

14th April 2005

Offshore Banking

# OB Ignores Majority Of Staff Over Flight Benefits

Members will have received a note from David Oldfield, Director of Offshore Banking, proposing a number of significant changes to the travel concessions benefit. Those changes, which Offshore Banking have sought to introduce without proper discussions as they are required to do under our Procedural Agreement, are opposed by LTU.

The proposed changes are as follows:

- **Island based staff who are entitled to free flights must book these through Central TQ3 Travel Solutions rather than their local travel agent as many staff do now.**
- **Flights must be booked 4 weeks in advance of the required departure date. Only in exceptional circumstances will staff be allowed to book flights with less than 4 weeks notice and such a request must be signed off by a Band 1 Director.**
- **All concessionary flights must now be non-flexible economy class, whereas previously staff were entitled to an economy class fare with one change allowed.**

LTU understands Offshore Banking's efforts to reduce costs. We have put forward a number of proposals which would preserve the flexibility of the benefit whilst at the same time reducing costs. However, what we are not prepared to accept is the death of the current arrangement by a thousand cuts. It seems that Offshore Banking's aim is to reduce the value and flexibility of the benefit to such an extent that staff clamour for the cash alternative instead. If Offshore Banking are allowed to get away with this, then what next? What other benefits are they proposing to do away with or reduce in order to save even more money.

Members will recall that last year David Oldfield wrote to staff asking them to complete a questionnaire with their views on the future of the travel concessions benefit. The results of the questionnaire were absolutely clear across all three Islands, staff with flights said that they wanted to continue with their existing arrangements. 22% said that they wanted to convert their existing concessions to monthly cash payments and that has already been done. The full results of the ballot are set out in the table overleaf. It is interesting that when they calculated the cash alternative Offshore Banking based it on a flight to the UK with one change allowed.

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<b>RESPONSE PERCENTAGE</b>				
	<b>Jersey</b>	<b>Guernsey</b>	<b>Isle of Man</b>	<b>Overall Totals</b>
Option 1	26%	13%	12%	22%
Option 2	5%	10%	9%	7%
Option 3	54%	68%	75%	60%
Option 4	10%	6%	4%	8%
Not answered	4%	3%	0%	3%

**Given that Offshore Banking went to the trouble of asking staff for their views on the travel concession arrangement it is unacceptable for them to ignore those views now. Offshore Banking must accept the will of the majority of staff.**

## **Conciliation Meeting in Guernsey**

Offshore Banking has said that its policy on pay has always been driven by the market and the 'rate for the job'.

What we want Offshore Banking to do is to deliver on its own policy and pay fully experienced and competent staff the rate for the job. Offshore Banking's current offer fails to meet that basic requirement.

LTU has registered 'First and Second Failures to Agree' as prescribed by the Offshore Banking Procedural Agreement. We will be having further discussions with Offshore Banking at the Conciliation Service in Guernsey where we still hope that an agreement can be reached on the new reward system and pay 2005. If we fail to reach an agreement on Guernsey we can ask the Board of Industry to appoint an Industrial Disputes Officer who, if an agreement cannot be reached, will appoint an independent Arbitrator from the mainland to resolve the pay dispute. The Arbitrator's decision is binding on both LTU and Offshore Banking.

We will be pursuing similar policies on the Isle of Man and Jersey, subject to the relevant legislation on each of the Islands.

**Mark V Brown**  
Assistant General Secretary