



Issue No. 168/2020 | 14 August 2020

## **TO: CAPITA O2 MEMBERS & BRANCHES**

Dear Colleague

### **Capita O2 – Pay 2020 – Final Offer and Ballot Timetable**

Further to Telecoms Bulletin 152/2020 I can now advise the headlines to the Capita O2 Partnership pay offer are:

- Agreement to move the Annual Pay Review (APR) date from January 1<sup>st</sup> to April 1<sup>st</sup>
- A minimum 2% increase for the vast majority\* of members within the recognised area
- An improved pay framework to manage pay compression for the CSA/Coach Framework paid from January 1<sup>st</sup>.
- \* For those below the £28K pay cap a lower percentage figure to take them up to the pay cap but not exceed it
- For those over the £28K cap no increase in this pay round but a promise of a review later in the year

The backdrop to the 2020 pay offer was a freeze for 2020 on any payment that would exceed a £28K salary cap determined by the Capita Board and applied across Capita plc.

The CWU challenged the decision of the Board to apply this cap including the calculations used to determine to whom it applied. It became apparent that the company had used a standard that considered everyone as a Full Time Equivalent (FTE) and worked 37.5 hours. The challenge was partially successful in reducing the numbers affected by almost half but circa 90 people will not receive an award from these negotiations. A separate review for those in the over £28K bracket is expected in Q4 and the CWU will be working with the affected members to be recognised and get a good deal.

The offer does bring higher percentage increases for those members on Capita Contracts where the lower rates of pay exist and secures an additional payment in recognition of the APR change.

**The CWU Capita National Team believe that this offer is the best that can be achieved through negotiation, and they are recommending that you vote 'YES' to Accept in the ballot.**

**The details of the offer are below and are subject to agreement in the electronic ballot of CWU members.**

- ***Agreement to move the Annual Pay Review (APR) date from January 1<sup>st</sup> to April 1<sup>st</sup>***  
The change in APR date is to align pay closer to when Capita plc finalises its annual accounts and makes its annual financial statement. April 1<sup>st</sup> also tends to be the date when employers apply Real Living Wage increases across the country.
- ***A minimum 2% increase for the vast\* majority of members within the recognised area***  
Apart from those already close to the £28K pay cap, everyone will get at least a 2% increase with some CSA Tier 1 members seeing an increase above 5%. The pay bill increase for the entire Capita O2 Partnership being an average around 3%.
- ***An improved pay framework to manage pay compression for the CSA/Coach Framework paid from January 1<sup>st</sup>***  
Due to the implementation of the Real Living Wage (RLW), there is a need to maintain differential rates between the three CSA Tiers and Coaches. Although some of these payments have already been put in place from April 1<sup>st</sup> when the RLW applied, this pay offer also contains a back-payment to January 1<sup>st</sup>.
- ***\* For those below the £28K pay cap a lower percentage figure to take them up to the pay cap but not exceed it***  
As previously mentioned, Capita rigidly applied the application of the £28K pay cap and anyone within 2% will receive a percentage figure that would take them to that pay cap but not beyond.
- ***For those over the £28K cap no increase in this pay round but a promise of a review later in the year***  
It is confirmed that the Customer Management Division will conduct an assessment review but we anticipate that they will not be able to complete this assessment until Q4 2020.

It should also be noted that Pay progression will be incorporated into this 2020 APR review and will not be applied in addition.

**The CWU is a democratic Trade Union. It is very important that members exercise that democracy by taking a few moments to show their support for their negotiators by participating in this ballot.**

### **Ballot Timetable**

The ballot of members will be conducted electronically and the timetable is as follows:

**Ballot Opens: Thursday 20 August 2020**

**Ballot Closes: Noon Thursday 03 September 2020**

If members have not received an email from 'Popularis Ltd' with details on how to vote by Wednesday 26<sup>th</sup> August, they should contact their local representatives.

Yours sincerely

**Brendan O'Brien**  
National Officer  
CWU Telecoms & Financial Services