

30TH JUNE 2010

ALL MEMBERS IN DIRECT CHANNELS

## Direct Channels Announces Closure of HBOS Chester Contact Centre & Further Job Losses

**D**irect Channels has announced that it is to close its HBOS Contact Centre in Chester, just weeks after completing the closure of its LTSB Brighton Contact Centre during which time 414 jobs were lost.

The jobs of over 500 staff will be made redundant as a consequence of this latest announcement, through a combination of:

- **The complete closure of the HBOS Contact Centre in Chester, with the loss of 450 jobs.** This will be coupled with the loss of a further 126 Retail Head Office jobs at the same Premier House site, as the Retail Division pulls out of the building altogether.

Whilst the Bank has said that it plans to redeploy many of the affected staff to Warrington (21 miles away) and Speke (26 miles away), there is no guarantee that the alternative jobs that staff may be pressurised into accepting will be suitable in respect of the distances and travel time required, working patterns available, or types of alternative work they might be allocated to.

This is a particular concern, given that the level of Job Security Protection available to HBOS staff falls so much below the standards available to Lloyds TSB Staff.

- **Cutting by over two-fifths (32 out of 79 roles FTE), the number of Band 6 roles in Bridgend, after the Bank has declared its intention to achieve average spans of control (SPOC) of 11 Advisers to every Team Manager.**

These job reductions are being planned despite the fact that the Bank has said that it intends to significantly increase Adviser numbers in Bridgend.

No doubt many Team Managers (LTSB Band 6 / HBOS Grade 3's) will be concerned for their own futures where there are less than 11 Advisers to every Team

### HBOS Chester Contact Centre To Close

### Band 6 Jobs Slashed At Bridgend Two Telephony Regions Merged

Manager in their own Centres.

- **Merging together of two Direct Channels Regions - South East Service and Cardiff/Solent Sales - into a single South Sales Region.**

By combining the two Regions together, the Bank believes it can extract job reductions of 31 FTE through removing duplication of activities and exploiting economies of scale. This will also involve Analyst and Co-ordinator roles combining into a single, multi-skilled role.

- **More than 50 further staff at HBOS Belfast will be affected by the Bank's decision to close its Independent Agencies by 12th November.** LTU is concerned that some of these staff will be pressurised into changing their working hours contrary to their legal rights.

### Who's Next For The Cut?

**No-one will be under any illusion at all that this is just one more step in an overall programme of reorganisation and job reductions within Direct Channels, which will lead to further large scale job reductions across the business unit, including the closure of more HBOS and LTSB Contact Centres and almost certainly the loss of more Team Leader roles.**

Staff will need the full support of LTU to ensure that they are represented and protected effectively throughout these and future waves of redundancies.

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# Key Issues For Staff

For many Direct Channels staff affected by this latest wave of job reductions and reorganisations, there will be a number of particularly important issues:

## Compulsory Redundancies

Ensuring that all possible steps are taken to avoid staff being made compulsorily redundant is clearly LTU's leading priority.

**With Direct Channels expected to pull out of further sites following the closure of LTSB Brighton Centre and now HBOS Chester Centre, this is becoming an ever-important issue.**

LTU is insisting that measures to avoid compulsory redundancies must include seeking volunteers for redundancies in other areas of the Bank unconnected to reorganisations, in order to create vacancies for staff to move into, using a process known as 'bumping'.

This creates a 'win, win' situation both for those staff wishing to remain working for the Bank and those who would like to leave if offered Voluntary Severance Terms.

## 'Forced Redeployment'

**An issue for many staff that is almost as emotive as compulsory redundancy arises when people are forced to redeploy into alternative roles that they may not wish to accept (perhaps preferring Voluntary Severance) or consider unsuitable.**

This is an important issue for those who may be at risk of being forced to move work locations - such as from Chester to Speke or Warrington - to accept roles that they might consider unsuitable either in respect of additional travel distance or time, different working patterns, or which may result in them being downgraded.

Whilst the opportunity to redeploy may be welcome for some staff, for others it may cause considerable difficulties - especially if by moving to other jobs with a longer journey to and from work or different working patterns gives rise to problems combining work and family responsibilities. These personal

and domestic circumstances should be given full consideration, though Direct Channels does not have a good reputation in this respect.

## Suitable Alternative Roles

**Staff can only be forced to transfer into different roles so long as the positions they are asked to accept meet the definition of 'Suitable Alternative Employment', this being:**

- *A position at the same Band or level of seniority*
- *Within the skills, competencies and experiences of an individual, subject to adequate training*
- *A 'proper job' rather than one of only a short-term nature*
- *With the same working patterns*
- *Within recognised mobility parameters.*

An individual's personal and domestic circumstances may also be relevant.

As we explain in the next section, LTU's experience has been that this level of Job Security Protection is far less robust in HBOS than in Lloyds TSB.

Where staff are judged to unreasonably decline a role that the Bank considers meets the definition of 'Suitable Alternative Employment', staff may forfeit their right to Redundancy Pay.

## Downgradings

One of the ways that the Bank is cutting costs is through transferring staff into lower graded roles.

Whilst staff cannot be downgraded by more than two grades, or for Lloyds TSB Staff across a Benefit Break (i.e. from Band 3 to 4, Band 4 to 5, or Band 5 to 6), they can be downgraded from, say, Band 6 to Band 7.

In these circumstances, Lloyds TSB Staff receive three years pay protection when their Pay continues to increase in line with the scale movement for their 'old grade', following which their pay could be frozen for perhaps many years until it falls into line with the pay scale for their 'new grade'. Many therefore face the prospect of real cuts in pay.

# HBOS Staff Left Exposed

Since LTU began representing HBOS Staff, the Union has been surprised by the lack of robust, effective protection for staff provided by HBOS's Job Security Policy.

Whereas Lloyds TSB Staff have a clearly defined description of what constitutes 'suitable alternative employment' - that is the types of roles that they could be forced into accepting if their own jobs are lost - within HBOS, staff have far more limited rights.

This has been a consequence of weak staff representation from Accord and Unite who, because of their obsession with the so-called Partnership Agreement with HBOS, have failed in their duty to their members.

As a consequence:

- Whilst Lloyds TSB Staff cannot be downgraded across status and benefit levels - that is from Senior Manager to Manager (Band 3 to Band 4), from Manager to Assistant Manager (Band 4 to Band 5) or from Assistant Manager to Clerical (Band 5 to Band 6) - HBOS staff have no such clear protection against forced downgradings.

- Whereas Lloyds TSB Staff can refuse to transfer offices where involves journeys of more than 25 miles or 1 hour 15 minutes by public transport, or if they have reasons relating to personal or domestic circumstances to refuse, HBOS staff can be forced to incur journeys of up to 30 miles each way.
- LTU has also been representing HBOS members who have been told that they must either change their working patterns or leave the Bank without compensation, despite the fact that they have personal or domestic circumstances that would make it difficult, if not impossible, to accept these roles.

**In all these circumstances, LTU believes HBOS Staff have not only been poorly supported in the past, but that HBOS's Job Security Policy has been tolerated despite the fact that it falls short of providing the protection provided by employment law.**

Any HBOS members who are told they must accept alternative jobs that they do not consider suitable should contact LTU's 24 Hour Advice Line.

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## Professional Support From LTU

Within Direct Channels, LTU is alone in providing staff whose jobs are affected by redundancies and reorganisations with the highest quality advice, information and representation. Our members can count upon:

- Regular meeting between LTU's Senior Officials and Senior Management within each business unit, where LTU ensures that the needs, concerns and interests of staff are effectively represented.
- High quality, informative Newsletters and information guides that ensure our members are fully informed of their legal and contractual rights when faced with job security concerns. This includes LTU's excellent 40 page Job Security Guide that members can read on our website at [www.ltu.co.uk/representation/job-security-guide](http://www.ltu.co.uk/representation/job-security-guide).
- Our free Curriculum Vitae Design & Preparation Service that members can use to obtain high quality CV's to help them successfully find jobs both inside and outside of the Bank.
- Regular visits to all offices by our experienced local officials, who work and are paid directly by LTU and are specially trained to support members on matters concerning their job security.
- Our excellent 24 Hour Advice Line Service that members can call at anytime call to speak direct to an experienced LTU Official on 01234 262868.
- Individual representation at Job Security Appeals and Grievances that is provided *exclusively* by experienced Union Officials, unlike the other unions operating within Lloyds Banking Group.

**STEVE TATLOW**  
Assistant General Secretary

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