

# C&G To Axe Quarter Of All Branches & Slash More Jobs At Barnwood

**L**TU understands that C&G Management is planning to announce the closure of around a quarter of all C&G Branches and a job cull in Barnwood within the next two weeks.

The groundwork for this announcement - which could mark the beginning of the end of C&G as a separate brand - has been laid over recent weeks and months, including:

- **A freeze on staff recruitment over the past two months, which has left some areas desperately short of staff.**
- **An independent market research company has been telephoning C&G customers on behalf of the Bank, to ask whether they would have any objections to having their C&G accounts managed through their local Lloyds TSB rather than C&G branch.**
- **Since C&G branches moved on to Lloyds TSB's PBS platform, most if not all tasks that could previously be carried out only in C&G branches can now be transacted in Lloyds TSB branches too.**
- **C&G Management has unceremoniously dropped its '1 in 10' strategy. Judith Tregarthen's (Head of C&G Branches) recent Interchange Message, 'C&G Strategy 2007-11' made this change in direction clear, when she stated that "We all know that chasing market share is not the most profitable strategy moving forward".**

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**This is the clearest possible indication that slashing costs - such as axing branches and jobs in Barnwood - to achieve improved profitability is now the priority.**

- **The Bank has arranged a Hearing at the High Court of Justice for 20th September, which will see the transfer of all Mortgages and Deposits (savings accounts, cash ISA's and TESSA ISAs) out of the hands of C&G and into the legal control of Lloyds TSB. This will take effect on 1st October 2007.**
- **Within two months, there will no longer be an IFA processing centre based in Barnwood.**

LTU understands that 600 Redundancy Packs are being held in Barnwood ready for despatch.

Of course, whilst LTU has over the past 12 months been alone in predicting these developments, both the C&GSA and Amicus/Unite have been silent for fear of upsetting their cosy relationship with C&G Top Management!

# What Future For C&G?

The announcement of branch closures and redundancies in the C&G Branch Network and Barnwood - which we understand will take place within the next two weeks - will almost certainly mark the beginning of the end of C&G operating as a separate entity within the Lloyds TSB Group.

We predict that, at best, C&G may remain as a marketing brand; at worst it may eventually disappear altogether.

## Branch Network

Last Autumn, LTU made the following prediction in one of our many C&G Newsletters:

*"Few C&G Staff can seriously believe that by the end of 2007 the C&G Branch Network will look anything like it does today ... all C&G roles - from GBM to CSA - will inevitably be very different"*

**LTU expects the Bank to eventually mirror the same approach as Barclays took when it announced the closure of its Woolwich Branch Network, where all Woolwich branches within 300 metres of a Barclays branch were closed.** Those Woolwich branches that remained were re-branded as Barclays.

However, we suspect that Top Management will initially adopt a more cautious approach: announcing and implementing C&G branch closures over a series of waves.

Once the reorganisation and closure of C&G branches is complete, LTU predicts that the future will look as follows:

- **C&G Branches will be fully integrated into the Lloyds TSB Branch Network - possibly (though without any certainty) retaining its brand. However, C&G staff will be treated just like any other Lloyds TSB Staff; switched between Lloyds TSB and C&G branches as required by their managers.**
- **Existing C&G and Lloyds TSB branch staff will be consolidated into a single local management structure ... based on Lloyds TSB Groups. This will inevitably mean far less - if not the removal altogether of - GBM's and ABM's.**
- **Within two months there will be a processing centre at Barnwood, with almost all remaining processing being stripped out of C&G branches. CSA's will be redeployed on to sales orientated roles.**
- **There will be no such thing as distinct C&G Staff ... just a combined workforce of Lloyds TSB Staff on Lloyds TSB contracts and with Lloyds TSB targets.**
- **Most C&G Staff will be required to redeploy on to Lloyds TSB roles rather than receive Severance Terms.** The Bank is legally able to redeploy most staff into roles up to one grade below their current positions.

## Barnwood

Staff working at Barnwood also face the prospect of drastic changes over the coming months as Top Management seek to slash costs.

**Just like the Branch Network, we expect the announcement that is being made within the next two weeks - which will almost certainly involve redundancies - to be just the first phase of a more substantial programme of change affecting Barnwood.**

However, unlike the Branch Network - where we suspect most staff affected below Branch Manager level will be forced to redeploy into alternative roles - at Barnwood we would expect a far higher likelihood of compulsory redundancies.

**It is likely that many functions currently operating within Barnwood will face a transfer of reporting lines: most typically transferring into Lloyds TSB's group-wide business units, such as Group Operations and Telephony.** Of course, this would merely be a continuation of the trend that has already begun in relation to staff working for IT, Audit, Premises and at Segensworth (Fareham), where staff have been transferred into Telephony.

Meanwhile, C&G Management has also shown a willingness to compromise customer service in favour of cost saving by offshoring more work to India.

# Redundancy Or Redeployment?

Whilst a number of staff will no doubt be made redundant, many others are more likely to be forced to redeploy into alternative roles.

## Redundancies

The C&G Staff who are most likely to be made redundant - whether on a compulsory or voluntary basis - are those either currently based in Barnwood or else in more senior branch network roles (i.e. Group Managers and Branch Managers).

**This is because there are unlikely to be many suitable alternative roles into which these staff can be easily transferred.**

However, should any LTU members face the prospect of compulsory redundancy - when they would prefer to transfer into alternative roles elsewhere in the Bank - LTU will provide its full support in challenging redundancies.

Where necessary, this could involve pressurising the Company into seeking 'bumping' opportunities: that is, seeking volunteers for redundancy (with a full redundancy payment) to switch places with those staff who would like alternative roles.

## Redeployment

**For many C&G Staff - and particularly those working in C&G Branches - LTU expects redundancy to not be an option.**

**Instead, staff will be forced to redeploy into what management considers to be 'suitable alternative roles'.**

**These roles will typically be at alternative C&G branches that are not closing - and which are within 25 miles of where staff live - or else local Lloyds TSB branches.**

The definition of what constitutes 'suitable alternative employment' is governed by employment law and the Company's own Job Security Policy, and is defined as being:

- **A position at the same Band or level of seniority.**

- **A drop of one grade. In this case, staff are entitled to three years pay protection under the Group's PPA policy, before their pay is managed around the lower pay rate.** This does not apply to staff dropping a 'status' level, i.e. from Senior Manager to Manager, Manager to Assistant Manager, or from Assistant Manager to a more junior role.
- **A 'proper job' rather than one of only a short-term nature.**
- **With the same working patterns.**
- **Within recognised mobility parameters; these being within 25 miles - or 1 hour 15 minutes by public transport - from home.** Such transfers must nevertheless take into account the personal and domestic circumstances of staff, for instance their child or family care responsibilities.

**Where staff are offered a role that is determined as being a 'suitable alternative', they have no option but to either accept redeployment into the new role or else resign without any redundancy pay entitlement.**

## Professional Representation

Whether staff face the prospect of Compulsory Redundancy or Redeployment into a role they consider unsuitable, it is essential they can count on the support of experienced, professional union representatives.

**Only LTU guarantees to provide this. Our highly trained and experienced Representation Consultants and Advice Team have already advised and successfully represented many C&G Staff. We can assure our members that anyone in need of assistance is guaranteed the highest possible standard of representation.**

Meanwhile, Amicus/Unite and the Staff Association continue to rely upon Company employees - who are seconded to these two representative organisations on either a full-time or day release basis - to represent their members. It simply isn't good enough that C&G Staff - whose future is in doubt - risk being represented by inexperienced people who cannot operate independently of C&G Management.

To join call 01234 262868... today!

ltu  
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# Conspiracy Of Silence

No doubt many C&G Staff will be asking themselves why it is that with such important concerns facing them, the Staff Association and Amicus/Unite should have remained silent on the challenges ahead.

A check of the Amicus/Unite website indicates that over the past 12 months (or since the beginning of this year), Amicus/Unite has not issued any Newsletters addressing the concerns of C&G Staff. Instead, the only Newsletters it has issued in C&G have focussed either on its own status in C&G or else criticising LTU.

**Of course, the focus of its Newsletters betrays precisely why Amicus/Unite has chosen to ignore staff concerns: because its priority has been to avoiding upsetting Top Management in order to guarantee its status as 'management's chosen union' rather than to genuinely represent the needs and interests of C&G Staff.**

## Staff Association To Disband

It has been announced that the C&G Staff Association is to disband with effect from the end of this year.

Of course, for some time the writing has been on the wall that this will happen, since once C&G no longer operates as a separate entity to the rest of the Lloyds TSB there can no longer be any justification for the Staff Association's continued existence.

This means that if staff want to be represented by a trade union that specialises in representing C&G and Lloyds TSB staff - and not workers spread across a whole range of unconnected industries - LTU will in future be the only choice!!!

## Amicus/Unite - Small & Insignificant Across Lloyds TSB

Amicus/Unite's promotional literature seeks to give the impression that because it has over one million members, it must be powerful and influential. But with less than 3,000 members in Lloyds TSB - compared to well over 40,000 in LTU - this is far from the truth where it matters.

Yes it is true that Amicus/Unite:

- Exerts political influence through spending money it receives from its members on donations to the Labour Party (£16.1 million since 2001);
- Is one of the largest unions representing staff in a wide range of sectors - from manufacturing and construction to aerospace, healthcare and refuse collection.

**But where it matters most for staff working across the Lloyds TSB Group - within Lloyds TSB itself - Amicus/Unite is small, insignificant and ineffectual.**

In fact, in many parts of the company, Amicus/Unite represents less than 5% of staff!

## LTU - Real Commitment, Real Independence, Real Influence

For C&G Staff who want to depend upon professional, independent representation there is only one choice ... LTU.

With LTU, staff can count upon:

- **Genuinely independent representation by highly trained officials that are paid direct by the Union; not employed and paid for by management.**
- **A union that has real influence, through representing over 40,000 staff working in the Lloyds TSB Group.**
- **A Union that is committed to communicating openly to staff, rather than being fearful of offending Top Management.**

Joining LTU couldn't be easier. Just complete and return the enclosed membership Application Form.

**STEVE TATLOW**  
Assistant General Secretary

To join call 01234 262868... today!