



Mr S Donnelly  
Prospect  
Prospect Connect Sector  
30 St George's Road  
Wimbledon  
London

24<sup>th</sup> June 2011

Dear Mr Donnelly

**PROSPECT 2011 ANNUAL PAY REVIEW  
EX-ACCENTURE GRADES LEARNING & DEVELOPMENT**

At our meeting of 13<sup>th</sup> June 2011 I said I would write formally to Prospect to confirm the pay offer which is made on a without prejudice basis and subject to Prospect recommending acceptance to their members. The pay offer is in respect of the 2011 Annual Pay Review for those ex-Accenture employees covered by TUPE within the Learning & Development work activity and relates to the grade levels D and E.

The quantum for the pay review (3% of the pay bill ) was agreed as part of the 1.9.2010 review. The purpose of our discussions was to reach agreement on the pay matrix to be applied which recognised both the employee's contribution to BT's performance and their current position in the pay range.

From our discussions I believe that the offer set out below forms the basis of an agreement between negotiators and that Prospect will fully recommend it to their members.

The full pay offer is as follows:

- A 3% total increase to the current pay bill to be implemented wef 1 June 2011
- Salary increases will be applied in line with the following performance matrix

<b>Matrix</b>	<b>Z1</b>	<b>Z2</b>	<b>Z3</b>	<b>Z4</b>	<b>Over</b>
<b>E</b>	8.00%	6.00%	5.00%	3.20%	0.00%
<b>VG</b>	6.25%	5.10%	3.90%	2.70%	0.00%
<b>AS</b>	5.20%	4.10%	3.20%	2.20%	0.70%

- The value of any increase over the maximum of zone 4 or over the individual's "personal rights" maximum will normally be paid as an unconsolidated payment. The exception to this will be increases to those employees who have not exceeded their "personal rights" maximum as these will be consolidated.
- The BT performance ratings will align with the personal rights maxima, as detailed in the Accenture 2008 Salary Review Agreement, on the basis of the following 'rating conversion' matrix. To enable the agreement to accommodate the BT 5 point rating scale (Accenture had a 6 point scale) the personal rights maxima applying to the rating 'Above Peer Group' will cease.

<b>Accenture rating</b>	<b>BT Rating</b>
Consistent With	Achieves Standard
Significantly above	Very Good
At the Very Top	Excellent

This mapping does not suggest any direct mapping between the performance ratings themselves . The mapping relates solely to the application of the personal rights maxima as detailed in the 2008 Accenture Salary Review Agreement.

The impact of this revision is positive with potential benefit to your members.

I believe that this offer as detailed is fair and reflects the views put forward by Prospect and the contribution made by our employees.

I await your response.

Yours sincerely

Andy Smart  
Head of BT Group Learning Operations