

19th February 2010

All Members Newsletter

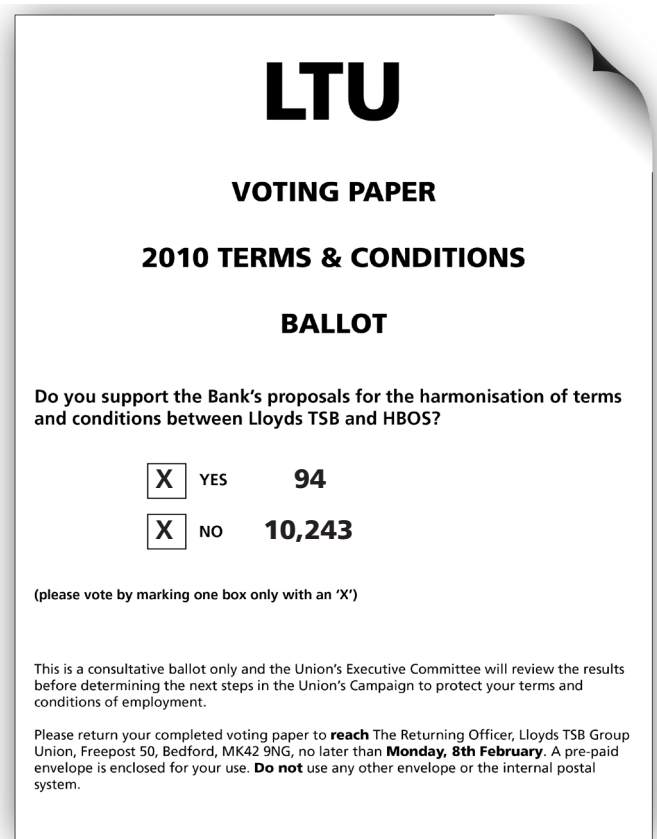
LTU Members Reject Terms & Conditions

Votes have now been counted in the Union's ballot on the Bank's proposed new terms and conditions. 99% of those members voting have rejected the Bank's proposals.

The overwhelming rejection of the Bank's proposal, following a clear recommendation from the Union's General Council, should make the Bank's Senior Executive Committee think twice about imposing these proposals on staff and it should now resume negotiations with the Union in a meaningful way. Simply regurgitating the terms and conditions, which we have set out overleaf, is not going to be good enough.

LTU is ready and willing to reach agreement on the new terms and conditions but it will require the Bank's Senior Executive Committee to listen to what staff are saying, act on what they have heard and read and come forward with a set of terms and conditions which reflects the kind of organisation Lloyds Banking Group wants to be.

The Bank has a choice to make. It can either seek to reach agreement with LTU on the new terms and conditions, which is what we want, or it can try and impose its will through issuing new contracts of employment. However, therein lies the risk because if staff object to the changes, which they surely will, and are prepared to defend their contractual rights then the Bank could find itself in dispute with thousands of its own staff. **No right minded person wants to be in that position.**



LTU

VOTING PAPER

2010 TERMS & CONDITIONS

BALLOT

Do you support the Bank's proposals for the harmonisation of terms and conditions between Lloyds TSB and HBOS?

<input checked="" type="checkbox"/>	YES	94
<input checked="" type="checkbox"/>	NO	10,243

(please vote by marking one box only with an 'X')

This is a consultative ballot only and the Union's Executive Committee will review the results before determining the next steps in the Union's Campaign to protect your terms and conditions of employment.

Please return your completed voting paper to reach The Returning Officer, Lloyds TSB Group Union, Freepost 50, Bedford, MK42 9NG, no later than **Monday, 8th February**. A pre-paid envelope is enclosed for your use. **Do not** use any other envelope or the internal postal system.

LTU will be meeting the Bank again shortly to resume our negotiations on the new terms and conditions. In the meantime, members with any questions on this Newsletter can contact the Union's Bedford Office on 01234 262868 or email us at 24hours@ltu.co.uk. Members can also access the Union's eForum at www.ltu.co.uk/eforum to register their views and debate the key issues with fellow members of staff in a secure environment.

Mark V Brown
Assistant General Secretary

To join call 01234 262868... today!

LTU's T&C Grade Impact Analysis

! Negative Impact

= Neutral Impact

+ Positive Impact

Band (LBG)	Band (LTSB)	Pensions (Final Salary)	Pensions (Money Purchase)	Salary	Status Cars	Medical Cover	Health Screening	Overtime	Working Hours	Mobility	Bonus	Sick Pay	Holidays
		!	!	! =	! =	! =	! =	!	!	!	+	!	+ =
A	8	Increase in Pensionable Salary restricted to lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000	2% default rate of staff contribution will lead to cut in Bank contribution of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Pay based on Local Market rates. No real change.	No change.	No change.	No change.	New 'Working Window' will lead to significant reduction in overtime earnings for the lowest paid staff.	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Slight increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	Increase of 1 or 2 days depending on length of service.
B	7	Increase in Pensionable Salary restricted to lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000	2% default rate of staff contribution will lead to cut in Bank contributions of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Pay based on Local Market rates. No real change.	No change.	No change.	No change.	New 'Working Window' will lead to significant reduction in overtime earnings for the lowest paid staff.	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Slight increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	Increase of 1 or 2 days depending on length of service.
C	6	Increase in Pensionable Salary restricted to lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000.	2% default rate of staff contribution will lead to cut in Bank contributions of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Move from National rate to pay based on Local Market rates. Could lead to significant limitation on pay expectation for staff in lower pay areas.	No change.	No change.	No change.	New 'Working Window' will lead to significant reduction in overtime earnings for the lowest paid staff.	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Slight increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	Increase of 1 or 2 days depending on length of service.
D Lower	5 Lower	Increase in Pensionable Salary restricted to lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000.	2% default rate of staff contribution will lead to cut in Bank contributions of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Pay based on generic or specific market rate. No real change for most staff.	No change.	No change.	No change.	No change.	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	Reduction by 1 or 2 days for those with less than 5 years service.
D Upper	5 Upper	Increase in Pensionable Salary restricted to lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000.	2% default rate of staff contribution will lead to cut in Bank contributions of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Pay based on generic or specific market rate. No real change for most staff.	No change.	No change.	No change.	No change.	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	Reduction by 1 or 2 days for those with less than 5 years service.
E Lower	4 Lower	Increase in Pensionable Salary capped at the lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000.	2% default rate of staff contribution will lead to cut in Bank contributions of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Pay based on generic or specific market rate. No real change for most staff.	Managers travelling less than 12,000 business miles will be forced to take cash allowance. Must pass 'permit to drive'.	Approx 3,000 Managers will lose protected family cover	Benefit to be removed from 1.1.2011. Worth up to £270.	No change.	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	No change.
E Upper	4 Upper	Increase in Pensionable Salary restricted to lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000.	2% default rate of staff contribution will lead to cut in Bank contributions of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Pay based on generic or specific market rate. No real change for most staff.	Managers travelling less than 12,000 business miles will be forced to take cash allowance. Must pass 'permit to drive'.	Approx 3,000 Managers will lose protected family cover	Benefit to be removed from 1.1.2011. Worth up to £270.	No change.	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	No change.
F	3 Lower & Upper	Increase in Pensionable Salary restricted to lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000.	2% default rate of staff contribution will lead to cut in Bank contributions of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Pay based on generic or specific market rate. But, removal of Upper/Lower split will lead to lower pay expectation for thousands of staff.	Managers travelling less than 12,000 business miles will be forced to take cash allowance. Must pass 'permit to drive'.	Approx 3,000 Managers will lose protected family cover	Benefit to be removed from 1.1.2011. Worth up to £270.	No change.	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	No change.
G	2 Lower & Upper	Increase in Pensionable Salary restricted to lowest of 2%, RPI or increase on offer. Depending on salary pension benefits slashed by up to £400,000.	2% default rate of staff contribution will lead to cut in Bank contributions of up to 4.5%. Staff will have to pay more to get higher Bank contributions.	Pay based on generic or specific market rate. But, removal of Upper/Lower split likely to lead to lower pay expectation for thousands of staff.	Managers travelling less than 12,000 business miles will be forced to take cash allowance. Must pass 'permit to drive'.	Approx 3,000 Managers will lose protected family cover	Benefit to be removed from 1.1.2011. Worth up to £270.	No change	New contract will lead to attempts to move to full flexible contracts for all staff.	Removal of 75 mins/25 miles limits will lead to significant increase in mobility requirement for all staff.	Increase in on-target bonus dependant on Group performance.	Significant reduction for all staff with less than 4 years service.	No change.