

Group Audit: Compromise For Home-Based Staff

LTU and the Bank have reached a compromise on compensation relating to new working arrangements for those Group Audit staff who until now have had their home defined as their 'normal place of work'.

Though LTU had accepted that there *might* well be a business case for staff no longer being based at home, the Union was concerned that this change was really a smokescreen to shift the burden of the Bank's costs - and particularly travelling expenses - on to staff. The Union had also been concerned at the heavy-handed manner by which changes in work location and expenses policy had at first been thrust upon staff without proper consultation with LTU.

The changes being introduced within Group Audit that have significant financial consequences for staff involve:

- **For some staff, designating an office location as being their 'normal place of work' rather than continuing to permit them to treat this as being their home.**

This not only means that staff will now have to incur more journeys - and hence cost - travelling to an office on those days when they don't have appointments, but also that the distance between home and the new work location is to be deducted from all travel expense claims when they are required to visit other offices.

- **Removing the long-standing practice of**

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staff being automatically able to claim a £4.80 Daily Allowance each day that they are working away from home.

- **Removing from most Band 5 staff the provision of User Cars , even in those circumstances where they are routinely required to make long journeys on Bank business.**

The Union discussed each of these issues extensively with Group Audit Senior Management in an effort to reach an agreement that combined the Bank's wish to introduce new working arrangements with compensation for staff for the financial consequences of doing so.

Though the compromise - detailed inside - is short of what LTU was seeking, it remains a significant improvement on the original position.

Change In Base Location

In discussing the impact of the Bank's changes in Base Location for those Group Audit Staff presently based at home, it was agreed between the Union and Bank that there were, in effect, four separate groups of staff who would be affected differently.

Accordingly, a different approach is required to address the concerns of each population.

This is explained below:

~~GROUP A: Staff who (i) live within the lowest of either 25 miles or 1 hour 15 minutes travel time of Chiswell Street and (ii) have been told they must change base location to Chiswell Street (3 staff).~~

Since they fall within the Bank's Mobility criteria, these staff will have no option but to change their base location to Chiswell Street.

This means that they will be typically required to work from Chiswell Street on those days that they do not have appointments elsewhere, and will have to deduct the distance to Chiswell Street from all mileage claims to appointments.

These staff will qualify for payment of the London Allowance - worth £3,450 - which is to be backdated to 1st April 2006.

Furthermore, as a transitional arrangement, the Bank has agreed to reimburse all additional mileage costs - to the most convenient train station - and pay for the full journey to any appointment from home - through expenses, for a period of 12 months.

~~GROUP B: Staff who (i) live outside of London, (ii) but within the lowest of either 25 miles or 1 hour 15 minutes travel time of one of the nine offices listed in the table, and (iii) have been told they must change base location to this office (5 staff).~~

For those staff that fall within the Mobility criteria of one of the nine offices listed, there will be no option but to transfer base location to the new office.

However, as a transitional arrangement, the Bank has agreed to reimburse all additional mileage costs - both to the new office or train station - and pay for the full journey to any appointment from home - through expenses, for a period of 12 months.

GROUP C: Staff who (i) live outside either 25 miles or 1 hour 15 minutes travel time of Chiswell Street, but (ii) may be asked to agree to change base location to Chiswell Street (7 staff).

Because they fall outside the Bank's Mobility criteria, these staff are free to choose whether or not they wish to accept Chiswell Street as their new base location. They must not be forced to do so.

Where staff do agree to the transfer, the arrangements for Group A will apply. Furthermore, the Bank has agreed to meet the additional cost - over and above the London Allowance - of purchasing an annual season ticket and station parking permit for a period of 12 months; which would be paid through expenses.

However, where staff choose not to agree to this arrangement, the Bank must either:

- Agree to staff continuing to work from home as their base location, though it would keep this situation under review, or else;
- Accept that these staff are redundant, in

GROUP AUDIT'S

If you are one of the 12 **outside of the lower** minutes travel time of below, you **cannot** be Location.

- * Chiswell Street
- * Edinburgh
- * Cardiff
- * Manchester
- * Bristol
- * Chatham
- * Birmingham
- * Gloucester
- * Worthing

which case it must either find them suitable alternative employment or else pay the full Severance Terms.

The Bank has accepted that this is the case

GROUP D: Staff who will be advised that they may continue working from home because (i) they cannot travel to London and (ii) live outside either 25 miles or 1 hour 15 minutes travel time of any of Group Audit's other offices (5 staff).

Again, because they fall outside of the Mobility criteria, the Bank has accepted that it must continue to accept the home of these staff as being their 'normal place of work'.

Staff will therefore be able to continue to be based from home; though the Bank has said it will periodically review the situation.

If the Bank eventually decides to no longer accommodate this arrangement it has accepted that the same arrangements as Group C will apply.

In other words, the Bank has accepted that in these circumstances the jobs of staff would be technically redundant and therefore it would have to either find them suitable alternative employment or else pay them the full Severance Terms.

Daily Allowance

At our meeting with Group Audit Senior Management, the Bank accepted that the policy of allowing Home Based Group Audit staff to automatically claim a Daily Allowance was a longstanding arrangement extending back over many years.

To compensate for the loss of this benefit, the Bank has now agreed to compensate all staff affected with a payment, net of tax, equivalent to 12 month's worth of claims. This will be calculated on an individual basis, based on whichever is the higher of:

- **the average of 2004 and 2005's payments, or;**
- **the 2005 payment.**

Future Arrangements

In addition to these compensatory payments, the Bank has accepted that all Group Audit staff will be entitled to claim a Lunch Allowance whenever

they are attending appointments away from their 'normal place of work'.

LTU knows there has been some confusion amongst Group Audit Staff concerning payment and so, for clarity, members can claim:

- **Up to a maximum of £5 for meals / drinks whenever working outside of their normal office, and so long as;**
- **Receipts are provided supporting claims, and;**
- **Before calculating the claim, an amount is deducted from the total cost of the food / drink reflecting the normal cost incurred when based in the office. Though the Bank wouldn't commit itself to a set a figure for this, LTU believes that as a rule of thumb £1 would be appropriate.**

These future arrangements should apply to all Group Audit Staff and not just those who until now have been working from home.

User Cars

The one area where LTU did not succeed in making progress concerns the withdrawal of User Cars from Band 5 staff who are regularly required to travel to appointments away from their normal place of work.

The Bank's Rules state that staff qualify automatically for provision of a User Car only in circumstances where:

- **they travel more than 18,000 miles a year on business, or;**
- **they have a consistent need for the use of a hire car three or more times per week for business purposes.** In the Bank's Rules, there is no minimum journey stipulated for justifying provision of a hire car; though LTU accepts this should be beyond the mobility requirement of 25 miles each way.

This Rule therefore allows Group Audit discretion to provide User Cars to those of its staff who do regularly travel on Bank business - on three or more days a week - but whose total mileage doesn't amount to the ridiculously high threshold of 18,000 miles a year.

LTU argued that, for Band 5 Group Audit Staff, a more reasonable trigger for providing a User

Car would be where staff typically travel more than 50 miles a day on Bank business on three or more days a week.

For staff who would prefer to have kept their User Car - but are now obliged to make their own transport arrangements - there are several options to consider, including:

1. Insist on travelling by Hire Car or Public Transport for all appointments requiring journeys of over 25 miles each way. Staff are not obliged to use their own private vehicle for work; and particularly not for attending appointments away from their 'normal place of work'.
2. Use their own Private Cars for the first 10,000 miles in the tax year (at which point the mileage rate drops from 40 pence to 25 pence a mile), and thereafter insist on being provided with a Hire Car for all appointments requiring travel of more than 50 miles in a day. This would maximise the financial benefit to staff.
3. Staff choosing to buy the User Car from the Bank (a quote can be obtained from Autolease).

What Next - Management Style

In April, LTU raised a number of important concerns regarding management style and staff morale within Group Audit that remain unresolved.

Having focussed our attention over the last month on addressing the more immediate issues concerning Homeworking Staff, LTU will now be redoubling our

efforts on pressing for Group Audit to become a 'better place to work'.

LTU is scheduled to meet next month with Group Audit Senior Management to discuss these issues and will report in future Newsletters on the progress made in our discussions.

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