Reference

2 Year Pay Offer 2021.22

Date

31 January 2022

Unison & GMB

Matt Lay (m.lay@unison.co.uk)
Gary Carter (gary.carter@gmb.org.uk)

Cadent Gas Limited

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<u>Formal Company offer to Trade Unions for employees on Staff Grade Terms & Conditions (Legacy & Cadent S)</u>

2021-2023 Cadent Staff 2 Year Pay Deal

Following discussions between TU Side and the Company, the below is a formalised offer to the recognised Trade Unions (Unison and GMB) at the Cadent Staff Forum (CSF).

The Company offer is as follows: -

Legacy Staff Grades:

- A two-year deal covering the period 1st July 2021 to 30th June 2023
- A consolidated 2% increase to Base Pay from 1st July 2021 to 30th June 2022;
- A consolidated 4% increase to Base Pay from 1st July 2022 to 30th June 2023;
- £750 lump sum payment already paid in January 2022, for Cadent Staff in employment during that month;
- The increase to flow through to all allowances as per the Handbook;
- In respect of the increase is applicable from 1st July 2021, as the cut -off date for implementation of this increase into the July payroll has passed, pay will be backdated accordingly;
- Back dated payment will be made at the earliest opportunity.

Cadent S Staff Grades:

- A two-year deal covering the period 1st July 2021 to 30th June 2023
- A consolidated 2% increase to Base Pay from 1st July 2021 to 30th June 2022;
- An increase to the lowest paid employees of a minimum of £10 per hour plus some subsequent uplifts from 1st March 2022 affecting the following pay scales:
 - Level 1 entry £19,292 per annum based on 37 hours per week;
 - o Level 1 step 1 £19,800 per annum based on 37 hours per week;
 - o Level 1 step 2 £20,900 per annum based on 37 hours per week;
 - Level 1 core £22,000 per annum based on 37 hours per week;
- A consolidated 4% increase to Base Pay from 1st July 2022 to 30th June 2023 to be applied on top of the pay increases to the lowest paid in March 2022;
- The provision of a one-off payment for working Christmas Day in line with the Staff Handbook to be replicated across ALL Bank Holidays backdated to 1st July 2021, payable to employees who are called upon to work:
- Commitment to remove annualised hours:
 - Staff can elect to move to the Non-annualised hours Cadent S contract immediately following a
 positive ballot outcome. This will include access to shift allowances as per the current
 Handbook:
 - Alternatively, we will commence formal consultation before end of March 2022 in relation to removing the annualised hours contract
- The increase to flow through to all allowances as per the Handbook;

- In respect of the increase that is applicable from 1st July 2021, as the cut -off date for implementation of this increase into the July payroll has passed, pay will be backdated accordingly;
- Back dated payment will be made at the earliest opportunity.

The above forms the whole of the offer and it should be noted that this deal does not seek to alter, unless through full negotiation, any existing terms and conditions of employment during the lifetime of this deal (1^{st} July $2021 - 30^{th}$ June 2023).

This offer is made on the understanding that management, employees, Trade Unions and their members are fully committed to support the business as we enter Riio 2 and to drive efficiencies in line with our commitments under the regulatory environment.

All aspects of this offer are subject to a majority vote of Trade Union' members at ballot to approve the content of this offer and represents the final offer from the Company recognising the significant challenges facing the business currently and in the future alongside the current levels of pay in comparison to the other gas distribution networks as a regulated business.

Signed

Jenny McGreavey Director of People

(For and on behalf of the company)

Date: 31.01.2022