

# 7,500 Job Losses & Bank Still Committed To Offshoring Strategy

**T**oday Lloyds Banking Group has announced a further 2,113 job losses resulting from the integration of Lloyds TSB and HBOS. That brings the total number of job losses announced over the past ten weeks to 7,500. The Bank has said that 1,380 jobs will be lost from its Group Operations Division and a further 733 jobs are to be made redundant in the Wholesale Division, which has seen 2,218 jobs lost already. Further details of the staff affected by the reorganisations are set out overleaf.

Despite announcing the largest cull of jobs we have seen since the merger, the Bank took the opportunity to rub further salt into staff wounds by reaffirming its Offshoring policy, including flying Indian staff to the UK to do the work of UK-based IT staff, and refusing LTU's demand to return jobs back to the UK.

## What Commitment?

Despite so many job losses having been announced so far - and with analysts predicting that this is likely to be just one-third of the final total - the Bank has announced today that it will be maintaining at least current levels of staff in India, with scope to increase these numbers further.

Mark Fisher, Group Operations Director, has issued a note to all staff detailing the Group's commitment to Offshoring, which says

**"We have today announced our commitment not to Offshore any further existing permanent operational roles held by Lloyds Banking Group colleagues (staff). This is a commitment to keep existing permanent operational roles in the UK, whenever we can."**

## JOB LOSSES ANNOUNCED

**1,380 Group Operations  
733 Commercial Banking**

The Bank's so called "commitment" is not worth the paper it's written on. What it says is that the Bank will keep operational jobs in the UK but will reserve the right to Offshore them whenever it wants to. It's interesting that in the presentations to LTU the words "whenever we can" never appeared in any of the slides. Someone, somewhere decided to add those three words because they wanted to have enough wriggle room to be able to ditch the so called 'commitment' at a moments notice. A good try, but not good enough.

There are currently 4,500 jobs that have been transferred to and remain in India and the announcement from the Bank will not change those figures. The simple fact is that the Bank has abandoned its responsibilities to existing staff in the UK and to the wider UK economy, preferring instead to employ low paid staff in India.

To refuse to return jobs to the UK, at a time when thousands of staff are going to lose their jobs, is scandalous. There are no justifiable reasons why those jobs should not be returned immediately.

# Bangalore-On-Thames

In the Bank's Q&A, Mark Fisher, Group Operations Director, in response to a question about LTU's recent press release saying that the Bank is flying in Indian workers to do UK jobs, the bank says "We use a number of Offshore companies and it is normal practice in the industry that, at any one time, some of the staff from these companies will be based in the UK to work with Lloyds Banking Group colleagues (staff) and provide the deep technical skills required to deliver IT projects."

What the Bank is not prepared to say is how many staff from India are currently working on IT projects in the UK. Members have told us that the figure runs into hundreds and is set to increase. How long do these Indian workers stay with the Lloyds Banking Group and are any of them here permanently? Again we understand that some of these so called contractors move from project to project and can end up working for LTSB for many months. The fact is that the Bank's new Offshoring policy doesn't preclude it from increasing the number of Indian staff working in the UK and so whilst the number of jobs in India may stabilise

over time the number of Indians working in the UK, on different terms and conditions of employment, could increase significantly over the next few months and years. And who is to say that number will be limited to IT roles?

This situation is significantly worse than the Lindsey Oil refinery dispute which has been covered extensively in the media over the last few weeks. This is the dispute involving Total Oil. At least in that case Total had employed workers who, as EU workers, have a perfect legal right to work in the UK.

The Government has important questions to answer over why, when it owns 43.4% of the Lloyds Banking Group on behalf of the UK taxpayer it is not using that influence to force Lloyds into investing in and protecting the jobs of UK-based staff. Moreover, why at a time of rising unemployment is it providing visas to overseas workers, who would otherwise have no legal right to work in the UK?

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## LTU Seeks Urgent Meeting With UKFI

LTU is stepping up its campaign to force the Lloyds Banking Group into abandoning its 'Jobs To India' strategy – both where this has involved the transfer of jobs to India and where it has used India-based staff to come to the UK and take on jobs that could otherwise be done by existing UK-based staff.

LTU will be writing to MP's again asking them to support the Union's campaign and we will also be seeking an urgent meeting with UKFI to insist that it uses its 43.4% stake in Lloyds to force the Lloyds' top management to act in the interests of UK jobs and the UK economy.

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## Group Operations

The Bank has said that 1,380 more jobs will be lost from across Group Operations' UK sites, though it intends to maintain existing levels of staff in its offshored operations in India.

### Banking Operations

The Bank plans to cut one in nine (761 out of 6800) of all Banking Operations jobs in this phase of its Integration plans. Whilst these redundancies relate only to 2009, LTU is concerned by the potential for substantial further job reductions and site closures during 2009/10.

- **Wholesale Operations (238 job losses):** The Bank intends to pull out of its Lloyds TSB sites at Enfield, Ilford, Marlow and Threadneedle Street, with all this work transferring to Manchester. In addition to this, the removal of overlapping and duplicated operations across all sites will contribute to 170 of these job losses.
- **Retail & Private Banking Operations (270 job losses):** The Bank is to scrap 141 FTE agency staff roles and make a further 129 FTE permanent roles redundant by the end of 2009.

Redundancies amongst permanent staff will consist of 60 Band 8 (HBOS Level 1) staff from LTSB's Brighton operation and five further HBOS operations. There will also be the loss of 34 staff at HBOS's West Kent operation (already announced) and 35 further managerial roles.

● **Customer Relations (104 job losses):**

Many of these job losses will fall on HBOS staff as a result of process improvements and redeployment of complaints handling work across sites.

A further 149 'banked vacancies' across all three areas will not be filled.

## Payments & Business Services

The Bank says it will be slashing almost one in six (538 out of 3,414 FTE) of all jobs within Payments & Businesses Services by the end of 2009.

These job reductions are from the Bank's 32 UK sites alone, with staff numbers in India maintained at least at current levels.

LTU anticipates further programmes of job reductions during 2010 and 2011, when we also expect the Bank to also close a number of UK sites.

# Commercial Banking

The table to the right provides a summary of the total number of jobs being lost as a consequence of today's announcement:

Where staff are 'In Scope' - and are not alone in having the skills required in their area - they will be expected to participate in the Preference Exercise.

## CSC Closure Programme

The Bank has already commenced a detailed analysis of not only where it would plan to redirect work from those CSC's it plans to close, but is also estimating which staff are within reasonable travel distance of new sites, thus enabling them to be redeployed.

This means that whilst some staff will inevitably be made compulsorily redundant, there will be scope

WHOLESALE JOB LOSSES: ANNOUNCED 30TH JUNE			
Business Area	Impact	In Scope	Losses
Commercial & Corporate	Regional Area Office Support	163	42
	Sales Forces Combined	411	243
	Relationship Managers	1601	169
	CSC's	1164	127
	Telephony (Speke & Chester)	84	84
	Marketing	110	14
Corporate	Wave 5 & Beyond	432	32
Wholesale Mkts	Business Management (Tech)	64	22

to redeploy at least some of those staff who would like to be redeployed and for providing 'bumping' opportunities for those staff working in remaining sites who might wish to apply for voluntary redundancy, switching with colleagues who are 'at risk but seeking redeployment.

A full list of those CSC's due to close both this year and over the next two years is provided in the tables.

CSC CLOSURES, 2010/11		
Marlow	Bradford	Salisbury
Reading	Doncaster	H Hempstead
St Keynes	Hull	St Albans
Truro	Sheffield	Aylesbury
Peterborough	Wakefield	West London
Maidstone	York	Hanley
Tonbridge	Carlisle	Stoke on Trent
Swansea	Darlington	
Gatwick	Middlesborough	<u>Under Review</u>
Oxford	Milton Keynes	Poole
Wantage	Ipswich	Worcester
Crawley	Leicester	Chelmsford
Horsham	Blackburn	Manchester

CSC CLOSURES 2009	
Plymouth	Lincoln
Barnstable	Exeter
Yeovil	

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