

No. 396/2024

18 December 2024

Dear Colleague

CAPITA TESCO MOBILE & VMO2 PAY AGREEMENTS 2024 & 2025

Following a number of meetings with Capita following an impasse in discussions where Capita declared a pay freeze for 2024, I am pleased to report that an unconditional Pay Agreement for 2024 and 2025 has been reached. This Agreement will be subject to an individual members' consultative ballot, opening on the 23rd December for a period of 3 weeks, closing on the 13th of January 2025.

The Key Features of the Pay Agreements are as follows:

TESCO MOBILE:

- **A new minimum hourly pay rate of £12.66** per hour applicable from 1st January 2025. This equates to an increase of 9.52% for those on the current Capita minimum hourly rate of £11.56 and provides an increase above the Real Living Wage.
- For all that are non-Capita Minimum Wage:
 - 3% uplift backdated to April 1st 2024**
 - 2.5% increase in April 2025 or an increase to £12.66 per hour**, whichever is higher.

The Tesco Pay Agreement has reflected the need to maximise earnings for members leaving the business at the end of April 2025, due to the exit of Capita Tesco Mobile work carried out onshore.

VMO2:

- **A new minimum hourly pay rate of £12.66** per hour applicable from 1st January 2025. This equates to an increase of 9.52% for those on the current Capita minimum hourly rate of £11.56 and provides an increase above the Real Living Wage.
- **A minimum 5.5% pensionable pay increase, or an increase to £12.66 per hour (whichever is the greater)** applicable from 1st January 2025 for all members who earn more than the current Capita minimum hourly rate of £11.56.

It should be noted that there are no arrears of pay from 1st April – 31st December 2024 due to the minimum pay increase of 5.5% over a 15-month period (or conversely the new minimum hourly pay rate of £12.66, whichever is the greater). Additionally, it should be borne in mind

that many of our members have already received a c.4% pay increase when Capita moved their minimum hourly pay rate to £11.56 on 1st April 2024.

The next pay review date is 1st April 2026.

On the outcome of successful ballots, the pay uplift will be implemented with January salaries.

In closing, there is no doubt that Capita has moved significantly since renegeing on paying the Real Living Wage in January 2024, along with the imposition of a pay freeze for those members earning more than the RLW. Without the unwavering support and strength of our members we would not have been able to deliver this Pay Agreement.

I would like to thank our Tesco Mobile and VMO2 members for their support and patience and all branches with Capita members for their organisation and assistance throughout discussions.

Yours sincerely

Tracey Fussey
National Officer