

Jobs To India: Newcastle Contact Centre To Close With The Loss Of 960 Jobs

As members will by now be aware, as part of its plans to move work to India, the Bank intends to close Newcastle Contact Centre with the loss of 960 jobs.

The Bank has told us that it will shut the Centre in phases and entirely by the end of 2004. The first 150 jobs would go by the end of March next year, followed by four further tranches of 150 until all jobs had been moved to India.

A system of 'Loyalty Bonuses' will be devised to reward staff for remaining with the Bank until they are made redundant. **The Bank has said that whilst it is hopeful it can re-deploy some staff it cannot rule out compulsory redundancies.**

According to the Bank one of the main reasons Newcastle Contact Centre has been chosen for closure is because of its bad record on staff turnover, 40% of new staff in the last year alone. The fact though is that high attrition, i.e. turnover, is a management failure for which those staff who have remained with the Bank are now having to pay a heavy price. The stark reality is that **rather than address its own failings and try to live up to its mantra of making the Bank "a great place to work" it is prepared to jettison its own staff in favour of a cheap alternative.**

Throughout, the Bank has argued that it needed to consider exporting jobs abroad in order to remain competitive by cutting costs because all its key competitors were planning to do so. As we reported last week, **the announcement by RBS and HBOS, two of the Bank's main**

INSIDE

LTU Campaign

LTU Advice - 24 Hour Access To Independent, Professional Advice & Assistance

competitors, that they won't be transferring their operations overseas seriously undermined the Bank's position. Both RBS and HBOS have realised that they can make a virtue of displaying a corporate social responsibility and committing themselves to listening to their customers and supporting UK jobs and the UK economy.

The Bank's actions have illustrated the paucity of its arguments - it is back to blatant cost cutting for the sake of it. **The Bank ought to have had the backbone to take the lead in supporting its existing workforce and the economy of the country in which it is principally involved.**

There is now a clear choice for employers and of course customers - a choice between those that believe British institutions have an obligation to support their existing workforces and the society within which they do business or to chase the cheapest workforce overseas and to hell with everybody else.

LTU Campaign

Clearly LTU opposes the closure of Newcastle Contact Centre.

LTU has been vehemently opposed to the Bank exporting jobs to India since we first learnt of what it was planning, plans of course that the Bank originally denied having.

LTU has been a lone voice in recognising the very real threat for every member of staff throughout the Bank who has a non-customer facing role that exporting such work to India poses. The Bank itself has now said that 25,000 staff work in the type of operations that could be outsourced.

The closure of Newcastle Contact Centre if it is allowed to proceed would not be the end, indeed it would we believe give the green light to further closures.

We were accused of scare mongering? Look at the facts:

- **“We have no plans to outsource work to India.”** Lloyds TSB June 2002.
- **“Only a toe in the water”.** Lloyds TSB on its plans to pilot the transfer of 250 non-customer facing jobs to India September 2002.
- **“Only new not existing work will go to India.”** Lloyds TSB September 2002.
- **“Up to 1,500 jobs from 5 Business Units by end of 2004.”** Lloyds TSB September 2003.
- **“All other parts of the Bank to review which work can be done in India.”** Lloyds TSB September 2003.
- **“Complete closure of Newcastle Contact Centre by end of 2004 with the loss of 960 jobs”.** Lloyds TSB October 2003.

Sadly, but not unpredictably we have been proved right all along. The loss of any job in Newcastle Contact Centre is one too many in these circumstances and only LTU can be relied upon to oppose the Banks decision.

Members, staff, need to be in no doubt, if the Bank does not drop this policy then there will be no end to the work that will go to India or any other country which can do processing and administrative jobs for a fraction of the cost.

Only LTU is campaigning for Lloyds TSB jobs to be kept in Britain, but we need your support. If you are not already a member of LTU then join today to help our Campaign.

Customer Support

LTU's campaign against the transfer of work abroad is winning overwhelming support from customers.

The Union has established teams across the country to approach customers outside branches. Customers have been invited to sign a petition stating that:

“I am a customer of Lloyds TSB and I object to any aspect of the management of my account(s) being transferred to India or any other overseas location. To do so would be bad for Customers, Staff and The UK economy.”

The support of customers could not be clearer. **LTU estimates that around 90% of customers who have been asked to sign the petition have been happy to do so.** No-one can therefore be under any doubt that customers are overwhelmingly opposed to the transfer of work abroad.

Exceptional Media Interest

Because LTU is the only trade union to have successfully involved customers in campaigning to reject the transfer of work abroad, the Union's campaign has attracted substantial media interest.

In addition to national newspaper coverage, over 80 local newspapers and radio stations have also reported on LTU's campaign. On every single occasion, customer reaction has been reported as being fully behind the campaign to stop work being transferred abroad.

Typical customer reaction reported in the media has included:

"We need all the help we can with jobs in this country and the quality of service will definitely suffer if our calls are taken abroad"
(Gloucestershire Echo)

"From my point of view I am against it. This country is short of jobs as it is; the last thing you want to start doing is palming them off to other countries" (Halifax Courier)

"It's taking jobs out of the country so it's bound to be a bad thing" (Bristol Evening Post)

"If Lloyds TSB does transfer its Worthing jobs to India, they can kiss goodbye to my accounts and, hopefully, millions of others who would also condemn such a shameless pitch for increased profit on the back of cheaper labour" (Worthing Herald)

On Target For 500,000 Signatures

LTU's campaign is already making excellent progress in its goal of collecting half a million signatures from customers opposed to Lloyds TSB transferring work abroad.

That the overwhelming majority of customers approached have agreed to sign the petition - at times queuing for the opportunity to do so - should leave the Bank with no doubt whatsoever of the unpopularity and commercial risks of transferring work abroad.

LTU Advice - On Site Assistance

Nevertheless, members clearly need independent professional advice at this stage and accordingly a team of LTU Officials were in the Centre on Thursday and Friday to provide individual advice and assistance.

Members, exclusively, also have access to the Union's Advice Line 24 Hours a day. Simply call 01234 262868 for genuine independent, professional advice and assistance.

IAN PARTRIDGE
General Secretary