

Fujitsu Alternative Offer to UNITE, 16th November 2011

Since the agreement reached between Fujitsu and Unite on 3rd October 2011, significant progress has been made towards a resolution to the dispute.

If UNITE members vote on 17th November 2011 to accept this proposal and continue the suspension of the current industrial action until 20th January 2012, Fujitsu will implement the agreement set out below.

A) IMMEDIATE ACTIONS

The following points, based on the agreement reached on 3rd October 2011, are effective immediately, without waiting for a final offer:

1. Employees will suffer no recrimination or detriment for participation in industrial action and/or Unite's campaign beyond deduction of pay for any days they have been on strike, irrespective of whether or not their action takes place within the 12-week period from the start of industrial action.
2. Each party will continue to field the team of its choice.
3. Both parties want a better future relationship which is built on trust, and are committed to honouring all agreements until any changes are agreed, including in respect of the "status quo". For clarity Status Quo means: *That status quo will be maintained on all matters except where jointly agreed that it is in both parties interest to move more quickly.* If the company is concerned that the status quo is being abused, or that restoring the status quo could have a disproportionate impact on the business, the company will raise this with UNITE with a view to reaching a resolution.
4. Both parties are committed to resolving issues promptly, and by agreement where possible.
5. In accordance with the desire to improve employee relations, the company has formally requested ACAS conciliatory services to explore possible resolution of the Alan Jenney Employment Tribunal. This meeting has been scheduled for the 24th November 2011.
6. In line with the agreement made on 3rd Oct 2011 Fujitsu published a statement on the FJUK website to implement the contractual status of the terms of the FJUK pension plan for all existing UK employees.
7. Fujitsu remains committed to fulfilling the agreement made with ACAS in February 2010 and has agreed that a FJUK Pensions Consultation body will be established and that this will include representation from Unite. An initial meeting with all parties has been held to discuss a draft Terms of Reference (ToR) and feedback has been received. Fujitsu will distribute a revised ToR incorporating feedback from all parties on the 24th November 2011 and a further meeting to finalise the ToR has been scheduled for the 28th November 2011. One of the points already confirmed is that the body will meet regularly in advance of the Trustee meetings so that any relevant output can be included on the Trustee Agenda. The Company agrees that the first meeting will take place prior to 31st March 2012.
8. Fujitsu has provided further pay information and responded to a number of the queries raised by Unite. The process of trying to establish a cost-model for the pay review is ongoing.
9. Fujitsu wrote to all the employees in the WINTEL Team reinstating their original terms that applied to the first half of the team and suspending notice to the second half of the team. Claims made after 3rd October 2011 should be made under the terms which were being used prior to the change in late 2010 and will be paid on this basis. The Company has since consulted with Unite regarding the Company proposals to change working patterns and OOH payments affecting the WINTEL team for an extended period. A formal Company response has now been provided following completion of consultation. Unite will inform the Company by 25th November 2011 whether the team accepts the outcome of the consultation and the grievances are closed, or whether the grievances should be heard. If, despite the efforts of both parties, consultation does not result in an agreed outcome, the parties will strive to resolve the relevant grievances as quickly as practicable while recognising that the status quo applies.
10. Fujitsu has issued letters to all but two employees contractually based at MAN23 to start their Redeployment Priority Periods (RPP). The outstanding two will be issued with their letters on or before the 17th November 2011.
11. As part of the shared commitments to improving communication and create more productive relationships, the Joint Working Group (JWG) has been re-instated and the first meeting was held on 17th October. A schedule of meetings has been confirmed for the 12 months ahead and two interim update calls have been held by the JWG since the first meeting. The Company team has senior representation from three of our key business areas: currently Service Desks, Data Centres & Networks and Supply & Life Cycle Services.
12. Jay Lieberman – progress made but details withheld as personal to the individual.
13. Fujitsu has confirmed Stuart Broadbelt as the senior business manager who will be involved in industrial relations and act as an escalation point.

14. The Company will meet with Unite at a National level to discuss matters of mutual interest within 2 months of the suspension of industrial action. This meeting has been scheduled in London for November 21st 2011.
15. A new process for Fujitsu to produce and provide accurate lists of who is in scope of the Manchester Recognition Agreement has been agreed but not yet fully implemented. A further discussion will be held involving all the relevant parties to complete implementation before the end of 2011. Plans have been made and shared to resolve the outstanding issues relating to who in scope of the Recognition Agreement is in the bargaining unit.
16. In accordance with section 8.2 of the Recognition Agreement, Fujitsu will consult UNITE should it wish to introduce new terms and conditions for Out Of Hours for existing or new employees in the bargaining unit. Consultation with Unite on the proposed implementation of the UK Interim Out of Hours Guidelines will commence on or before the end of January 2012.

On or before the end of January 2012 Fujitsu and Unite will have completed jointly reviewing the Out Of Hours terms for all employees in the bargaining unit currently recorded as being on the UK or IS interim guidelines. If they previously had other Out Of Hours terms (i.e. previously had contractual terms, previously had other terms recorded on the HR database, or were previously paid on other terms), these will be restored, effective from the date of this agreement. Otherwise each employee will remain on the interim terms whilst consultation with Unite on the introduction of these terms is undertaken. The outcome of this consultation will determine the OOH terms that are then applied to these employees, effective from the date of this agreement.

New employees joining between the date of this agreement and the conclusion of consultation will be aligned to the most common out of hours terms (excluding interim guidelines and NOELIG) for others in the bargaining unit in their team or division on a temporary basis until consultation is complete, at which point they will transfer to terms determined via consultation as appropriate.

17. Service Desks staff in the Manchester bargaining unit on TSS1, TSS2 and TSM1 currently have their pay managed on the D1-D4 system. UNITE and the company want to complete the move to Rise+, which is already used for training and development purposes. All D1-D4 and Rise+ documentation will be published under document change control by 25th November 2011. Focus groups for affected employees will validate the proposed approach, with any changes agreed by UNITE and Service Desks management and published by the end of 2011 so that the new system can be in place for setting 2012-13 objectives and for the 2012 pay review. The company will hold employees' D1-D4 and/or Rise+ levels on the HR Database and make them visible via Self Service by the end of 2011. Any consequent changes to the Manchester Pay and Benefits Agreement will be made by the end of January 2012.
18. In relation to the 2011 pay review:
 - a) A number of individuals had raised specific queries with regard to their pay increase under the Manchester Pay And Benefits Agreement on 1st August 2011. Fujitsu will implement corrections as set out in the email from the Company to Unite sent on the 14th November 2011 titled: '2011 Pay Review- Individual Post Implementation Queries - Company Responses'. These increases will be included in the November or December 2011 payroll and backdated to 1st August 2011.
 - b) Fujitsu acknowledges the challenges encountered in making progress with data validation and that further work is required on this. To that end, by 1st December 2011 Fujitsu will provide an accurate set of information (in line with Appendix 4 and the agreement reached on 6th October 2011 to resolve the CAC claim) relating to those in the Manchester bargaining unit at 1st August 2011 and showing their pay and other relevant information before and after the 1st August 2011 pay review.
 - c) By 16th December 2011 there will be a working session between UNITE and Company representatives (which will include someone with access to HRA data along with someone capable of modelling the data) in order to jointly establish the extent of any remaining under-spend relating to those in the Manchester bargaining unit at 1st August 2011.

This session will work on the following basis:

- For this purpose, "remaining under-spend" is defined as 2.5% of the payroll cost for the relevant employees prior to the 1st August 2011 pay review plus the sum of the items detailed below as being outside of the budget, minus the cost of increases made on the 1st August 2011 and the cost of the additional increases detailed in a) above.
- The relevant employees are those in the Manchester bargaining unit on 1st August 2011 who were not apprentices, on the graduate scheme, or receiving payments under Permanent Health Insurance.

- All figures are on a full-time equivalent basis.
- All pay increases implemented for relevant employees on 1st August 2011 are treated as being funded within the 2.5% budget except for the following which are funded outside the budget:
 - Promotions, and
 - Increases to the lower comparator for those managed on the median pay system or the minimum salary for last year's D1-D4 level for those managed on D1-D4, and
 - For those on the medians pay system, the additional cost of the £225 minimum cost of living rise above 1%

B) ELEMENTS OF THE COMPANY OFFER FINALISED BY 15th NOVEMBER 2011

If Unite ends all industrial action in Fujitsu by 20th January 2012, publicises the fact, and encourages employees to work normally:

19. The proposed Facilities Agreement (time for reps to carry out their responsibilities) which forms part of this offer will come into immediate effect and will constitute a revised Annex 2 to the Manchester Recognition Agreement.
20. Fujitsu will publish the new statement on the contractual status of Defined Contribution pensions for UK employees which forms part of this offer on the FJUK CafeVIK site and the Benefits section of the Reward & Recognition CafeVIK site within a week.
21. Within six months, both parties will suggest any changes they would like to the agreements and negotiations will take place as appropriate.

C) ELEMENTS OF THE COMPANY OFFER TO BE FINALISED AFTER 15th NOVEMBER 2011

22. As outlined in 5 above, work continues to seek a resolution to the Alan Jenney Employment Tribunal.
23. If following the work in 18 above in relation to the 2011 pay review there is any remaining under-spend, the Company and Unite will agree the basis for its distribution, with increases effective from 1st August 2011 and paid no later than the February 2012 payroll, including back-pay.

Signed on behalf of Fujitsu Services Limited (names, dates and signatures)

Signed on behalf of Fujitsu Services Limited (names, dates and signatures)

Ellie Sims 17.11.11

Ellie Sims

Signed on behalf of Unite the Union (names, dates and signatures)

TERRY THOMPSON

T. Thompson 17/11/11

IAN ALLISON

Ian Allison 17/11/11

LYNNE WODGE

Lynne Wodge 17/11/11.

PAULINE BLADBURN

Pauline Bladburn 17/11/11

The Company has agreed that the terms of its Defined Contribution pension schemes are a contractual entitlement for those existing and new employees who are members of such schemes. Any changes resulting in a reduced value to employees who are employed at the time of those changes could not be made without an explicit change to each employee's contract of employment.

For those people who are members of Section A of the FJUK Plan, the following will apply:

1. The Company will not make any amendments to the FJUK Plan that reduces its obligation to pay contributions on the scale set out below in respect of your pension without your consent.
2. Save as required by law or in connection with a change in investment fund, the Company will not make any amendment that reduces the accrued value of the account that you have built up at the time of the proposed amendment without your consent.
3. If the FJUK Plan is terminated for any reason the Company will provide a replacement pension plan and will pay contributions to the replacement plan on at least the same scale that is set out below. The Company will consult with you and the appropriate representatives regarding the administration and management arrangements for any replacement scheme before the FJUK Plan is replaced.
4. The Company agrees to pay all expenses in connection with the administration and management of the FJUK Plan other than any costs incurred in personal investment decisions which may be made and subject to the rules of the FJUK Plan.
5. Joining Section A of the FJUK Plan, requires a minimum contribution of 3% of salary. Contributions are made through the Company's salary swap arrangement. The Company matches contributions as follows:

Amount of Salary* swapped for pension	Company Contribution Percentage of Salary
3%	6%
4%	8%
5% or more	10%

For those members of other sections of the FJUK Plan, the entitlement is the same except for Point 5, where different contribution rates are in effect as detailed in individual employment contracts or as advised.

For those employees who joined the Company before 18th October 2011, are members of the FJUK Pension Plan and for whom PHI and Life Assurance benefits are contractual (e.g. previous members of the ICL Plan) any changes resulting in a reduced value to employees could not be made without a change to their contracts of employment.

*Salary shall mean Reference Salary plus London Allowance where Reference Salary shall mean your annual salary before any variations or Salary Swap is applied and London Allowance shall mean the pensionable payments referred to as London Allowance on your pay slip.

Annex 2 – Time off for representatives

1. Scope and background

This Annex to the Union Recognition Agreement for Fujitsu Services Manchester sets out how the Company will allow reasonable time off for UNITE representatives to adequately represent the employees covered by the agreement, at least to the standard set out in the ACAS Code of Practice “Time off for trade union duties and activities”.

The amount of time required collectively and by individual representatives will fluctuate over time and is heavily dependent on the scale and timetable of issues being addressed and on the number and capability of representatives available.

This agreement aims to ensure adequate time for effective representation while balancing the following:

- Controlling overall cost
- Efficiency of the work of representatives in both their normal jobs and in their representative functions
- Ease of management
- Minimising disruption to the business

All these objectives are best met when individual representatives and their managers can agree mutually convenient arrangements and demonstrate flexibility in both directions. This Annex is intended to support that approach, rather than be restrictive.

Managers and HR can help by providing the maximum possible advance warning when issues arise or meetings are required, and by agreeing mutually convenient dates and times for meetings wherever possible.

The Company and UNITE will work together with the aim of dealing with issues in the most efficient way and avoid generating unnecessary workload.

2. Representatives

UNITE will inform the Company following the selection of its Workplace, Health & Safety, Learning, Equality and Environment Representatives and Deputies. The Company does not currently provide time off for Equality or Environmental Representatives. Health & Safety Representatives’ time off is covered by separate regulations and a separate Code of Practice and is not included in the limits set out in this agreement.

The greater the number of representatives, the easier it is for work to be shared. It is therefore agreed that there will be no limit on the number of Representatives and Deputies, other than the limits on the total time off specified in this Annex.

Representatives are expected to undertake appropriate training for their role and to deal effectively with issues affecting employees. Representatives will often require

time for preparation, for meetings with relevant employees, for meetings with company representatives, and for reporting back.

Representatives act under the direction of the members in line with legislation, the union's rulebook and the agreements reached with the Company. If the Company believes that any Representative is making inappropriate use of time off and this cannot be informally resolved directly with the individual, this will be raised with the union, in line with section 6.7 of the Recognition Agreement. UNITE shall be responsible for ensuring that time is used appropriately by its accredited representatives.

In line with section 6.3 of the Recognition Agreement, Representatives will be given reasonable paid time off for trade union activities, as well as duties.

3. Limits on the amount of time off for representatives

In order to allow both flexibility on time off and some element of control it is agreed that there should be an annual maximum total time off for all UNITE's Manchester Workplace and Learning Representatives. This is set at 5 employee years, i.e. 9,650 hours per year, to include all time off for union training, duties and activities. No more than 15% of this may be used for union activities which are not primarily Fujitsu or industry related.

Over the year we expect that the maximum time off (including all union, Fujitsu Voice, public duties other than jury service etc) for any individual Representative should average no more than 3 days per week but in most cases the figure will be considerably lower.

4. Use of Resources Outside the Bargaining Unit

To maximise flexibility and ease the pressure on particular individuals or teams, UNITE may allocate some of their allocated time to Representatives outside the Manchester Bargaining Unit, to carry out tasks or deal with issues which affect employees both inside and outside the scope of the Manchester Recognition Agreement. It is understood that to enable reps to do so, training may be required.

To use this facility, UNITE will propose to the Company in advance:

- The name(s) of the Representatives outside the bargaining unit
- The tasks or issues it is proposed that they deal with
- An estimate of the time (timing and cumulative total) this is expected to take

The Company will agree the arrangements with UNITE. Such agreement will not be unreasonably withheld.

When using time allocated for the Manchester Bargaining Unit under this agreement, Representatives from areas of the Company where UNITE is not a recognised trade union would formally be acting on behalf of the bargaining unit. Similarly, they would be accountable to UNITE in the bargaining unit while acting in that capacity.

5. Exceptions to the limits

In calculating these limits, the following will not be counted:

- any unpaid additional hours on union duties and activities
- time a Representative agrees with their manager when they would otherwise “be without work to do” (as defined in Annex 1) including being “on the bench”. This should not interfere with seeking work, training and other work tasks employees are reasonably expected to carry out.
- time travelling to meet with Company representatives at locations other than Manchester
- time “made up” or taken as Time Off In Lieu (TOIL)
- a reasonable amount of time to monitor and manage the use of time under this agreement

The Company may initiate exceptional projects (e.g. a major redundancy or TUPE consultation), or initiate a number of smaller activities which between them require significant additional involvement of UNITE reps and hence additional facility time. This additional time will be agreed between the Company and UNITE at an early stage and the additional time will be recorded against specific time codes.

6. Recording of time off for representatives

In order to allow UNITE to manage the use of the facility time allowance, the Company will ensure that all Representatives have access to a single system to record their time in accordance with sections 6.10 and 6.11 of the Recognition Agreement.

The Company has not established a system for centrally accounting for time, but will quickly resolve any difficulties this creates for Representatives or their managers. This issue will be jointly reviewed at the end of the 2011-12 financial year.

One Project Code will be used for recording all time off covered by this Annex. UNITE will set up appropriate Task Codes beneath this to allow the operation and monitoring of this Annex.

The Company will provide facilities, and where necessary training, to allow designated UNITE Representatives to set up Task Codes, control who can book to them and to generate reports on time off for the purpose of monitoring and managing the use of facility time and adherence to the limits.

7. Requesting and authorising time off for representatives

It is the responsibility of individual Representatives and their managers to agree a method of requesting and agreeing time off. Four alternative approaches have generally been found to work in different circumstances:

a) Specific requests

The Representative makes a request for time off for each specific date, time and duration. The manager considers and, where appropriate, authorises each request.

This is likely to be suitable where a Representative rarely requires time off, so the number of requests will be small, and where the manager would need to take specific action as a result of authorising the time, such as arranging cover or ensuring other people are not off at the same time. In other situations the overhead of managing time in this way is likely to be disproportionate.

b) Requests for blocks of time

The Representative and manager agree an average amount of time the Representative will require. The Representative requests that time off as a number of blocks (e.g. half days). The manager considers and, where appropriate, authorises each block.

This is likely to be suitable where a Representative needs a significant amount of time off, so specific requests would be unmanageable, but where the manager would need to take specific action as a result of authorising the time, such as arranging cover or ensuring other people are not off at the same time.

This approach works best if the manager and Representative feel comfortable in being flexible with each other, for example changing the agreed blocks at relatively short notice as a result of changing business pressures or unexpected issues or appointments involving the Representative.

c) Regular pattern of time

The Representative and manager agree to time off on a regular pattern (e.g. a certain day each week).

This is likely to be suitable where a Representative needs a significant amount of time off, so specific requests would be unmanageable, where the manager would need to take specific action as a result of authorising the time, such as arranging cover or ensuring other people are not off at the same time, and where the Representative is able to control their Representative workload to a high degree, rather than being involved in meetings organised by other people.

This approach works best if the manager and Representative feel comfortable in being flexible with each other, for example changing the pattern at relatively short notice as a result of changing business pressures or unexpected issues or appointments involving the Representative.

d) Managing own time

The Representative manages their own time, and takes responsibility for raising the issue with their manager if it becomes hard to reconcile conflicting work and Representative responsibilities. The manager monitors the overall time taken after the event, and raises any concerns with the Representative.

This approach works best where the manager does not need to take specific action as a result of authorising the time, such as arranging cover or ensuring other people are not off at the same time.

Representatives should seek to maximise the notice given for any requests for time off and seek to arrange their representative duties to minimise impact on the business.

Managers should respond promptly to requests for time off with a clear approval or refusal. Requests should be given at least equivalent priority to other requests e.g. Annual Leave. Managers should not unreasonably refuse a request for time off. If a manager thinks they may need to refuse a request, they may wish to discuss alternative arrangements with the Representative. If a request is refused, e.g. for business reasons, the manager should give the Representative the reason.

Only in exceptional circumstances should authorisation for time off be withdrawn after having been given, as this is highly disruptive to the efficient organisation of work and may waste time and money as a result of the impact on other Representatives, managers, HR or externally.

Managers must ensure that the non-union workload of Representatives is proportionally reduced so that their targets remain realistic and achievable, and they are not under pressure to work additional hours to make up for time spent on representative functions.

8. Employees

Employees are allowed reasonable paid time off in work time to:

- participate in learning and events and to access their Learning Representatives
- meet their representatives to discuss matters affecting them personally
- attend UNITE members' meetings

Time for employees who are not UNITE representatives does not count towards the limits set out in this agreement.

9. Relationship to the Company's Time Off For Public and Employee Relations Duties Policy

This Annex replaces the "Employee Relations" section of the Company's policy for those it covers.

10. Dispute Resolution

In the event of any disagreement or dispute on the interpretation or implementation of this agreement which cannot be directly resolved between the Representative and their manager, the following steps to achieve resolution will apply:

- a) Informal discussions between appropriate Company and UNITE Representatives
- b) Use of the "Collective Issues" procedure in section 10 of the Recognition Agreement

11. Implementation

Once this Annex is agreed, the following steps will be taken in order:

1. The senior rep, who is currently full-time, and his manager will agree a plan for a gradual phased reduction in facility time and a resumption of suitable CSA work. The plan will include objectives, a personal development plan,

suitable training and support, and a timetable for a phased reduction in facility time.

2. The senior rep starts a phased reduction in facility time according to the plan within one month of the effective date of this annex.
3. The senior rep completes the phased reduction in facility time within 6 months of the commencement of the phased reduction. The planned training etc may or may not be complete by this time.
4. Any other reps exceeding the limits in this agreement agree plans with their managers for phased reductions in facility time.
5. Any other reps exceeding the limits in this agreement begin their phased reductions in facility time.
6. Any other reps exceeding the limits in this agreement complete their phased reductions in facility time.

For a twelve month period from starting the phased reduction in facility time, the Senior Representative will have an "NS" PAC rating and will not be subject to disciplinary procedures in connection with skills or performance capability issues in the new role.

For a twelve month period from starting the phased reduction in facility time, if the senior rep is in scope of a job reduction situation, standard selection criteria cannot be applied.

12. Review

This Annex will be jointly reviewed twelve months after the phased reduction in facility time for the Senior Representative has begun.