

# Mortgage Unit: C&G 'Fiddling' Pay Rates

The Facts  
**Fair Pay Now**  
For SMU Staff  
Time To Join **LTU**

**L**TU has discovered that C&G Management has, for the third successive year, been attempting to get away with 'fiddling' the pay rates of staff working at Scunthorpe Mortgage Unit.

**On this occasion, LTU has found that new staff at the SMU are being paid lower starting salaries than they should be. This undoubtedly has a knock-on effect on longer-serving staff too.**

**LTU's analysis has found that a disproportionate number of SMU Staff are paid significantly below their Market Indicators, with very few Band 7's and 8's being paid at the Market Indicator. This is despite the fact that it is Bank policy that fully competent and experienced staff should expect to be paid at the appropriate Market Indicator. More details are provided inside.**

This isn't the first time LTU has caught C&G Management trying to drive down the salaries of Lloyds TSB Staff working at Scunthorpe Mortgage Unit:

- In 2001, LTU discovered that many Mortgage Unit Staff were being paid far lower salaries than they should have been. Salaries were not being managed toward the appropriate Market Indicators.

After LTU launched its campaign for 'Fair Pay for Mortgage Unit Staff', Management eventually

backed down. As a result of LTU's success, additional funds were negotiated by LTU worth an extra £100,000 to be divided amongst SMU Staff. This led to pay increases of over £1,000 extra for many staff.

- In 2002, LTU was told of plans to pay Mortgage Unit Staff against lower Market Indicators than all other Lloyds TSB Staff in the Scunthorpe area.

Though Management initially attempted to justify its position with spurious excuses, under intense pressure from LTU it eventually backed down and agreed to abide with the Bank's own Pay Policy by setting salaries against the same local Market Indicators as applied to branch staff in the Scunthorpe area.

Management agreed to LTU's claim for guaranteed minimum salary levels for SMU staff and to move more experienced staff closer to the correct Market Indicators. Though the first part of the agreement appears to have been implemented, the second part certainly does not.

LTU believes that Management is acting underhand in yet again trying to impose low pay on staff working at Scunthorpe Mortgage Unit. It is certainly failing to act in accordance with the Bank's own Pay Policy and arrangements negotiated between the Bank and LTU.

# Low Pay At SMU - The Facts

LTU's analysis has discovered that C&G Management has been keeping pay low for LTSB Staff at Scunthorpe Mortgage Unit by refusing to manage salaries around the Local Market Indicators in the same way as all other parts of Lloyds TSB.

In an attempt to wriggle out of an agreement reached between LTU and Senior Management last year, that SMU Market Indicators would not be lower than for Branch Staff in the Scunthorpe area, C&G Management appear to have ignored the Bank-wide Pay Policy altogether.

There can be no other reason to explain why:

- **Band 8 Mortgage Unit Staff are over six times - and Band 7 staff over five times - more likely to be paid below 90% of the Local Market Indicator than the average for all other Lloyds TSB Staff.**

**It is worth noting that whilst over half of Band 7's, and almost a third of Band 8's, are paid salaries below 90% of their Market Indicators, within the Branch Network (including Scunthorpe) staff are automatically paid a minimum of 90% of the**

**Market Indicator from the very first day they start working for the Bank!**

- **Whilst half of all Lloyds TSB Staff in Bands 7 and 8 can expect to be paid at or above the appropriate Market Indicators, this applies to under 10% of those staff working at Scunthorpe Mortgage Unit.**

**In fact, it is quite possible that the average salary for a Band 8 working in the Scunthorpe Group of branches is above the average for Band 7's working at SMU, despite the significant differences in responsibilities and experience.**

Not only do Mortgage Unit Staff have their salaries held down well below their Local Market Indicators, but the Market Indicators themselves are already very low compared to the rest of the Bank.

LTU even suspects that average Pay Increases for Mortgage Unit Staff last year may have been below the level officially agreed between the Bank and LTU. The Union has asked Management to provide evidence relating to last year's pay increases.

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## Campaign For Fair Pay Now

It is wholly unacceptable that for the third year in succession C&G Management have been forcing down the pay of Lloyds TSB Staff working at Scunthorpe Mortgage Unit.

Not only does low pay affect staff in Bands 7 and 8, but it undoubtedly has a 'ripple effect' for staff in all

**grades and experience working at the Mortgage Unit.**

**Enough is enough.**

LTU is insisting that C&G should no longer be able to get away with paying Lloyds TSB Staff working at Mortgage Unit too little and that, to rectify this, the

Bank must:

- 1. Guarantee that all SMU Staff, including new entrants, are paid no less than 90% of the appropriate Local Market Indicators.**
- 2. Backdate these increases to April 2002 for all staff employed at SMU since the beginning of 2002.**
- 3. Over and above any Pay Pot and average Pay Increases awarded by the Bank in April, inject considerable additional funds to raise the**

**salaries of longer serving and experienced staff far closer to their Market Indicators.**

- 4. Guarantee that C&G Management will, in future, be obliged to comply in full with the letter and spirit of the Bank's Pay Policy and any agreements reached between the Bank and LTU.**

In other words, Management must no longer be allowed to treat those working at the Mortgage Unit as second class staff, but instead commit itself to

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## Time To Join LTU

LTU already represents the majority of staff working at Scunthorpe Mortgage Unit.

**But the Union needs the maximum possible support of staff if it is to succeed in forcing Management to pay staff fairly. That it is why it is important that all remaining non-members join LTU straightaway.**

Of course, LTU already has an excellent track record of effectively representing the needs and concerns of Mortgage Unit Staff, in particular:

- **In 2001 LTU succeeded in forcing Management to inject a further £100,000 to fund Pay Increases for SMU Staff over and above what it had originally intended. Many staff received individual increases of over 10%.**

- **In 2002 LTU persuaded Management to drop plans to introduce lower Local Market Indicators in SMU compared with the Scunthorpe Group of Branches.**

- **LTU has also successfully represented Lloyds TSB Staff affected by reorganisations carried out by C&G Management.**

There can therefore be absolutely no doubt that (1) only LTU has the resources, commitment and experience to effectively represent SMU Staff and (2) only LTU has a successful track-record of actually achieving Pay Increases for SMU Staff.

**To assist LTU in successfully campaigning for 'Fair Pay Now' for SMU Staff it is essential that all remaining non-members join the Union straightaway.**

**STEVE TATLOW**  
Assistant General Secretary