

30TH NOVEMBER 2009

ALL MEMBERS IN SUSSEX HOUSE, BRIGHTON

Brighton Contact Centre To Close: 410 Jobs To Be Made Redundant

The Bank has today announced its intention to close its Contact Centre at Sussex House, Brighton on 28th May 2010 with the loss of 410 Telephony jobs. It is also possible that a further 76 jobs at Personal Lending Department (PLD) - also based at Sussex House - will be moved out of Brighton.

This is the latest of several blows the Bank has inflicted on Brighton jobs over recent months, the last being on 10th November when it said it would be cutting 220 jobs at its operation at City Park Hove.

The Bank has admitted that there are likely to be few staff who will be able to avoid being made compulsorily redundant.

Key Staff Issues

For staff at Sussex House, the key features of the Bank's closure plans will be:

- **Sussex House will close on 28th May 2010, with all 410 Telephony roles being made redundant.**
- **Most Telephony Staff are likely to be made compulsorily redundant. Though the Bank employs thousands more staff in the Brighton & Hove area, there will be limited opportunities for redeployment, since other areas are also cutting back on staff numbers.** For example, earlier this month Group Operations said it would itself be cutting 220 jobs from its Collections & Recoveries operation in Hove.
- **Personal Lending Department will move out of Sussex House sometime between the end of May and 15th October, with the Bank admitting that it may no longer remain operating from Brighton or Hove.**

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Whilst we assume it will remain located somewhere in West Sussex, there is of course the possibility of staff being required to travel a lot further to work than they do now.

Abandoning UK Jobs In Favour Of 'Jobs To India'

It is wholly unacceptable that the Bank should be condemning many hundreds of staff in Brighton to compulsory redundancy - with serious consequences for the local economy - as over 5,000 jobs are retained in India, merely because the Bank can get away with paying staff there lower salaries.

The Bank should accept that it has a responsibility to not only its existing staff in Brighton, but also the local and national economy; especially when it has been so dependent upon UK tax payers' financial support over the past year.

LTU will be continuing its intensive lobbying of MP's to force the Bank to return jobs to the UK to save existing jobs - one MP, Celia Barlow (Hove) met with a Treasury Minister earlier this month - and we will also be asking the local Council and Media to support our campaign too.

To join call 01234 262868... today!

Another Blow To Brighton Jobs

The closure of the Brighton Contact Centre is just the latest of a series of blows to local jobs inflicted by the Lloyds Banking Group over recent weeks.

This will severely restrict the prospects for staff of finding suitable alternative employment locally in other parts of the Bank, since other areas are also suffering significant cutbacks in staff numbers:

- **In June the Bank announced that it was pulling all of its operations out of Quest House in Brighton, transferring the work to sites elsewhere in the Bank. The majority of these Information Technology roles were transferred to Haywards Heath.**
- **In July the Bank announced that 87 jobs (FTE) were to be transferred from the**

Recoveries operation at City Park Hove to HBOS's operations at Rosyth and Livingston. Up to 20 further jobs were also being lost in Hove from the Bank's Complaints and Business Support operations.

- **On 10th November, Group Operations announced that it would be cutting over 220 further roles from its Brighton and Hove operations.** This will involve cutting 57 roles from its Collections & Recoveries operation at City Park Hove by the end of 2010; 130 roles from Banking Operations at Queens Road Quadrant in Brighton during the second half of 2010; and a further 33 Business Services roles will be transferred out of Elder Place in Brighton.

LTU's Key Priorities

LTU has a reputation for providing to our members the highest quality professional support available from any UK trade union and this will be no different as we do all we possibly can to assist staff at Sussex House whose jobs are being made redundant.

Over the coming months, LTU will have four key priorities:

Minimising Compulsory Redundancies

LTU will be ensuring that the Bank takes all possible steps to minimise the number of staff who will be made compulsorily redundant.

Though compulsory redundancies will be inevitable, LTU will be maximising pressure on the Bank to do all it can to keep this to a minimum. Measures must include seeking volunteers for redundancy in other areas of the Bank to create vacancies for staff to transfer into; whether this be other LBG operations elsewhere in the Brighton & Hove area (e.g. Group Operations and the Branch Network) or even providing full financial support to any staff who

might consider relocating to other Contact Centres elsewhere in the Bank.

Maximum Support Finding Alternative Work

LTU will be making sure that all Sussex House staff are provided with the maximum possible support and assistance in finding alternative work either inside the Bank or with alternative employers.

The Union has already made a number of proposals to the Bank that it should be providing staff with additional skills training to make them more attractive to new employers. Other measures that LTU intends to pursue with the Bank include close liaison with the local authority and other public bodies to identify alternative job opportunities, assistance with childcare for staff who might be unable to continue on their current work patterns with new employers, etc.

LTU also provides our members with a free CV Design & Preparation Service to help them find new jobs both inside and outside of the Bank.

Avoiding 'Forced Redeployment'

Often during Bank reorganisations, an issue for many staff that is almost as emotive as redundancy concerns circumstances where people are forced to redeploy into alternative roles that they may not wish to accept (perhaps preferring Voluntary Severance) or consider unsuitable. Though with the Sussex House closure this is unlikely to be an issue for most staff, the Bank has indicated that it may be able to transfer staff who already travel some distance to work to its Contact Centre at Solent.

Furthermore, the Bank has admitted that PLD may no longer operate from Brighton. This might mean that some staff face significant difficulties in transferring to alternative locations

LTU will also be giving our members our fullest support including, where necessary, representation through the Job Security Appeals Procedure (see Page 5) to ensure staff are not forced into accepting unsuitable alternative roles.

Campaigning For Return Of Jobs From India To The UK

LTU will be stepping up our already high-profile campaign to pressurise the Bank into abandoning its 'Jobs To India' policy, forcing the return of work to the UK.

Minimising Compulsory Redundancies

It will be tough, but LTU will be doing all we possibly can to ensure that the Bank minimises the number of staff who will be made compulsorily redundant.

There are a number of measures that LTU will be insisting the Bank must adopt to limit the number of compulsory redundancies:

- **The Bank must accept that it has a responsibility to the existing staff it employs - and the wider Brighton & Hove economy that will be damaged by the loss**

LTU is the only trade union operating within the Lloyds Banking Group that is actively opposing the Bank's Offshoring Policy. In fact, LTU's campaign contributed to the closure of the Bank's Mumbai Call Centre (which was set-up when the Newcastle Contact Centre was closed), with the return of over 750 Telephony jobs to the UK in March 2007.

It is wholly unacceptable that whilst the Bank is making so many jobs redundant in the UK, it continues to maintain over 5,000 jobs in India merely because it can get away with paying lower salaries. This includes a large Collections & Recoveries operation in India, which could easily be returned to the UK, combined with the existing operation in Hove, and therefore provide employment for many of the Telephony staff at Sussex House who will otherwise be made compulsorily redundant.

LTU has been intensifying its lobbying of MP's over recent months as we seek their support to make the Bank live up to its responsibilities to the UK economy by returning jobs from India to the UK.

This has elicited the active support of many MP's for LTU's Offshoring Campaign, including Cynthia Barlow - MP for Hove - who recently met with a Treasury Minister to discuss these issues.

LTU is planning to work closely with other West Sussex MP's and the local council to intensify this pressure on the Bank to return jobs to the UK.

of so many jobs - and start returning jobs from India to the UK.

Many of the 500+ Collections and Recoveries jobs now in India had originally been transferred from the Brighton and there is no reason why these could not be returned to Brighton. These telephony-based jobs would provide the ideal opportunity for staff at Sussex House who are facing compulsory redundancy to continue working for the Bank if they wish to do so.

Frankly it is disgraceful that having taken so much money from UK tax payers, the Bank still fails to live up to its responsibilities to the UK economy.

LTU is asking MP's and the Local Council to lobby the Government to use its 43% stake in the Lloyds Banking Group to ensure that the Bank starts working in the interest of the UK.

- **All business units operating from the Brighton area - and particularly the Group Operations Division that employs over 2,000 staff locally - must accept responsibility for finding alternative work for staff from Sussex House who would like to remain working for the Bank.**

This must include eliminating Contractor and Agency Staff from all roles that Sussex House staff might be interested in moving into.

- **The Bank must also launch a full-blown Voluntary Severance Register covering all staff working within 25 miles of Brighton and Hove.**

This would facilitate a process known as 'Bumping', where Sussex House staff

who would like to avoid being made compulsorily redundant can swap places with staff working in other business units who would jump at the opportunity to leave the Bank on Voluntary Severance Terms.

The Bank has previously been reluctant to launch 'global' Voluntary Severance Registers, but there can no longer be any excuse for this when so many staff at Sussex House face Compulsory Redundancy.

LTU will be providing our members at Sussex House with considerable support to ensure that all those who do want to remain working for the Bank have every chance of doing so. As we explain later, where LTU is not convinced that the Bank has done all it can for staff, LTU will have no hesitation in supporting staff through the Job Security Appeals Procedure.

The Union will also be assisting staff in successfully finding new roles through our Free CV Design and Preparation Service and providing guidance on the completion of Personal Preference Forms that staff seeking alternative jobs will need to complete to indicate the types of alternative roles they would be interested in and the skills and experiences they could bring to these roles.

Unsuitable Roles?

Whilst in most cases it is unlikely that the Bank will ask staff to accept alternative roles if they would prefer to leave the Bank instead, it is possible that some staff - particularly those in Personal Lending Department - might be concerned about where they may be asked to work in future.

To be absolutely clear, staff can only be required to accept alternative roles - including similar roles as they do now but at different locations - where these roles are:

- **Positions at the same Band or level of seniority.** It is, however, possible for staff to be offered roles at one Band lower, so long as this does not involve a drop in status from Band 3 to 4, Band 4 to 5, or Band 5 to 6.

In circumstances where staff do have to drop a

grade, their pay is protected for three years by the Bank's Protection of Pay & Allowances (PPA) policy.

- **Within the skills, competencies and experiences of individuals, subject to adequate training.**
- **'Proper jobs' rather than jobs of only a short-term nature**
- **With the same working patterns.**
- **Within recognised mobility parameters.** This typically means the location of the new role should be within 25 miles of home or involve a journey time of no more than 1 hour 15 minutes by public transport; whichever is the lower.

Where staff are offered genuinely 'suitable alternative employment' they cannot unreasonably decline the alternative role. If they do, they risk being treated by the Bank as having resigned and will therefore not be entitled to any compensation.

However, where staff are concerned about the suitability of new roles they are being asked to consider, they can insist upon Trial Periods of between 4 and 12 weeks duration before confirming their final acceptance. Details of the Trial Period should be confirmed in writing.

Where the roles being offered to staff are unsuitable, they have a right to be offered Severance.

LTU is aware of some HR and Bank representatives who have either been ignorant of or misunderstood these important staff job security rights and as a consequence misled staff. Any members who would like advice or support can telephone LTU's confidential 24 Hour Advice Line Service at any time - day night or weekend - on 01234 262868.

Helping Staff Find New Jobs

However staff leave the Bank - whether through Compulsory or Voluntary Redundancy - the fact remains that with so many staff in Brighton leaving it will be difficult for many to find new jobs.

In addition to LTU's own free CV Design & Preparation Service, the Union is insisting that the Bank adopt a number of further measures to support staff in finding alternative work, including:

- **Free Skills Training provided during work time, such as developing staff IT skills.** This could include the ECDL 'Computer Driving Licence'.

- **Job interview training.**
- **Identifying job opportunities with other companies and running 'Job Fairs'.**
- **Assistance with Child Care Providers since many staff may be unable to continue in new jobs on their current work patterns.**

LTU has already discussed meeting on a regular basis with the Bank and other external providers to discuss and ensure the delivery of the type of high quality support staff that will need.

Job Security Appeals

Sussex House staff who believe they have been treated unfairly - either because the Bank has provided insufficient support to them finding alternative roles or through being pressurised into accepting unsuitable alternative jobs - can pursue Job Security Appeals with full representation from LTU's team of experienced Officials.

This procedure, which has been used successfully by a number of LTU members, means that staff can have their cases presented by professional Union Representatives in front of Panels consisting of an equal number of senior Union and Bank Officials.

It is up to the Job Security Appeals Panel - after hearing submissions from the member of staff's representative and the local management team - to decide whether staff have been treated fairly:

- **Where staff are resisting redundancy, the Panel can decide that the period of job search be extended and/or that other measures be taken to provide 'bumping' opportunities for surplus staff to move into.**
- **Where it believes a role doesn't match up to the definition of 'suitable alternative employment', the Appeals Panel can insist that a member of staff be offered either a different role or given an opportunity to take the Severance Terms instead.**

Members concerned about their own job security should speak to LTU's experienced Official for Brighton & Hove, Stuart Rankin, during one of his regular visits to Sussex House. Alternatively, they can telephone LTU's 24 Hour Advice Line Service on 01234 262868.

To join call 01234 262868... today!

Calculating Severance Terms

Even though it may be some time before the Bank provides further details for each area on how it plans to achieve job reductions, many members will want to know what their Severance Terms would be if they left the Bank.

The Terms are exactly the same whether staff leave by Voluntary Severance or Compulsory Redundancy.

Your Relevant Earnings

First, staff must work out the weekly earnings upon which Redundancy Payments would be based. Weekly Pay would include:

- **Basic Salary**
- **London / Territorial Allowance**
- **Car Allowance Limit**
- **Shift Allowance**
- **Contractual Overtime (regular, rostered, predetermined - including On Call Payments)**
- **For Sales Staff, Personal Sales Related Pay averaged over the last 12 months**

The total pay figure is then divided by 52 to arrive at a weekly figure.

The Redundancy Terms

The formula for calculating Severance Pay is as follows:

LTSB REDUNDANCY TERMS

2 weeks' pay for every year of service under age 22

4 weeks' pay for every year of service aged 22 to 40

6 weeks' pay for every year of service aged 41 and over

Only the last 20 years service is used in the calculation and payment is capped at a maximum of 104 weeks' pay.

The first £30,000 of any Redundancy Payment is paid tax-free.

Severance payments apply to all staff aged between 16 and 65.

Payment is based on each individual's length of service in the Bank, up to the date of termination and is rounded up to whole years based on age at last birthday. For example, service of 12 years 1 month at date of leaving would be rounded up to the next whole year - 13 years.

Members can use the table on the next page to calculate their Severance Terms entitlement.

Pensions

Under these terms, there is no augmentation of pension for early retirement – either in the form of payment of a non-actuarially reduced pension for staff in the Defined Benefit Schemes or extra pension payments for staff in the Defined Contribution Schemes.

The actuarial factors that apply for pensions drawn early are a 6% per annum reduction for deferred pensioners and 3% per annum reduction for those retiring from active service until April 2010 and 4.75% thereafter. LTU would expect any longer-serving staff in this situation to be allowed to leave on Redundancy Terms before the end of March so that they do not suffer the higher actuarial reduction.

Staff aged 50 or over taking severance therefore have the choice of:

- taking their full severance payment and leaving their pension to be drawn at age 60;
- drawing immediate pensions and sacrificing some or all of their severance payment to mitigate the actuarial reduction (if part or all of a severance payment is waived in this way there is no tax liability)
- taking their full severance payment and drawing an immediate actuarially reduced pension.
- staff who are members of the Bank's No 2 Scheme and aged 50 or over are recommended to speak with the LTU Advice Team prior to making a final decision

Female staff who joined Lloyds Bank before July 1974 retain their rights to retire at age 55 with non-actuarially reduced pension.

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Professional Support You Can Count On

What Sussex House staff are clearly going to need over the coming months is the sort of high quality, professional union representation that only LTU is equipped and committed to providing.

This is particularly so since in the past some staff have mistakenly believed that the unions operating within Lloyds are all the same, rather than understanding that the unions offer vastly different levels of support to their members.

LTU guarantees to provide our members with:

- **Regular visits to Sussex House by our experienced full-time official, Stuart Rankin.**

Naturally, Stuart specialises only in representing Lloyds Staff - not staff in other companies or even industries - and through his one-to-one meetings with members will be able to provide staff with the professional, reliable and local support they will need.

- **Frequent, detailed Newsletters explaining staff rights and entitlements.**

LTU publishes around fifteen times as many Newsletters a year as Unite. Of course, members can compare the quality of communications from LTU with those received from other unions.

- **A genuine 24 Hour Advice Line Service - staffed only by people who focus exclusively on representing Lloyds Staff - that members can phone at any time of the day, night or weekend. The telephone number is 01234 262868.**
- **Regular negotiations and consultation between Direct Channels Senior Management and LTU, where the Union**

is able to ensure that full account is taken of the needs and concerns of staff.

- **Individual Representation that is provided by professionals: officials paid directly by the Union who have considerable expertise at successfully representing members in Job Security, Performance, Disciplinary and Grievance Hearings.**

Unlike other unions, LTU does not use Bank staff to represent members since we believe that on matters that may have major implications for individuals' employment, they should be represented by people who are independent of the Bank and have the experience that comes from being involved in representation on a daily basis.

No doubt there will be a lot of hot air from Unite over the coming days. But talk is cheap ... LTU will be working hard to deliver to staff the high quality professional support we have a reputation for!

Considering Leaving The Bank?

Members who eventually leave the Bank can remain as members of LTU at a significantly reduced monthly subscription.

This entitles them to continue to receive LTU's professional support and advice if they chose to work for another employer and enables them to continue to take full advantage of LTU's comprehensive package of discounts, benefits and savings. Many members have retained their membership and LTU has an excellent record for representation within the companies to which they have moved.

How To Join

Staff who are not already members can join by either returning the enclosed Membership Application Form or by phoning LTU on 01234 262868.

STEVE TATLOW
Assistant General Secretary

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