



## **CONSULTATION UPDATE FOR IN SCOPE EMPLOYEES TRANSFERRING TO CAPITA ON 1<sup>st</sup> MAY 2009.**

As you are aware we have been engaged in formal consultation between AXA, Unite and Capita since the 3<sup>rd</sup> February 2009. We have had 4 meetings to date and wanted to use this communication to give all in-scope employees an update on the progress that is being made in these discussions.

Consultations are progressing and we have reached agreement on some key items. In particular:

### Pay Date

One important change we have discussed with the union is that upon transfer date the pay date will be changed to the 27<sup>th</sup> of the month, in line with the rest of the Capita Group. If this date falls on a weekend or bank holiday, pay day will be the latest preceding weekday. The exception is in December, when pay date will be approximately a week earlier.

### Pay Review

The current annual pay review date of 1<sup>st</sup> April each year will transfer, along with pay negotiations with Unite

### Continuity of Service and Notice periods

As previously communicated through the Q&A's and presentations, continuous service start date for employees will transfer and count towards all employment rights such as maternity, holiday, redundancy, pension etc. Notice periods will remain unchanged.

### Working Hours and Flexi-time

Current working hours and patterns will transfer across.

The current flexi-time policy will also transfer across and this will continue to be managed within the parameters of the policy and in line with business needs as agreed with your line manager in advance. This will continue to reflect and take account of the appropriate Service Level Agreements.

### Mobility Clause

On transfer there will be no change to current mobility clauses within an individual's contract of employment.

### Relocation

Current agreed relocation payments and assistance will continue as both companies operate within Inland Revenue Guidelines. Any relocation will be discussed between the individual and their line manager.

### Overtime and Standby/Callout payments

Those employees that are eligible to earn overtime or standby/callout payments will continue to be eligible to earn overtime and standby/callout payments at their existing AXA rates.

### Sick Pay

Current sick pay entitlements will transfer. Sickness management procedures are under consultation, and we will inform you about them as soon as we are able.

### Occupational Health

Upon transfer any future Occupational Health referrals will go through Capita Health Solutions. Capita Health Solutions provide an occupational health service equivalent to AXA's. The service is provided off site, usually from local health practices.

### Holidays (including Buying and Selling)

Current holiday entitlements will transfer across. Capita actively support a work life balance and therefore encourage all employees to take their holiday entitlement within the current leave year. In exceptional circumstances, as agreed with their manager, up to 5 days can be carried over and should be taken within the first quarter of the leave year.

Current holidays that have been bought or sold for 2009 will be honoured. However, Capita do not currently operate Group flexible benefits around the buying and selling of holiday at a group level. Based on the low level of take up on this benefit at AXA, it has been agreed that this will not transfer. Should there be any consideration of this benefit within the Capita Group in the future then this contract would be part of those considerations.

### Life Assurance (Death in Service)

This will transfer for all those eligible for 4 times pensionable salary at the point of transfer.

### Car Parking

Employees currently eligible to a car parking space at their site will be able to continue with a car parking space at the point of transfer - local arrangements will apply.

### Maternity and Adoption Pay and Leave

Enhanced payment entitlements will continue. The Capita processes and procedures will apply and we will provide information on the details of these in due course.

### Paternity Leave & Pay and Parental Leave

No change to either on transfer to Capita. The Capita processes and procedures will apply and we will provide information on the details of these in due course.

### Eye Tests

This will change to Capita's policy and voucher procedure on transfer.

Capita provide staff who are DSE users with a Specsavers' "VDU Eyecare Voucher" which covers the cost of both the eye examination and where necessary the provision of a pair of VDU spectacles from the basic range.

The key benefits include:

- One Voucher covers the whole transaction
- Provides a full eye and eyesight examination
- Only one optician visit required for examination and spectacles
- Covers cost of VDU only glasses where required
- £20 Premium Club discount included within the voucher to get a further £20 off the £99 range and above, can be used together with most in store offers including 2 for 1
- No hidden charges

The additional cost of any extras not included in the basic range (e.g. varifocals or designer frames etc) must be borne by the employee and will not form part of the Company's responsibility.

If an employee does not wish to use the Specsavers Voucher the company will contribute up to £17 in total towards the cost of the eye examination and any VDU spectacles. Any costs over the £17 limit will be for employees to pay.

#### Dress Code

There will be no change on transfer to current dress and appearance approach.

#### Mobile Phone for Business Use

Transferring employees with a mobile will continue to have a mobile phone if there continues to be a business need. We will confirm the process in relation to transferring mobile phones or the issuing of new ones in due course.

#### Childcare scheme

All employees will be eligible to join the scheme through Capita's provider Fideliti. Capita's scheme is a salary sacrifice scheme up to a maximum of £243 per month. Forms and procedures to join the Capita scheme will be made available shortly before transfer.

It has been agreed that AXA and Capita will not share the AXA Centre nursery; it will remain available to AXA employees only. If you currently have a child in the nursery you will be able to keep their place. Consideration will also be given to applications for a place for a sibling if you have a child in the nursery at the moment.

#### Season Ticket Loans

Current season ticket loans in place will transfer and employees will continue to have the monies deducted from their salary. Any new requests for season ticket loans will go through Capita's process. Capita offer all permanent employees season ticket loans which are repayable over a maximum period of 12 monthly installments.

#### GAYE

Employees can continue to donate through the GAYE scheme with Capita. Capita's GAYE scheme allows employees to donate to charity straight from

payroll with no administration costs deducted. Employees will be required to fill out a new GAYE mandate form, as we are unable to transfer existing mandates for data protection reasons.

#### Recognition Awards

These will move to Capita's recognition approach with a detailed scheme to be agreed and communicated following transfer and appropriate discussion with employees and Unite.

#### Fire Warden and First Aider Allowances

For those employees that are in scope and wish to continue to be a designated Fire Warden or First Aider, this allowance will continue. Post transfer those that elect to become a fire warden or first aider will receive all relevant training and equipment under the Capita approach, however, this does not include a payment.

#### Capita Shareplan/Share Save Scheme

Transferring employees will be eligible to join either of Capita's Share Save or Share Ownership plans. These are benefits that are not available with AXA currently. Details of both schemes will be provided on the intranet shortly before transfer.

#### AXA Share Loan

Transferring employees who have share loans may continue with these loans and the appropriate sum will be deducted from salary in the normal way.

#### Restaurant & refreshment facilities

Transferring employees will be able to continue to use the restaurant facilities at their current sites.

#### Smoking

There will be no change to this policy as Capita operates a no smoking policy across all its sites.

#### Employee Bus Service

Transferring employees will continue to be able to use this service where it is currently available.

#### Professional Membership

No change as Capita offer the same benefit.

Whilst the aim of this regular update is to keep in-scope employees updated on the progress of the consultation, Capita will also be issuing communications in the form of bulletins to give employees an update on where we are with the transition programme, overviews of some of the Capita people that are working on the transfer, and general communications regarding Capita. There is also the dedicated email address to which you can still send through your Questions . We encourage you to review the [California intranet site](#) for regular updates and to check your questions against those already answered.

We hope to send out a further consultation update in two weeks.