

# WBO Office Closures: Staff Redeployment

**M**embers will be aware that WBO Senior Management is about to announce - shortly after the WBO Conference on 18th April - the outcome of the review of all its operations.

Though most staff remain in the dark over what the reorganisation will mean to them, a number of issues have already arisen concerning staff redeployment. These are:

- \* **Senior Management announced last Wednesday that it is to close its Cardiff WBO office.** The Bank has said that the early announcement - without having first consulted LTU on the decision - was made in an effort to encourage staff to accept alternative roles within General Insurance.
- \* **A number of staff working at Southampton B&CSC have been transferred to Asset Finance without receiving satisfactory guarantees on their future job security and employment rights.** Despite LTU having pressed Senior Management to provide information and guarantees on future arrangements for these staff, no meaningful discussions have yet been able to take place.

**In both cases, the lack of proper consultation**

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## Cardiff Closure - Key Staff Issues

## Southampton B&CSC - Considerations When Switching Business Units Group Operations and Offshoring

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**with LTU could leave staff wondering whether Senior Management have a hidden agenda.**

It is certainly the case that without proper guidance, or protection negotiated by LTU, these staff could find themselves severely disadvantaged as a consequence of switching operations. It is important staff are fully aware of all potential implications before accepting any alternative roles.

LTU has raised its concerns with the Bank and Senior Management has now apologised for the way it has handled the early stages of the WBO reorganisation.

# Cardiff B&CSC Closure

It is normal Bank policy to consult LTU on all reorganisations and closures before they are announced to staff. This is done to ensure that the Union is aware of the full rationale and to discuss how such decisions may affect staff.

LTU was therefore alarmed to hear that Cardiff B&CSC was to close without first having the opportunity to discuss the closure with Senior Management. This was particularly so since the Union and WBO Senior Management were due to meet on the same day as the announcement!

It is always important that staff are aware of the full implications of agreeing to move between business units as a consequence of a reorganisation. This is particularly so for Cardiff B&CSC staff who are being invited to apply for jobs within General Insurance and the Bank's Bridgend Contact Centre.

Issues that staff should consider when deciding whether or not to apply for roles in General Insurance / Telephony include the following:

- \* **By switching to General Insurance (GI) or Telephony, staff may lose control over their working hours. Rather than working standard hours (i.e. 9 a.m. to 5 p.m.), many GI staff can be required to work flexibly between 8.00 a.m. and 8 p.m., and even more extended hours in Telephony.**
- \* **Most roles within GI and Bridgend are telephony-based, which might not suit all WBO staff.**
- \* **The Pay Structure within both GI and Telephony operates differently to that within WBO. It is possible that staff who switch from WBO to GI / Telephony could**

**find themselves financially worse off; if not immediately, then over a period of time if their pay is above GI / Telephony pay rates.**

- \* **Because of the lack of consultation, it has not yet been possible to compare Bonus, Incentive and other working arrangements in WBO and GI / Telephony.**
- \* **It is not absolutely clear where these GI roles will be based; in Cardiff or Newport. With GI heavily involved in plans to offshore work to India, it is possible that space in Newport might eventually be created to save premises costs and integrate all work in Newport.**

**All these are issues that LTU would have liked to have explored fully with the Bank prior to the announcement. Unfortunately, at our meeting last Wednesday, Senior Management were not in a position to provide many answers to our questions.**

On a more positive note, some WBO staff will no doubt welcome the opportunity to switch to General Insurance or Telephony. Certainly opportunities elsewhere in Lloyds TSB are restricted, other than transferring to Branch Banking (where there may be few vacancies). It is essential, however, that staff make decisions on their future with "their eyes open" and are fully equipped with the facts.

**Finally, it is important staff understand that they cannot be forced to switch to General Insurance or Telephony on the flexible work patterns operating there. The Bank has accepted this. If - once Cardiff WBO closes - the Bank cannot find staff 'suitable alternative employment', it would have no option but to offer staff the option of Voluntary Severance or Voluntary Early Retirement.**

# Considerations When Switching Business Units

Staff working at Southampton B&CSC have strong grounds for concern over why - having found themselves alternative roles in anticipation of their Centre possibly closing - Senior Management has not reciprocated by providing clarity and guarantees over future job security and terms and conditions of employment.

LTU first raised these concerns a month ago. Despite this, discussions are no further forward to ensure all staff transferring from Southampton B&CSC to Asset Finance are treated fairly.

This is particularly important since Asset Finance operates different terms and conditions of employment to those operating both within WBO and much of the rest of the Lloyds TSB Group. There is therefore a danger that without robust, long-term guarantees staff could find themselves significantly worse-off in the future.

Key issues that need to be addressed - both through clarifying Management's future intentions and securing proper guarantees - include:

- \* **What period of continuous service will Management guarantee once staff switch to Asset Finance. From when they first joined Lloyds TSB or only from when they started working for Asset Finance?**
- \* **What Severance Terms AND Job Security Policy would apply to these staff? And if it is the harmonised Lloyds TSB terms, is this guaranteed indefinitely?**
- \* **What will happen to the pay of those staff paid higher salaries than other Asset Finance Staff typically receive?**

- \* **What about other Bonus and Incentive arrangements? How do these compare?**
- \* **What about Holidays and all other Staff rights and entitlements that differ between Lloyds TSB's harmonised terms and those operating in Asset Finance?**
- \* **Even if staff can continue within the Lloyds TSB Pension Scheme, will they continue to accrue rights and benefits on the same basis as they have done previously?**

These and many more questions all need to be answered and guarantees provided in writing. Verbal assurances would not be sufficient.

It is these very issues that often - during those occasions when Lloyds TSB staff are outsourced to other companies - form the basis of months of detailed negotiations involving LTU. Without protection, staff could find themselves significantly worse off.

**That WBO Management has not been in a position to even provide the information required to start meaningful discussions is very worrying.**

**Equally, Management's preference to deal with staff individually puts them at risk of agreeing arrangements without the full facts. It is also against agreed policy to deal with such matters direct with staff without Union involvement.**

**Senior Management has acknowledged LTU's concerns. It has agreed that no terms and conditions will now change until it has completed discussions with LTU.**

# Group Operations & Offshoring

Members will be aware that Group Operations has been the main business unit with which WBO has been working whilst developing its transformation plans.

For example, the Switcher Unit in Chorley was transferred to Group Operation on 1st March and around 190 staff at City Office in Gillingham are due to complete their transfer to Group Operations later this month.

**LTU has raised its concerns that these operations - and any others that may follow when WBO announces its final transformation plans - could eventually be transferred to India as part of Lloyds TSB's offshoring strategy.**

**It is certainly the case that Group Operations has placed itself at the vanguard of the Bank's strategy to transfer work to India.**

**LTU has also been told that Group Operations is working on plans to transfer to India**

**substantially more jobs than it has so far admitted and that these jobs would be transferred during 2006 and beyond.**

## **No Guarantees**

LTU has raised its concerns with WBO Senior Management over whether those jobs transferred from WBO to Group Operations might eventually be offshored to India.

Senior Management has said that it understands these concerns but is not presently aware of Group Operations having developed such plans.

Though Senior Management said that offshoring this work to India - whether as a business unit itself or by using Group Operations as a conduit - did not form part of its strategy, it did also say that it could not guarantee that this would not happen eventually.

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## Lessons To Be Learnt

LTU has made it absolutely clear that it will not permit the Bank to ride roughshod over existing arrangements for consulting LTU and staff as it progresses its WBO transformation programme. After all, these arrangements are designed to protect staff.

Whenever Senior Management does fail to

inform and consult LTU, this will inevitably raise concerns that there is a hidden agenda which management would rather not discuss with LTU.

Clearly a lot of catching up is required to repair the damage and ensure that staff in Cardiff and Southampton WBO's are treated fairly.

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