



Countdown to California

Further to our newsletter announcing that the negotiation of terms and conditions was essentially complete, the documents containing the details that have been agreed between Unite, AXA and Capita are now available to employees. Unite understand that the transfer is due to go ahead on 1 June, although we await news on whether AXA and Capita have actually signed the contract.

Bonus Payments

An outstanding issue had been the treatment of bonus for the period up to the transfer date. Unite are pleased that AXA have now agreed to pay employees the bonus for their period at AXA on transfer to Capita, rather than making them wait until March 2010.

AXA are only prepared to make this payment based on the personal element, so there will be no increase in respect of company performance. It's no secret that the first quarter 2009 AXA results were significantly below target and after seeking feedback from the Unite reps that being transferred to Capita, the view was taken that members would prefer to have a definite payment now rather than wait for a possible payment next year. This will of course benefit any transferred employees that may decide to leave Capita (for whatever reason) before March 2010.

The AXA bonus is to be based on the year end 2008 performance rating. If anyone successfully appealed against their year end rating, then the improved rating will be used. If anyone was rated as partially successful but has managed to complete a Performance Improvement Plan or otherwise improve their quarter one performance up to a successful level, then this successful rating will be used. Under no circumstances will the year end 2008 ratings be decreased.

Capita have committed to a bonus scheme following the TUPE that offers broadly equivalent potential payments to the AXA scheme. A fundamental difference that is of potential concern is that there will be no "banking" of a personal element. This means that if the AXA/Capita contract does not make any money then employees will not receive a bonus from Capita in 2010. The exact details of what measures will be used in respect of the Capita portion of the bonus will be negotiated after the transfer date, however members need to be aware of this key difference.

Flexitime and Overtime

Members have raised concerns about whether they will still be able to work flexitime and overtime following the transfer, as it appears that some messages have gone out to employees implying this won't be the case. Unite have therefore sought further clarity from both AXA and Capita.

In respect of flexitime it has again been confirmed that this will continue to operate for employees that already have it at AXA.

In respect of overtime, all existing rates will be honoured. In particular, if employees are required to work on a weekend they will be paid at the "special" weekend rate.

Both of these items are covered in the "AXA Terms and Conditions Matrix Master" document and we recommend that transferring members read this carefully to help resolve any future confusion.