'FRAMEWORK FOR ATTENDANCE'
   a) sub-paragraph '1. INTRODUCTION' –
A statement will be included which indicates clear recognition of the reasonable aspirations of our members as well as their social and domestic commitments.

b) sub-paragraph '2. COMPANY AND CWU COMMITMENT' –
The document will clarify the term 'negotiation where appropriate' so as to ensure that all areas of change in conditions of service are appropriate to negotiation and agreement with the CWU as the appropriate level.

c) sub-paragraph '3. PROTOCOLS' –
All changes to attendance patterns will be by negotiation and agreement, before, during and after assimilation into the NewGRID structure. Unless clearly indicated in an appropriate and timely manner, all existing patterns will continue to apply.

3. Under '...APPROACH TO TERMS AND CONDITIONS'
The CWU is committed to raising the terms and conditions of all members to at least the best which currently exist. Whilst recognising the existence of market forces, the CWU is committed to ensuring that BT leads the market in progressive employee terms and conditions.

Proposition E7

Conference notes management’s proposed Framework For Attendance in the NewGRID Structure, included in their NewGRID proposal of 21 April 1999. However, where agreements currently exist which give members the right to transfer within specific operational units and take their attendance patterns with them, these arrangements will continue until agreed otherwise with the CWU. Agreement to this Framework will therefore be subject to appropriate changes being made to reflect this provision.

Composite Proposition E9

Conference instructs the Executive to ensure that “best of class” practices, as mentioned in Special Briefing 148/99. Are adopted to maintain the current and agreed attendance patterns presently available in the Flexible Working Hours Agreement. This will also demonstrate the company’s commitment to family friendly policies as referred to in the Framework For attendance in the NewGRID structure.

Proposition E10

This Conference notes that within management’s proposed Bonus/Incentive arrangements in the NewGRID Structure, included in their NewGRID proposal of 21 April 1999, there is reference to individual bonus/incentive schemes. This conference believes that in all but very specialised areas of work e.g. sales, individual bonus/incentive schemes are part of a generalised move towards individual performance related pay. No agreement will therefore be given to this Framework unless there is a provision within it that makes the introduction of individual
bonus/incentive schemes where they do not already exist, subject to the agreement of the CWU. Such agreement would only be given in very exceptional circumstances.

**Proposition E11**

Concerning the attendance patterns in the NewGRID Structure, as referred to in Special Briefing 149/99. Conference instructs the Executive to ensure that the “best of class” Clerical and Allied Grades shift allowance practise is adopted. That the shift allowance is payable during any paid absences.

**Proposition E20**

Whilst noting the proposals on Project NewGRID contained in the Conference document entitled ‘Project NewGRID Report to TIC 1999’, Conference instructs the incoming Telecoms and Financial Services Executive to organise regular consultative meetings with Branches which will include progress reports and presentations from both the CWU and BT negotiators.

**Composite Proposition E22**

Notwithstanding current union policy that there will be no final agreement given on Project NewGRID until a conference decision and a membership consultation exercise has taken place, this conference notes that in the paragraph headed MIGRATION PROCESS in management’s NewGRID proposal of 21 April 1999, it states management’s view that,

"...we should not allow a vacuum to be created between the conclusion of Phase 1 negotiations and phase 2 outputs. We therefore propose to use the next 6 months to facilitate the progression from our current arrangements”.

While agreeing that the momentum of negotiations should not be lost, any draft agreement or implementation of any individual phases of Project NewGRID, will be subject to a conference decision.

**Proposition 54**

It is a fact that some T2A’s are expected to do work proper to that currently, and historically, of a senior grade to T2A or have had to acquire and apply skills demanded by technological advances, none of which is properly compensated by current T2A pay levels.

In an attempt to address this issue, and so properly position those affected within Newgrid, this Conference instructs Telecoms and Financial Services Executive to urgently enter into discussion with all zonal committees, identify any problem areas and determine an agreed policy, by the most appropriate method, and that this policy be presented to BT as an integral part of the CWU’s negotiating position on Newgrid.
This exercise should commence as soon as is practical after the close of this Conference and be treated with the urgency it warrants.

**Proposition 55**

That this Conference instructs the incoming Telecoms and Financial Services Executive to withdraw from any discussions on Project Newgrid, if and when, it becomes apparent that management are intent on using the Project to deskill/downgrade major work areas e.g. Help-Desk, etc.

**Proposition 56**

That this Conference instructs the incoming Telecoms and Financial Services Executive that the extra duties and responsibilities undertaken by members undertaking SFI duties be recognised by an upgrading within the Pay and Grading Review equivalent to, or above, the present ST grade.

**Proposition 57**

That this Conference instructs the incoming Telecoms and Financial Services Executive any agreement on Project Newgrid will include a) Training and Development process that will enable individuals to train in new skill areas, in anticipation of future skill requirements e.g. training in technical and customer service aspects of internet and intranet services and foreign languages. This training should not be confined to people identified as redeployees, nor should it wait for the implementation of any redeployee identification exercise.

**Proposition 58**

This Conference instructs the Telecoms and Financial Services Executive to ensure that no agreement is reached on Project Newgrid, which does not include both a reduction in the length of the working week, and an increase in annual leave.

**Proposition 59**

That this Conference instructs the incoming Telecoms and Financial Services Executive that in the event of any agreement on Project Newgrid being completed in stages, a reduction in working time must be part of stage one.

**Proposition 61**

This Conference notes with concern that despite the unanimous carriage of Proposition 9c at 1998 Conference, BT are still flagrantly abusing the Flexible
Starting Pay process. As part of the NewGrid negotiations, the Telecos and Financial Services Executive is therefore instructed to build safeguards into the NewGrid process to ensure that our members are properly paid according to the terms of Flexible Starting Pay. Members who have been adversely affected should be compensated for any loss of revenue as a matter of urgency.

**Proposition 62**

That this Conference instructs the incoming Telecoms and Financial Services Executive that where any regrading agreement is introduced, where someone has to be interviewed into the post, then an appeals procedure is put in place, rather than the unsuccessful candidates having to go through the grievance procedure.

**Proposition 63**

Conference instructs the Telecoms Executive that any Newgrid package must include:

(a) No dilution of existing pay progression procedures e.g. no performance based hindrance to pay progression.
(b) Protection of workstreams to prevent exploitative multi skilling/total flexibility.
(c) No dilution of existing starting pay, and starting pay on promotion rules in the new structure.
(d) Minimal scope for parts of BT to have separate attendance and terms and conditions agreements.

**Proposition 66**

This Conference notes that as part of the Project NewGrid discussions, BT's negotiators appear to view the issue of resourcing as something that can be dealt with as a separate issue. This is NOT the case, and the Telecoms and Financial Services Executive are instructed not to enter into agreement on piecemeal aspects of NewGrid unless BT clearly reduces its reliance on unacceptable numbers of Agency/Contractor usage.
SPECIAL BRIEFING No.53/98

ANNEX A

1. That the existing grading structure be reconfigured to reflect projected skill needs and to recognise the need to integrate certain skills and workstreams.

2. That the opportunity be taken to seek to achieve improvements in job design and therefore job satisfaction.

3. That any skill families which replace the existing hierarchies must have generic descriptions that are set nationally (i.e. corporately).

4. That the skill bands within the skill families must have generic descriptions that are set nationally.

5. That individual job descriptions are allocated to a skill family and a skill band within that family. That jobs or individuals will not be mapped directly on to a pay spine. That job descriptions of equal value and skill level will be allocated to the same skill band wherever they exist within the Company and wherever their geographic location.

6. That it is only skill bands and skill families that are mapped onto any pay spine. That this is done centrally.

7. That a skill band must have a defined pay minimum and maximum and progression through the pay range for a skill band must be by annual increments to a centrally negotiated defined formula, e.g. 5%.

8. That the range of pay points for a given skill band is to be negotiated centrally.

9. That the CWU identify jointly with BT, the skill families and the skill bands within the new structure, using the anticipated future skill profile and skills mix required.

10. That the pay rates and pay related conditions of service for all skill bands are negotiated nationally (i.e. corporately).

11. That any unsocial hours and overtime premia be retained as separately negotiated allowances over and above the published pay rates.

12. That movement from a skill band to a skill band with a higher maximum, whether in the same skill group or a different skill group, be considered a promotion, and an appropriate payment given.

13. That movement from one skill band to another would attract pay increments derived from a defined formula negotiated centrally.
14. That progression though the pay range of a skill band will not be based on performance related pay. The CWU remains opposed to performance related pay scales.

15. That the Executive give consideration to a further top up pay progression arrangement based on skills acquisition.

16. That, once the pay rate for a skill band has been negotiated centrally, BT would not be able to move that skill band down the pay spine.

17. That the CWU pursue discussions on core/non-core terms of employment with the view to establishing those conditions of service that are set and negotiated centrally and are not variable by other organisational levels.

18. That those conditions of service that are currently negotiated centrally should remain centrally negotiated.

19. That the Executive agree “in principle” to the harmonisation of conditions of service, subject to harmonisation producing an overall improvement, i.e. conditions are not simply harmonised downwards.

20. That any negotiations on harmonisation should take into account the concerns of the Operator constituency, that the benefit secured in their agreement on Working Hours should not be breached.

21. That we seek to accelerate negotiations on the CWU claim on Hours And Leave on the basis of the correspondence agreed already for the premise of the hours and leave claim negotiations.

22. That, on the issue of holistic resourcing and development, the TFS Executive position remains as currently agreed.