

# Registrars - Up For Sale?

Members will doubtless be aware of a report emanating from the Sunday Times over the weekend that the Bank's Registrars business has been put up for sale. According to the Sunday Times and reported widely today:

"Lloyds TSB has called in investment bankers to sell its share-registration and stock-management business for about £600m. Britain's fifth largest bank appointed Lehman Brothers last month to handle the sale of Lloyds TSB Registrars. The decision to sell came after Eric Daniels, the Chief Executive, decided late last year that Lloyds TSB Registrars was no longer part of its core business."

The Bank has told LTU today that as it does not comment on press speculation it has no comment to make. Whilst this is understandable it is more often the case with these sorts of reports that there is no smoke without fire. And whatever the truth the Bank's position does little to allay the genuine concerns of staff.

If, as it looks likely, Registrars is to be sold it would mean not only that the business itself would transfer to whichever company bought it but so would all the staff employed by it. Such a transfer would involve the Transfer of Undertakings (Protection of Employment) Regulations, more commonly known as TUPE. These were introduced in 1981 to help protect the rights of employees where there is a change in their employer.

The main objectives of the law are to:

- ensure that the recognised unions of staff to be transferred (i.e. LTU) are informed and consulted on the proposed transfer and its impact on staff.
- ensure that the contracts of employment of staff are transferred automatically between employers and their terms and conditions protected.

The TUPE Regulations provide the following protection for employees transferred between employers:

- Existing contracts of employment transfer to the new employer. Once the transfer is complete these can only be changed by mutual agreement.
- The period of employment with the Bank is treated as continuous service, once staff transfer from the Bank to the new employer. Rights and benefits relating to the period of continuous employment remain; such as for redundancy, unfair dismissal, etc.
- Any employees who are dismissed for a reason connected with the transfer can claim unfair dismissal.
- Where worse terms and conditions are offered by the new employer at the time of transfer, staff may resign and claim constructive dismissal.
- If the new employer attempts to impose new terms and conditions by dismissing employees and re-employing them on new terms then the dismissal will be unfair.

It is particularly important that staff bear in mind that the Bank has previously argued that, in terms of remuneration, only basic salary is transferred to the new employer. The Bank may seek to argue that staff are not entitled to an amount equal to the Flavours scheme or participation in the Sharesave Scheme. In other words, staff transferred from Lloyds TSB to another employer could suffer cuts in their spendable income, unless LTU successfully negotiated proper compensation.

LTU already represents the majority of Registrars staff but it is imperative that if a transfer does take place we are able to negotiate on behalf of as many staff as possible. I would urge all members to encourage as many of their colleagues who are not yet members to join without delay. This can be done either by completing the application overleaf or for immediate membership by phoning the Union's office in Bedford on 01234 262868.

I will keep members informed of developments.

**NICK HOLT**

Assistant General Secretary