



Membership Application

LTU, St John's Terrace, 3-7 Amphil Street, Bedford MK42 9EY Tel 01234 262868 Fax 01234 262821 www.ltu.co.uk 24hours@ltu.co.uk

Title

Surname

Forename(s)

Home address

Postcode

Date of birth

Payroll number

Branch/Office/Dept

Location code

Home telephone

Work telephone

Personal Email address

Work Email address

Job title

Pay band

Date of joining group

Vassar Smith Fund

The Vassar Smith Fund is a registered charity which provides support and financial assistance to current, retired and former members of staff and their dependants.

If you would like to contribute to the Fund tick this box to make a monthly contribution of 10p or, if you would like to donate more simply write the amount you would like us to add to your subscription in the same box.

Subscription Category... 2009

Bands 1, 2, 3 & 4	£11.35 p.m.	<input type="checkbox"/>
Band 5	£10.75 p.m.	<input type="checkbox"/>
Bands 6, 7 & 8 over 25	£10.00 p.m.	<input type="checkbox"/>
Bands 6, 7 & 8 under 25	£9.00 p.m.	<input type="checkbox"/>
Part time over 15 hrs	£5.50 p.m.	<input type="checkbox"/>
Part time under 15 hrs	£4.20 p.m.	<input type="checkbox"/>

"For the purposes of the Trade Union Act 1984 and other statutory requirements I authorise the Union to use my work address as my "proper address" to which any communications may be sent."

Signature Date

Please tick if you do Not wish to receive marketing information from LTU and LTU's insurance partner Holiday Choice Ltd.

To receive LTU newsletters by email ... tick here

Email address preference (please tick) Personal Work

Disciplinary Mania In The Lloyds Banking Group

Day after day the Union's Bedford Office receives a never ending stream of members requesting representation at hearings with the Bank. At the end of June 2009, LTU had represented more members than we did in the whole of 2008, and 2008 was itself a record year.

It's only when you look closely at these cases that you realise many of them could be dealt with informally without the involvement of the Union or HR. But it seems that the first reaction of many Line Managers when confronted with a member of staff who has made a mistake is immediately to reach for the Disciplinary Policy. We don't blame Line Managers for that reaction because that's what they have been told to do by HR but they are implementing a flawed approach that is damaging morale and diverting energies unprofitably.

Many Line Managers clearly just don't have the confidence and freedom to act proportionately and with confidence when it comes to staff issues and that is resulting in unnecessary cases being brought.

We recently represented a member of staff with 30 years unblemished service who had three months left in the Bank before she retired. She made a mistake, as we all do occasionally. It was neither, deliberate, premeditated or negligent. We don't propose to rehearse the details of the case in this Newsletter but a professional conman tricked at least 8 different members of staff in different branches using different names. The fact that the member had been directly responsible for identifying £76K of fraudulent transactions in the previous 12 months was not taken into

What's Happening With Bonuses? & Integration & State Aid

account. Someone had to be punished and the member of staff was charged with Gross Misconduct. So one mistake after 30 years service and she faced the possibility of losing her job three months before retirement. Following representation from LTU, quite rightly the charge was reduced but this member of staff, and all her colleagues who know her, feel bitter about the way the case was handled and the fact that the Bank once again used a sledgehammer when all that was required was a bit of common sense.

If the member had been in charge of a Division of the Group, she could have lost billions of pounds and got away with it. Lloyds Banking Group may put £20 billion of dodgy loans into the Government's Asset Protection Scheme and most of those loans will have come from the Wholesale Division. Evidently a significant amount of that money will be lost but to the best of our knowledge the Executive Director ultimately responsible for that Division has not been disciplined for allowing the Bank to lose so much money. It seems that in Lloyds if you lose a few thousand pounds through no fault of your own, you have the problem but if you're responsible for losing billions of pounds, the Bank has the problem.

Instructions to your Bank or Building Society to pay by Direct Debit

Please fill in the whole form and send it to:
Lloyds TSB Group Union, St John's Terrace, 3-7 Amphil Street, Bedford MK42 9EY

1. Name and full postal address of your Bank or Building Society

To: The Manager

Address Bank or Building Society

Postcode

2. Name(s) of account holder(s)

3. Branch sort code

Originator's Identification Number

8 3 0 2 7 1

4. Bank or Building Society Account Number

5. Lloyds TSB Group Union reference no.

6. Instructions to your Bank or Building Society. Please pay Lloyds TSB Group Union Direct Debits from the account detailed on this instruction subject to the safeguards assured by The Direct Debit Guarantee. I understand that this instruction may remain with Lloyds TSB Group Union and, if so, details will be passed electronically to my Bank/Building Society.

Signature(s)

Date

The Direct Debit Guarantee This Guarantee should be detached and retained by the Payer.

- This Guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the Scheme is monitored and protected by your own Bank or Building Society.
- If an error is made by Lloyds TSB Group Union or your Bank or Building Society you are guaranteed a full and immediate refund from your branch of the amount paid.
- You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Please send a copy of your letter to us.
- If the amounts to be paid or the payment dates change Lloyds TSB Group Union will notify you 10 working days in advance of your account being debited or as otherwise agreed.

What's Happening With Bonuses?

We are 9 months into the year and the Bank still hasn't announced whether or not there will be a bonus scheme for staff working in Head Office Departments. That is an unacceptable state of affairs.

The FSA recently announced details of its new Code of Practice which says that bonuses should not be guaranteed for more than a year, should be linked more closely to long-term profitability and senior employees should have their bonuses spread over three years. **When LTU recently met with UKFI we made the point that bonuses were an important part of the Bank's overall remuneration package and a knee-jerk response to any losses that may be announced by the Bank for 2009 should not be seen as an excuse not to pay bonuses to all staff.** Some Divisions and Business Units would fare better than others and in those circumstances the Bank should be able to distribute appropriate bonuses. UKFI understood that point. Moreover, they also accepted the point that any bonus scheme for 2009/2010 would need to be based on the principles set out by the FSA and the Walker Review and not necessarily those, including the deferral and clawback arrangements, forced on the Bank at the beginning of the year.

We have also told the Bank that any new bonus schemes must be transparent and the payment of bonuses must be distributed on the same basis. We want to avoid the situation that happened earlier in the year when we were led to believe that the bonus reduction pain was being shared equally and that all Divisions had participated in the second round of bonus reductions. **However, it transpired that one Division, Wholesale, hadn't felt the need to reduce bonuses in March and we now understand that decision was sanctioned at the highest level in the Bank. In that one Division staff will have received on average higher bonuses than staff in all the other Divisions. That is unacceptable.**

There's also the issue of how bonuses were reduced. We know that one Division, Insurance and Investment, decided on across the board reductions whilst other Divisions targeted reductions on staff in the highest Bands. **We have asked the Bank repeatedly for details of how each Division/Business Unit reduced bonuses but we've been told that the information will not be provided. Members will draw their own conclusions from the Bank's refusal to provide the information we have requested.**

ELECTION OF PENSION FUND TRUSTEES

LTU's Executive Committee is supporting the nomination of two LTU members as follows:

- **Bruce Ian Nicholas Glithero**
- **Bryan Gerald Clark Jackson**

We urge all staff entitled to take part in the ballot to cast their two votes for **Bruce Glithero** and **Bryan Jackson**. You can now vote online at www.votebyinternet.com/LloydsTSB09 using the two security codes which are printed on your ballot paper.

- Step 1. Locate the two security codes on the ballot paper.
- Step 2. Log on to www.votebyinternet.com/LloydsTSB09.
- Step 3. Enter the 6 characters for 'Part One'. Once completed 'Part One' enter the 4 characters for 'Part Two'. Remember these must be entered without spaces in the appropriate textboxes.
- Step 4. Enter voting site.
- Step 5. Locate **Bruce Glithero** and **Bryan Jackson** and click on the appropriate boxes.
- Step 6. Click the submit button to confirm your vote. It is important to remember that once you have submitted and confirmed your vote you will be unable to return to the website at a later date to change your vote and the system will prevent you from logging in again.

I would urge you to recommend that your colleagues also vote for **Bruce** and **Bryan**.

Thank you for your support.

Mark V Brown
Assistant General Secretary

Integration & State Aid

In its half yearly statement the Bank said that because of the support it has received from the Government, which constitutes State Aid under EU law, it was required to submit a restructuring plan to the European Commission which it did on 15th July.

LTU has asked to see the details of the plan because it will have major implications for thousands of staff across the Lloyds Banking Group. **Neelie Kroes, the European Competition Commissioner, has said that "her sweeping powers to force the downsizing of state-aided banks will be tailored to reflect the size and impact of the bailout they receive". The European Commission has already forced Commerzbank and West LB to make dramatic changes to their business models as the price of accepting German state aid. Commerzbank, which is Germany's second biggest lender, has been ordered to cut 45% of its balance sheet assets. If the EU imposed swinging cuts like that on the Lloyds Banking Group then it would wipe out any of the benefits from the acquisition of HBOS.**

Indeed some commentators have speculated that the Bank's decision to halt the closure of the C&G Branch Network, just before compulsory redundancy notices were due to be sent to staff, is linked to the investigation being carried out by the European Commission. **The assumption has to be that the Bank will be forced to sell C&G and such a sale will be easier if it's got a functioning Branch Network.** LTU hopes to meet the Bank shortly to discuss the state aid plan and we will keep members informed of developments.

LTU's eForum

LTU's eForum enables members to interact with each other by replying to posted topics, creating and posting their own questions and raising their own issues and discussions.

We urge you to log on to the eForum and tell us your views on the integration, bonuses and the disciplinary culture within Lloyds TSB.

To login or register for the eForum go to www.ltu.co.uk/eforum. Once logged in you will be able to view the topics that are being discussed or post your own topic for discussion.