

C&G Pay: No Excuse For Staff Being Treated As 'The Poor Relations'

Many C&G Staff will share LTU's astonishment that Amicus Unite and the Staff Association have dropped their 'campaign' to achieve fair pay for C&G Staff.

Like us they will ask why the gap between C&G and Lloyds TSB salaries should be permitted to grow even wider, after the average pay increase for C&G Staff this year was just 3.0% ... compared to 3.8% for other Lloyds TSB Staff?

This followed last year's experience, where C&G staff received 0.5% lower pay increases than Lloyds TSB Staff.

The fact that Top Management is getting away with treating C&G Staff as the 'poor relations' within the Lloyds TSB Group is obvious.

In fact, our analysis inside this Newsletter shows that the difference in Pay between C&G and Lloyds TSB Staff in equivalent grades is anything up to £3,770 or 15%.

And Basic Pay isn't the only area in which C&G Staff are treated less favourably than Lloyds TSB staff. In the Lloyds TSB branch network, clerical staff typically can expect to receive bonuses of around £800 a year and Branch Managers around £2,000 a year. In other words, substantially more than C&G staff have any prospect of receiving.

LTU believes it is unacceptable that C&G Staff should be discriminated against in these ways and, over recent years, has been at the forefront in exposing how C&G Staff have been discriminated against.

INSIDE

Lloyds TSB & C&G Pay Compared

No Excuse For Lower Pay

Amicus/Unite Paralysis

Over recent days, Amicus Unite has shown once again its desperation to retain a foothold (however small) in C&G, since this is possibly the only part of the Lloyds TSB Group where it represents over 10% of staff. It clearly doesn't want to risk upsetting Top Management by overly criticising or opposing it on a key issue affecting staff.

A meaningless ballot, followed by a chat with the HR Director (David Lyons) and then the Managing Director (Jon Pain) hardly amounts to a serious Pay Campaign. Amicus Unite's expressions of "real disappointment" - in its subsequent Newsletter - will hardly have Management 'quaking in their boots'!!!

What this whole sorry episode proves is that if C&G Staff are to be treated as equals - and not the 'poor relations' - in Lloyds TSB, they need independent union representation. Certainly the 'sweet heart' arrangement between the Company and Amicus Unite will not deliver equality.

Only LTU can provide this independent representation ... and the negotiating strength that comes from representing over 40,000 staff from across the Lloyds TSB Group.

No Excuse For Lower C&G Pay

LTU believes there can be no excuse whatsoever for Top Management forcing lower pay on C&G Staff than that paid to other staff doing similar jobs elsewhere within the Lloyds TSB Group.

The Group's Compensation and Benefits Department says that its research is used to ensure Lloyds TSB staff are paid basic salary levels at the median (average) for the financial services sector. So, by implication, if C&G Staff are paid less - and the gap increases each year because of lower pay increases - it is because Management believes it can get away with paying inferior salaries.

Whilst Amicus Unite may be happy to limit itself to merely expressing 'real disappointment', LTU will not allow this situation to continue without being challenged.

Excuses Don't Add Up

In its recent newsletter, Amicus Unite exposed just how weak and ineffectual it is and how it is permitting Top Management to get away with just about anything.

In particular, Amicus Unite reported that the Company had said that "in the current climate, the pay offer was fair and equitable" and that it was going to drop the pay issue this year since "at a time when there is much uncertainty around, your negotiators feel that this would not be appropriate"

But of course, the facts are that:

- To campaign for C&G Staff to have the same Pay as Lloyds TSB Staff receive would have no bearing whatsoever on the number of C&G Branch closures - or job reductions in Barnwood - that are to be announced imminently.
- In any case, for those staff who will lose their jobs, higher pay would have amounted to higher Severance Payments. As it is now, it is far cheaper to make C&G staff redundant!
- In Lloyds TSB's Interim Results, announced last Tuesday, Top Management reported "good growth" and "strong growth" in mortgages, with new mortgage lending having increased by 23% over the same period last year.

In other words, it is more appropriate than ever that C&G Staff should have at the very least received the same pay increases as all other Lloyds TSB staff.

For Amicus Unite to attempt to kick 'fair pay for C&G Staff' into the long grass until next year, exposes the fact that it really doesn't want to risk upsetting the cosy relationship it has established with Top Management.

Perhaps that is also why in its most recent Newsletter - entitled 'LTU Newsletter' - Amicus Unite dedicated the entire communication to attacking LTU rather than addressing itself to the real issue of imminent branch closures and job reductions at Barnwood!!!

| Lloyds TSB and C&G Pay Rates Compared | | | | | |
|---|------------------------------|---------|---------------------------------|-----------------------------|----------|
| Location | LTSB Salary Mid Point | | Difference | C&G Salary Point | |
| National - Gloucester, Coventry, Leeds, Manchester, etc | Band 8 | £15,077 | C&G £2,900 worse off | £12,170 | Grade G3 |
| | Band 7 | £17,123 | C&G £2,953 worse off | £14,170 | Grade G4 |
| | Band 6 | £21,150 | C&G £3,350 worse off | £17,800 | Grade G6 |
| | Band 5L | £25,400 | C&G £3,770 worse off | £21,630 | Grade G7 |
| South East - Southampton, Luton, Basildon, Brighton, etc | Band 8 | £14,000 | C&G £390 better off | £14,390 | Grade G3 |
| | Band 7 | £16,050 | C&G £270 worse off | £15,780 | Grade G4 |
| | Band 6 | £21,150 | C&G £1,780 worse off | £19,370 | Grade G6 |
| | Band 5L | £25,400 | C&G £1,810 worse off | £23,590 | Grade G7 |

Unequal Treatment - Bonuses

C&G staff not only miss out on Basic Pay, but also on bonus and incentive opportunities.

The main Branch Bonus schemes operating in Lloyds TSB's branch network are summarised below:

- **Customer Assistants (equivalent to CSA)**

In Lloyds TSB branches, full-time Customer Assistants are typically set targets in their Balanced Scorecard to achieve 65 referrals that lead to a sale each quarter. Each is worth £3 (£5 if a direct sale achieved). The threshold at which bonuses begin to be paid is less than half of this.

Someone hitting these targets would receive £195 a quarter; or £780 a year in bonus payments.

- **Account Openers (equivalent to RMA)**

Account Openers working in Lloyds TSB branches who reach their *minimum* thresholds - consisting of at least 25 referrals (£3 each) and 25 sales (£5 each) - would receive a bonus of £200 a quarter; or £800 a year.

- **Customer Service Managers (equivalent to BM)**

The Bonus for Lloyds TSB CSM's is based on a mix of achievement of their branch's sales and referral target and their own sales. They receive £1 for each referral/sale in excess of 90% of the team target and an additional bonus of £250 each quarter for achieving 100% of their branch target. Personal targets are based on the Customer Assistant scheme.

Taking a branch of 8 staff, this would typically amount to a bonus of £497 each quarter for meeting the branch target; just less than £2,000 over the course of a year.

Contrast this with C&G Branch Staff who receive nowhere near this level of bonuses. And where bonuses are paid, they are related to neither achievement of branch nor achievement of individual targets, but rather based on Group targets; which are beyond the influence or control of staff.

Second Rate Representation Equals Second Rate Pay

For the second year running, Amicus Unite has shown little interest in C&G Pay. It clearly doesn't want to risk upsetting Top Management and the financial and organisational support it receives.

But the fact is that Pay is a key issue and C&G Staff should not be treated as the 'poor relations' within the Lloyds TSB Group.

Of course, in circumstances where Senior Management is being given such an 'easy ride', it is hardly surprising it wants to preserve its 'special relationship' with Amicus Unite if, by doing so, it can continue getting away with treating C&G Staff as 'second class employees'!!!

The Alternative

LTU membership offers C&G Staff a real, professional alternative to the second rate, half-hearted representation C&G Staff receive from Amicus Unite.

And LTU has a genuine track-record of successfully campaigning to achieve improvements for other staff working across Lloyds TSB.

And since LTU represents over 40,000 members working within the Lloyds TSB Group - compared to fewer than 3,000 within Amicus Unite - you can be sure LTU has the membership strength and influence to campaign for better pay and conditions for C&G Staff.

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