

C&G Fareham: Work Lined Up For Offshoring To India

Senior Management has announced plans almost certainly meaning that work from C&G's operation in Segensworth (near Fareham) will eventually be offshored to India.

Next year C&G Staff working at Segensworth will be transferred to work for Lloyds TSB's Group Operations and Retail Telephony business units. LTU predicts that this will be the first stage of a familiar pattern that eventually results in staff losing their jobs either directly or indirectly as a consequence of work being transferred to India.

What has previously happened has been that once work is transferred to Group Operations it is either offshored direct to India or - in what has become known as 'Offshoring By Proxy' - the work has been transferred to another Group Operations site (such as at Andover), where surplus capacity has been created through offshoring.

Over the last 12 months, announcements that have followed this pattern have included:

- **Group Operations' closure of five sites - in Swansea, Plymouth, Cardiff, Stockton and Taunton - with the loss of 465 jobs as a consequence of 'Offshoring By Proxy'.**
- **Just last month, plans by Group Operations to slash operating costs by £121 million per annum by 2010. This year this will involve the closure of several sites and offshoring of 450 jobs to India.**

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Lloyds TSB To Take Over Segensworth

LTU has been anticipating this announcement for some time. The Union was aware that the C&G Operation at Segensworth had only a short time remaining because:

- **The lease on the Lloyds TSB operation based at the Solent Business Park (Whiteley) was due to expire shortly.**
- **Earlier this year, at a 'Strategy Roadshow' staff were told that the Bank was "investigating the use of the C&G building".**

With around 400 Lloyds TSB staff working for the Bank's Retail Telephony function in Fareham, there will need to be significant job reductions amongst C&G staff to accommodate Lloyds TSB colleagues.

At this stage it is unclear on exactly what contractual basis C&G staff will be employed when they transfer business units: their current C&G contracts or new Lloyds TSB contracts?

Offshoring Agreement Exposed As Meaningless

Senior Management has referred repeatedly to a so-called 'Offshoring Agreement' reached between itself and Amicus to deflect attention away from the effects of its Offshoring Strategy.

The key feature of this agreement is that all staff whose jobs are exported to India are guaranteed to be **offered** an alternative job.

Of course, there is a world of difference between being **offered** an alternative job and **actually being redeployed** into one that is suitable. This is particularly so since the Bank has admitted that the job need neither be suitable nor within the same geographical area.

In other words, the small print exposes this agreement as a meaningless diversion - which, if anything, has given the Bank the 'green light' to export even more jobs abroad.

Previous Experience

Experience during the closure of the Newcastle Contact Centre in November 2004 showed just how ineffectual this agreement is. Of the 960 staff working in Newcastle when the Bank announced its closure plans:

- **Under 18% of staff had been found alternative jobs in the Bank** . . . the majority of these jobs being at the Sunderland Contact Centre which is itself at risk of closure.
- **Around 40% of staff simply resigned. In other words, the Bank 'got rid of them on the cheap'** - because the Bank would only make Redundancy Payments to those staff who remained working until the closure date - rather than allowing some to be paid for redundancy if they found alternative jobs earlier. Many staff who had been offered alternative jobs could not risk missing out and facing unemployment in the run up to Christmas.

Of course, with just 2,500 paying members across the whole Lloyds TSB Group - and an alarming enthusiasm to reach agreements with Senior Management on just about anything - Amicus does not have the authority to say it speaks on behalf of many staff.

Tachbrook Experience

Though C&G's Tachbrook Park operation won't close until November 2006, the experience of staff working there is no doubt illustrative of what staff working at Fareham can expect over the next 12 months.

Here, the closure is to result in 400 job losses: the work of 300 staff transferring to India and the remainder to Barnwood and Scunthorpe.

But to divert media attention, Management have insisted that all staff will be offered alternative jobs; even though Barnwood (67 miles) and Scunthorpe (125 miles) are clearly too far for staff to travel.

Furthermore, the insistence that staff will only receive Redundancy Pay if they remain with the Company right up to closure has meant that many have already left 'on the cheap' with no Severance Pay at all!

The 'Offshoring By Proxy' Loophole

Though it is difficult to believe that Amicus' 'Offshoring Agreement' with Senior Management could get any worse ... it does!!!

Senior Management has insisted that the so-called Agreement only applies if work is transferred directly to India. But if jobs are lost through the process of 'Offshoring By Proxy' - which is likely to be the case for C&G Staff at Fareham - staff are then denied even the so-called 'benefits' of this arrangement.

C&G Being Dismantled

It is clear that C&G is being progressively dismantled, whilst the Staff Association - and management's favourite union, Amicus - stand by helplessly; neither able to comment freely nor oppose the loss of jobs.

C&G's central operations are either being closed (Tachbrook Park), offshored (Fareham) or transferred into other Lloyds TSB business unit (Barnwood - for example, IT, Audit and Facilities). And LTU does not believe it will be too long before C&G's branches are integrated within the Lloyds TSB branch network.

Most worryingly, the lack of support for staff from Senior Management's preferred staff representatives is leaving C&G Staff proportionately the most exposed within the Lloyds TSB Group to job losses and offshoring.

It is therefore hardly surprising that offshoring is now having a greater impact upon C&G jobs than it is any other part of the Lloyds TSB Group.

The attitude and complacency of the Staff Association to offshoring could not be more obvious. A SYSM from a leading representative of the Staff Association to a member of staff is reproduced below:

"Unfortunately, although I agree with what you say (criticising work being transferred to India) this is progress. The North East was saved by Japanese car manufacturers etc moving to this country ... I think we are on a hiding to nothing. The workers (in India) are very good and focused and in some cases do it a lot better than us"

C&GSA National Officer - 15th August 2005

So the loss of over 300 jobs at Tachbrook Park - and now the threat posed to many more C&G jobs in Fareham - is progress!? We are

sure senior management couldn't have put it better themselves!!!

Meanwhile, when commenting on plans being considered by Lloyds TSB Senior Management to offshore hundreds of Human Resources jobs to India, Amicus couldn't even bring itself to admit that these were job losses. Instead it referred to the plans as concerning the 'globalisation of jobs'; a statement that ignores the fact that *real* Lloyds TSB Staff in the UK would be losing their *real* jobs.

At the time the closure of Tachbrook Park was announced, many staff commented that only LTU was campaigning to protect their jobs and prevent work being transferred to India. The Staff Association and Amicus were both accused of 'running for cover' rather than standing up for staff or even being critical of this management decision.

This also accounts for why Senior Management is so keen to take every possible step to shore-up C&GSA and Amicus membership, rather than have to deal with the LTU's opposition to offshoring and commitment to protect staff. After all, what Management team wouldn't do all it could to ensure an easy ride?

What Next - Barnwood?

With C&G's Tachbrook Park operation already to close in November - and the Fareham operation being dismantled over the coming year - attention will inevitably switch to the Company's Barnwood and Scunthorpe operations.

A number of functions have already transferred to Lloyds TSB business units - such as Information Technology, Audit and Facilities Management. It is inevitable that as Senior Management continue attempts to drive down costs, the allure of offshoring will mean that even more jobs will be lost ... especially when it can count on at worst muted objections from the official representative bodies.

The Importance Of Independence

LTU is the only Union in a position to oppose the loss of C&G jobs effectively - whether at Tachbrook Park, Fareham or Barnwood - and the transfer of jobs to India. We have been vigorously opposing the transfer of jobs to India ever since Lloyds TSB began this policy.

And because LTU is completely independent, we can provide staff with the facts without allowing C&G Management to pull the wool over the eyes of its staff and its 'official staff representatives'.

It is obvious that the Staff Association have neither the resources nor the flexibility to oppose jobs being transferred to India. To do so would obviously be unacceptable to senior management.

And it is hardly surprising that Senior Management have been promoting closer working between the Staff Association and Amicus. After all, with just 2,500 members across the whole of Lloyds TSB - compared to 45,000 in LTU - Amicus itself has only a peripheral role, with little ability to genuinely apply pressure upon management on behalf of staff.

Besides which, an article in The Times newspaper - at the time Amicus reached a similar 'Offshoring Agreement' in Barclays to that it in Lloyds TSB - perhaps best summarises Amicus' policy on offshoring.

The article began by saying "*(Unifi - now Amicus) signed a deal yesterday to allow Barclays Bank to send thousands of jobs offshore*" and then proceeded to say that the agreement "*will be seen as an admission that the union is powerless to stem the flow of jobs to India*".

This sort of approach is unacceptable in circumstances where many C&G jobs are to be lost.

A Real Say Across Lloyds TSB

Each month C&G Staff see more evidence of the loss of autonomy of the C&G business and progressive integration within the Lloyds TSB Group.

This latest announcement concerning Fareham involves the transfer of C&G Staff into the Bank's Group Operations and Retail Telephony business units.

Meanwhile, LTU does not believe it will be long before C&G branches are integrated within local Lloyds TSB Area Director Groups. Whilst the C&G branches might retain their 'branding', staff would be interchangeable with other Lloyds TSB staff and managed by Lloyds TSB Senior Managers.

With these developments appearing inevitable, there is a need for C&G Staff to be represented by experienced professionals who deal with the Bank's Senior Management at the level where decisions affecting them really are taken.

There is now a dislocation between the level at which the Staff Association operates and where important decisions affecting C&G Staff are taken. Meanwhile, with just 2,500 paying members within Lloyds TSB, Amicus has little impact or influence with Lloyds TSB Senior Management.

No wonder that each week more C&G Staff - from senior managers to junior clerical - are choosing to join LTU. After all, with 45,000 members LTU is able to exert real influence on behalf of staff.

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