

# Connections

## Positive Partnership in HBOS

Issue 3  
July 2008



# JULY 08

## FOREWORD

There is little doubt that the much publicised credit crunch is making its mark throughout the finance sector. Within HBOS, 19 March was a significant date for the Company when unsubstantiated rumours circulated the markets regarding HBOS' financial position which saw the share price plummet by 20% in the space of 2 minutes. This wiped £ms off the value of HBOS shares and caused wide-spread concern and distress for members and colleagues. Although some recovery was made in the days immediately afterwards, it will be some time – maybe even years – before the share price hits the heady £11.70 it had reached last year. Since then, the Company have announced its intention to raise fresh capital in a £4bn rights issue to bolster its capital base. Again this has created further volatility in the market.

All colleagues are seeing the affect of these events in their working life, whether it's a real change in emphasis from sales to deposits, tighter lending or the recent shock of job losses within the High Value area of Corporate Division.

HBOS is and will continue to change and adapt to market conditions. And Unite will be there ensuring that HBOS adhere to their strong commitments and procedures to treat all members with dignity, respect and fairness in any change or initiative they undertake.

Graham Goddard, Unite's Deputy General Secretary and Head of Finance has stated, *"There is no doubt that the challenges caused by the credit crunch have very serious implications for employees who face daily speculation as to their future. The union believes that urgent attention must be given by the government and business to address the vulnerability felt by those who are*

*employed in the sector, in order to safeguard the future of the industry which contributes around 7% to the UK's national output."*

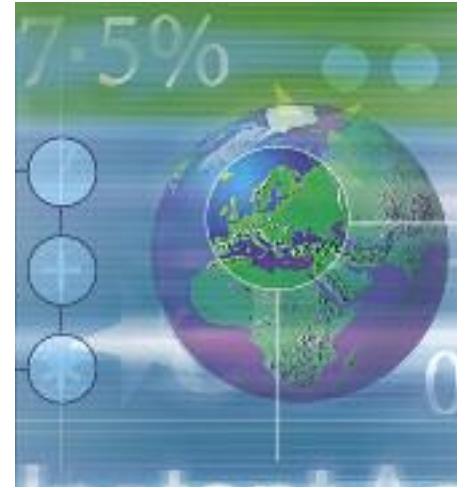
*"Unite members in the financial services are not those earning six figure salaries in the city, rather many are support workers earning under £15,000 per year. There must now be recognition of the insecurity felt within the industry by those who are battling through daily speculation and panic. In this period of financial and economic uncertainty Unite will not stand by and allow workers to become the sacrificial lambs."*

This uncertainty is happening at the same time when everyday costs are rising significantly. Our weekly shopping bill has gone up at a frightening rate, petrol and diesel are hitting a record high of £7.00 per gallon, and the Chancellor of the Exchequer has recently been quoted as saying that energy prices are likely to increase by a further 40% on top of the recent sharp rises we have all endured. And although the Government's calculation on inflation (RPI is currently 4.3% (May) it does not feel like that to our pockets.

This year's pay deal may help to alleviate a little of the difficulties for some members but a greater review of the Total Reward proposition is now vital as members are being significantly impacted on pay, bonus and shares for the first time since the creation of HBOS.

There has never been a better and more relevant time to be a member of Unite. Unite is the members' union, working for members, campaigning for members, and ensuring that our members are at the heart of what we do.

**If you know of any HBOS colleague who is not a member of a union, you should encourage them to join – it is easy by just logging on to <http://www.amicustheunion.org/Join-On-Line-Here>**



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# Who's Who in Unite

This edition of **Connections** introduces our senior reps in the divisions. **Unite's structure is similar to the Company's to ensure that your voice is heard in the relevant area. Therefore we have three main divisional committees, Retail, Corporate and Group Functions. Here is what they have to say.**



**Retail: Dennis Beck**

My name is Dennis Beck and I have worked for the Bank since leaving school, I've worked in many branches throughout Dumfriesshire and am currently based in Thornhill branch. I have been a Unite member for 37 years and have been an activist both locally and nationally for most of time. The Union has been and still is an important part of my job and life and to see Partnership introduced has given me great satisfaction. For me, this has meant that there is, at last, proper recognition for colleagues who have worked long and hard to ensure that fairness and equality is at the forefront of HBOS's aims and that working together, we can achieve better colleague engagement and a successful and strong relationship. I am not naïve enough to think that partnership will not bring the usual stresses to the Company/Union relationship – Pay 2008 showed us that – but to see my employer committed to working with my union gives me new energy to work harder for members.

If you wish to contact me, you can do so by emailing me at [angelapepsi@aol.com](mailto:angelapepsi@aol.com) or intranet Beck, Dennis BR 4870.



**Group Functions: Rob Saunders**

I joined the Banking Insurance & Finance Union (BIFU) in 1981 when I started work in the Clydesdale Bank's IT centre. Before then I'd worked for the Inland Revenue and been active in the SCPS union. In 1986 I joined Bank of Scotland and have become more active each year. In 2001 I was outsourced to Xansa plc, and a few years later insourced again to what was now HBOS.

I currently work in Group IT in Sighthill as a senior developer in Payments Support. During my time in the BIFU/Unifi/ Amicus/Unite unions, I've held many union posts as well as secretary to the union branch committee; HBOS National Company Committee; secretary to the Scottish Regional Council and chair of the Xansa/FBS National Company Committee (which I helped to set up when we were outsourced). I've taken part in various outsourcing/insourcing and pay negotiations. I am presently chair of the Group Functions Divisional Committee and the Health & Safety Lay Officer on the NCC. The Partnership agreement with HBOS has brought new challenges and responsibilities, and I'm enjoying the opportunity to work with Accord and the bank to get the best possible deals for our members in these turbulent times. In my spare time I walk up hills, ski down them, publish a blog and play the violin (not all at once). And I was in the audience at the famous 1966 Dylan concert where someone yelled "Judas!" at him.



**Dawn Campbell: Analyst, East of Scotland Real Estate, Unite Rep & Divisional Committee Chair**

I have been involved in union activities for 11 years, as a member and as a Rep for approximately 7 years. I am a National Company committee Rep, and Chair of the Corporate Divisional Committee. My responsibilities include representing members in Corporate, primarily in Edinburgh. On a day to day basis, my union role can be dealing with work-related issues such as displacements, disciplinaries, or attendance and wellbeing, or could just be responding to enquiries about policies and rights.

I enjoy visiting workplaces, running recruitment campaigns, or simply talking to members and helping with their enquiries. I'm also involved in various committees and union projects and have served on the Disability Advisory Committee and Pensions Committee. I believe the rights of individuals are important, and being a union rep is the most effective way to collectively negotiate on behalf of members. I regard unions as enablers, playing a key role in creating a good working environment.

My day job sees me working in Corporate East of Scotland Real Estate team in New Ueberior House and am also a Company Corporate Responsibility ambassador. Over my time with HBOS I have worked in Collections and Recoveries, Business Banking and Corporate so my knowledge of the Company is quite far reaching. If you wish to contact me you can do so by calling 0131 659 0048 or emailing me at [DCampbell\\_Amicus@bankofscotland.co.uk](mailto:DCampbell_Amicus@bankofscotland.co.uk)

# Unite HBOS Committee elections 2008

The democratic structure for Unite reps within HBOS is based upon elections to a committee structure which is organised along Divisional and National lines.

Firstly elections were held for reps to gain places on 3 committees covering

- Retail and I & I
- Corporate and Treasury
- Group Functions.

These committees are made up of reps from across these divisions.

These 3 committees then nominate from amongst their number, representatives to the Unite HBOS National Company Committee.

Divisional committees are responsible

- for membership recruitment and organising plans within their division
- for determining what issues should be raised with the Company at our various regular divisional consultation meetings with Business heads and HR which reps also attend
- for being the channel for giving and receiving feedback to and from members in the various divisions.

The National Company Committee (NCC) is responsible for

- determining HBOS wide policy for Unite
- making decisions on matters under group wide negotiation and consultation with HBOS such as Pay deals and changes to HBOS Group HR policies and procedures
- overseeing the work of the divisional committees.

Elections for all these committees took place in the Spring this year and the term of office runs until April 2010.

The members of these committees are listed alongside and can also be found on the HBOS pages of the unite website.

Visit [www.uniteunion.com/hbos](http://www.uniteunion.com/hbos)

## LIST OF REPS

### National Company Committee

Glenn Miller (Chair)  
Kim McGill (Vice Chair)  
Dennis Beck  
Dawn Campbell  
Iain Dykes  
Ann Gillies  
Craig Kinniburgh  
Teresa Lavery  
James MacKinnon  
Nathalie Mullen  
Hemy Patel-Jennings  
Stuart Powell  
Susan Robertson  
Annette Rowland  
Moirra Roy  
Rob Saunders  
Linda Somerville  
Brian Watt

Group Technology Sighthill  
Mortgage Adviser Arbroath Branch  
Thornhill Branch  
Corporate Citymark Edinburgh  
Retail Collections and Recoveries Rosyth  
Stornoway Branch  
Payments Glasgow  
Business Banking Teviot House Edinburgh  
Dunkeld Branch  
Warrington Retail Contact Centre  
Birmingham Midshires  
Group Technology Sighthill  
Dundee Retail Contact Centre  
Vehicle Finance Chester  
Business Banking Teviot House Chester  
Group Technology Sighthill  
Corporate IT Edinburgh  
Corporate IT Edinburgh

### Retail & I&I Divisional Committee

Dennis Beck (Chair)  
Kim McGill (Vice Chair)  
Robert Baxter  
Iain Dykes  
Ann Gillies  
Helen Kenny  
Teresa Lavery  
Nathalie Mullen  
Hemy Patel-Jennings  
Susan Robertson  
Moirra Roy

Thornhill Branch  
Arbroath Branch  
Glasgow Central Station Branch  
Collections and Recoveries Rosyth  
Stornoway Branch  
Retail IT, Birmingham Midshires  
Business Banking Teviot House Edinburgh  
Warrington RCC  
Birmingham Midshires  
Dundee RCC  
Business Banking  
Teviot House Edinburgh

### Corporate and Treasury Divisional Committee

Dawn Campbell (Chair)  
John Hill  
Adrian Jankowski  
Peter Carroll  
June Munday  
Annette Rowland  
Linda Somerville  
Brian Watt

Citymark Edinburgh  
Vehicle Finance Chester  
Gatwick  
Lex  
Leeds  
Vehicle Finance Chester  
IT Edinburgh  
IT Edinburgh

### Group Functions

Rob Saunders (Chair)  
David Buchan  
Martin James  
Craig Kinniburgh  
Glenn Miller  
Colin Percy  
Stuart Powell

GT Sighthill  
SART Dundee  
GT Birmingham Midshires  
Payments Glasgow  
GT Sighthill  
Unite Reps office Glasgow  
GT Sighthill

These reps are available to be contacted by members (preferably by email in the first instance) if you have any issues or questions to ask. Go first to the most relevant Divisional committee rep dependant on what part of HBOS you work in.

Requests for individual representation in any formal meetings with the Company or for general advice on problems at work can still be directed to our senior reps offices: Scotland 0141 308 7844 England and Wales 01244 694649

We have many other workplace Unite reps across HBOS. Their names are often displayed on Unite notice boards. If you can't easily find out your most local rep contact the reps offices on the numbers above.

**We are always looking to increase our numbers of reps in all parts of HBOS. It's a great role which is supported strongly by the Company as being a good development opportunity. We offer excellent training and the Partnership agreement we have with HBOS provides for facilities and time off for reps when performing their union duties. If you're interested in becoming a workplace rep, please contact our reps offices as detailed above.**

# HBOS IN CHANGING TIMES

As members and colleagues will be aware, HBOS is undertaking a review of the full business and operating model; the markets they are involved in and the current operating constraints. The Company have given assurances that any changes made will be for medium to long-term sustainability and that the review is not a knee-jerk reaction to recent events such as the dramatic fall in share price and the £4bn rights issue to bolster its capital base.

[www.unitetheunion.com](http://www.unitetheunion.com)

July 2008



## JOB SECURITY AGREEMENT

**There is little doubt that the much publicised credit crunch is making its mark throughout the finance sector, including HBOS. Unite members and colleagues are seeing the effect of recent events in their working life; whether it's a real change in emphasis from sales to deposits, tighter lending or the shock of job losses within the High Value area of Corporate Division.**

As members and colleagues will be aware, HBOS are undertaking a review of the full business and operating model; the markets they are involved in and the current operating constraints. The Company have given assurances that any changes made will be for medium to long-term sustainability and that the review is not a knee-jerk reaction to recent events such as the dramatic fall in share price and the £4bn rights issue to bolster its capital base.

As a result of these developments, the Company have sought to review the current Job Security Agreement with the unions to jointly ensure it is fit for purpose. Most importantly, Unite has ensured that HBOS reaffirm their commitment to avoiding compulsory redundancies wherever possible.

Unite has secured that:

- Any proposed changes must go through the proper and agreed consultation process and Company will not deviate from that commitment.
- When there are potential job losses, the Company will engage the unions at the earliest opportunity.
- Processes have been agreed to maximise redeployment opportunities in each situation.
- Volunteers for redundancy will be sought from impacted business areas to endeavour to avoid compulsory redundancies.
- HBOS will consider 'bumping' when there is a down-sizing of a business area – this would be implemented with the agreement of the unions. This is a legal concept which means that if there is not enough volunteers in the impacted business, the area can be

widened to allow others who have not been affected to volunteer for redundancy. This initiative may allow those who find themselves potentially at risk of redundancy, to secure suitable alternative roles, whilst allowing others to volunteer to leave the business.

- The terms of the Agreement to apply till 2012.
- All members and colleagues must be treated with respect and dignity.

Other notable changes in the new Job Security Agreement is the move from the terminology of 'displaced' to 'potentially redundant'. Those members and colleagues who find themselves in this situation will now normally have three months to find suitable alternative employment.

However there was considerable pressure to reduce the amount of redundancy payments that colleagues who exit the business will receive and the Company initially sought a cap of £100,000, including pension costs for those who are 50 and above. After much debate, agreement was eventually reached that a cap of £150,000 which will be index linked be introduced. The cap will in effect impact on longer serving colleagues who typically earn over £48,000 and are eligible for early retirement.

**Whilst Unite did reluctantly agree to this cap, this was not done lightly and much discussion has took place.**

As HBOS is and will continue to change and adapt to market conditions, Unite will be there ensuring that HBOS adhere to their strong commitments and procedures to treat all members with dignity, respect and fairness in any change or initiative they undertake.

**Unite will regularly update members on any major change initiatives on our website:**

**[www.unitetheunion.com/hbos](http://www.unitetheunion.com/hbos)**

**Unite has and will continue to support, advise and represent members. To find out who your workplace rep is, please log on to [www.unitetheunion.com/hbos](http://www.unitetheunion.com/hbos) – we are waiting to hear from you.**

**REMEMBER – AT A TIME OF UNCERTAINTY, UNITE IS YOUR VOICE IN HBOS. UNITE IS THERE FOR MEMBERS. IF YOU KNOW OF ANY COLLEAGUES WHO ARE NOT UNION MEMBERS, ENCOURAGE THEM TO JOIN.**

**WORKING FOR YOU IN HBOS**

**Gwyn Bates & Wendy Dunsmore National Secretaries, Unite the Union**

# PAY 2008

**Negotiations on this year's pay deal were difficult. Unite's pay claim which always has an element of inflation gave the Company a challenge as the credit crunch had started to bite. Members will know that the consultation exercise on the final offer saw a small majority accepting the deal but, just as important, saw the vast majority of members not taking part in the exercise.**

Over the coming months our workplace reps network will be engaging members on their opinion on what pay and the Total Reward proposition should look like going forward.

Unite emphasised to the Company that by accepting a sub-inflation pay deal in 2008 by no means sets a precedent for future negotiations. We have also stipulated that all communications have to be accurate and robust so that there is no confusion as to the progress and position of future pay negotiations.

Many members fed back that they believed that the 'deal was done' – a message cascaded by many line managers and implied in communications. Line managers also fed back that they had been told that the deal had been done and had no knowledge of the consultation exercise.

## THE RESULTS OF THE CONSULTATION

On analysing the responses from the exercise, it is clear that long-serving colleagues, particularly in Level 1, believe that their pay awards are being impacted by the Company's difficulty at retaining new starts and that the pay pot is being utilised at the lower end at the expense of their loyalty.

The introduction of divisional matrices has initially exacerbated the issue but Unite's campaign of zero tolerance to zero awards ensured that more members at least received something. This campaign will continue in 2009 and beyond.

One significant result from the survey was that of the members rejecting the offer, 87% were willing to consider action short of industrial action. This is a stark and

significant message for the backdrop of 2009 pay negotiations.

And they are not that far away.

- The Total Reward review is taking place over the summer months.
- The pay post mortem (a meeting whereby the Company outline how the 2008 pay pot was spent, with emphasis on equal pay, zero awards etc) takes place in September.
- Unite's pay claim is submitted in October.
- Negotiations begin thereafter.

**Let your workplace rep know what you think to a base pay and total reward so that your voice can be heard.**



# PARTNERSHIP

Partnership has seen some significant developments over the past few months. In particular HBOS' commitment to the growth of union membership has now a target of 70% membership density by 2012. Unite has finalised our organising plan so that our membership grows and Unite will be even more representative of HBOS colleagues. If you would like to see Unite in your workplace, let us know and we can easily arrange this.

As part of the continued support to grow union membership, HBOS has agreed to issue a union application form with letter of contract offer to all new starters stating that HBOS wants to maximise union membership and to demonstrate this has offered those who join at that time, to reimburse the union subscription through salary for the first 6 months of employment so that during this time union membership will cost nothing.

A commitment to grow union membership like this is groundbreaking and it shows that HBOS genuinely sees the unions as important stakeholders within the Company.

## WORKPLACE REPS

Unite now has nearly 100 workplace reps throughout HBOS. At a recent Partnership Conference held by Accord, Andy Hornby addressed both Unite and Accord reps and stated "I would like to buck the trend as far as union representatives are concerned. In many organisations being a representative is all too often viewed by management as 'troublemaker'. I see it completely differently. To me a Union representative is a colleague who strongly wants to be part of a successful organisation and wants HBOS to succeed by working closely with management."

The majority of Unite reps have completed Stage I of the Unite Workplace Reps Course which introduces them to Unite, the wider trade union movement and the relationship and interaction with HBOS.

A significant amount of reps have in fact completed a Stage II Course which gives reps the necessary tools to represent members in the workplace.

Other Partnership developments that have taken place are:

- The launch of the new Partnership site on the HBOS intranet.
- The establishment of a Toolkit for managers, reps and colleagues to help embed partnership working in workplaces.
- Unite and Accord in attendance at the HBOS Forum – an event where the Company's top 500 gather to discuss and understand the business strategy going forward.

## SPOTLIGHT ON PARTNERSHIP

Peter Cummings, Corporate CEO hosted an event for union workplace reps, line managers and managing directors to recognise and highlight the significance of Partnership in Corporate and the importance of workplace reps.

At the event, Peter's message was clear. "Workplace reps are an essential feature to the way Corporate does its business in the future. To workplace reps, your role is important to ensure there is dignity and fairness at work. To line managers, reps will be out of the business dealing with confidential situations frequently or infrequently but you will need to manage this as reps need to carry out their role. To managing directors, reps are essential to your business, please engage your reps to find out how partnership and union growth will benefit your business area." A very strong message indeed.

Wendy Dunsmore, Unite National Officer spoke "Workplace reps are important to deal with local issues locally, they understand the business area and can help members raise issues, help manager to resolve issues – they are a win win facility for members and the Company. Partnership will strengthen the relationship between Corporate and Unite which can only be good for our members."



# Dignity at Work

Bullying is a widespread and serious problem and one which none of us can afford to ignore. This is why Unite, jointly with the government department BERR (formerly DTI), has funded a Dignity at Work Partnership which HBOS has signed up to.



**Bullying can lead to terrible consequences for colleagues, HBOS and the economy as a whole. The Dignity at Work Partnership is the world's largest anti-bullying project and Unite is spear-heading this vital initiative.**

**The aim of the project is to develop a culture in which respect for individuals is regarded as an essential part of the conduct of all those who work in HBOS. The project will also increase awareness and knowledge of 'dignity at work' issues, and encourage the development of partnership working in the workplace.**

**Working together, Unite and HBOS have identified a number of initiatives that will help members and colleagues to identify bullying behaviour and give advice on the steps needed to deal with it.**

## **DIGNITY AT WORK WORKBOOK**

The workbook is the first step to raising awareness and gives insight to what bullying is, why people bully and what HBOS and Unite expect of colleagues and members in treating everyone with dignity and respect. This is also a pre-reading document for lunch-bite sessions.

This workbook will shortly be available to all via the Diversity and Inclusion pages on HBOS GroupNet.

## **LUNCH-BITE SESSIONS**

These sessions are available for all colleagues. The session discusses the background to this initiative and the zero tolerance attitude to bullying by Unite and HBOS. These sessions are normally delivered by HR and a Unite rep to show that both organisations will not support or condone the dysfunctional behaviour displayed by bullies.

To have one of these sessions delivered in your workplace, please speak to your line manager and/or HR to discuss. Alternatively, speak to your workplace rep, who will pursue this.

# RETAIL BANKING UPDATE

Unite officials and senior workplace reps regularly meet HBOS business heads and HR so that we can be consulted on business developments and any changes that affect colleagues. Much of this type of work goes on behind the scenes without members realising the time and effort that goes into making sure our members' interests are protected. The phrase "the unions have been consulted" often masks hours of detailed discussions! Here's a quick round up of recent meetings with Retail Division to give you a flavour.



## CARDS SERVING SHIFT CHANGES

Changes to shift patterns were needed in this area to better meet customer demand. During consultation on this we ensured

- individual circumstances could be cited as reasons to suggest different shift patterns to what was being asked of colleagues
- that team managers received training in how to handle one to one discussions about this with colleagues to ensure consistent treatment and sensitivity
- that individual members could have union support in meetings to discuss any problems being able to comply with the company's request to change.

Many compromises have been reached for individuals as a result of all this and a number of members are being assisted through more formal parts of the process.

## RETAIL BRANCH NETWORK

New Branch Management structures have recently been announced and Unite has been consulted in detail about the planned changes and methods of transitioning to the new roles.

We continue to have discussion about the grading of Branch managers as there's an identified need to achieve more fairness and consistency across all regions. Unite is keen to ensure decisions are reached fairly bearing in mind the level of responsibility at small branches where footfall and levels of sales might be less but where responsibility

levels are equal. We'll be keen to ensure robust methods of job evaluation are used in the final process.

## BRANCH OPENING HOURS

For some considerable time now we have been reflecting our members' concerns about the amount of additional hours worked by branch staff due to the need to arrive at work before 9 to carry our start of day procedures and also to perform end of day processes after 5.

We know that many colleagues have clocked up large amounts of additional hours which they find difficult to take off in lieu due to staffing levels.

At the same time some regions are reluctant to pay for these additional hours where TOIL can't be taken and indeed single rate overtime isn't that attractive to colleagues in any event. We are therefore pleased to have agreed with Scotland Regions a number of branches will now open 09.15-16.45 and also some will close at lunchtime. We anticipate this will solve the problem in these locations.

In larger branches the problem ought not to be so great with more flexibility of cover being available so that additional hours should be the exception rather than the rule.

Members are reminded that hours worked before 9 and after 5 SHOULD be counted towards total working hours and colleagues are entitled to time of in lieu or overtime (albeit at single hourly rate). In larger

branches it should be perfectly possible to manage the need to cover start and end of day procedures by scheduling working hours flexibly to ensure adequate cover.

Any member experiencing problems in this area should contact us for advice.

**Call our staff reps offices on 0141 308 7844 or 01244 694649.**

## PAY UPDATE FOR BRANCH LEVEL 1 COLLEAGUES

Unite regularly campaigns about pay rates for new entrants into the finance industry drawing comparisons between pay offered for bank staff and other retail jobs in the UK (eg. Supermarkets).

Clearly bank jobs are often much more complex and demanding, yet sometimes at new entrant level don't offer any more pay than supermarket jobs.

We are delighted therefore that HBOS retail has agreed to apply level 1.2 grade as a minimum to all colleagues working in branches.

The minimum salary therefore paid to any colleagues in the retail network will be £12,528 and more if the jobs are in the higher paid geographical areas. (This is based on a figure of 90% of the salary guides in the different areas.)

This also means that over 800 colleagues will get an immediate salary uplift back dated to 1 May 2008. Those benefiting from this will be individually notified.

# Unite Update

## EQUALITY REPS PROJECT

The Equality Reps' project was launched in February 2008 and involves the development of 400 new Equality Reps throughout the Unite section. The Project is receiving matched funding from the Government's Business of Enterprise and Regulatory Reform (formerly the Department and Industry) through the Union Modernisation Fund.

HBOS Workplace reps will be attending a forthcoming seminar to enable them to keep members informed about equality issues and legislation.

Equality Reps will improve the ability of the union to respond to the increasing diversity of the labour market, and to supply services geared to the needs of a diverse membership. By developing new methods of engaging members who experience discrimination and encouraging members to become Equality Reps, the project aims to increase the diversity of both its membership and representatives. Unite will also be engaging with HBOS to build best practice in facilitating the role of the Equality Reps in the workplace and to ensure they are fully recognised.

## UNITE'S GLOBALISATION SCHOOL

A number of reps have also recently attended Unite's Globalisation Schools – this school examines the benefits or otherwise of offshoring work and jobs to countries such as India, Singapore and China. A report on this workshop will be highlighted in our next edition.

## UNITE'S POLITICAL WORK

A number of members and colleagues in HBOS have asked about the reasons the union has a political fund. The answer to this is that there are many reasons, and all of them are about how we can deliver protection and improvement for our members in every sector of the union, including the finance sector.

The day to day experience members have of Unite is through the union in the workplace – through newsletters, workplace reps, or magazines such as this one. However Unite does so much more that sometimes goes unreported on.

Every day Unite is working in the UK parliament, the Scottish parliament, the Welsh Assembly and councils up and down the country to deliver political

## UNITE FINANCE SECTOR CONFERENCE

At the Unite National Finance Sector Conference in Brighton in early June, Unite launched a national pay campaign for workers in the financial services sector. The Union committed to challenging companies in the sector to ensure that staff receive a fair wage.

This follows intensive consultation with Unite activists across the finance sector whereby the Union developed key priorities to enhance, improve and influence the pay methodology currently used within the financial services industry.

Unite will actively challenge inequalities across pay systems including the zero tolerance of 0% pay rises and promote equal pay for work of equal value. Unite members expect and deserve open, transparent and fair pay systems, inclusive of salary, terms and conditions and pay progression.

The consultation process highlighted deep rooted concerns amongst union members of the use and abuse of performance related pay and individual incentive schemes.

Graham Goddard, Unite Deputy General Secretary said of the pay of finance sector employees:

"Members tell us that pay is one of the key reasons that they join a trade union, so there is no doubt that a clear pay campaign is fundamentally important. We launched the Finance Sector Pay Strategy to alleviate many of our members concerns on pay and will deliver pay increases based upon the trade union principles of collectivism and solidarity. Finance sector employees often feel undervalued and our pay campaign will promote transparent pay systems that treat all staff equally."



Graham Goddard,  
Unite Deputy General Secretary

changes, large and small, that will benefit our members. Sometimes this is on individual workplace issues, particularly where members might be facing redundancy or other problems, other times we are working on larger scale issues such as the law on pensions, individual employment issues or providing equal treatment for agency workers across the economy.

There are many specific examples of the union's political work on finance sector issues. There is a group of Unite MPs who form our Parliamentary Finance Sector subgroup and who work actively on your behalf. Equally Unite MPs also work on issues affecting members such as equal pay which applies as much to finance sector members as other Unite members – indeed as the finance sector has the

largest equal pay gap in the economy.

The political fund is also used for our affiliation to the Labour Party. Unite and its constituent unions have a long history with the Labour party going back to when the unions founded it over a century ago. But there is more the relationship than history. Unite and other affiliated unions have a constitutional role in the Labour Party, giving us a voice in the party's policy making process. This delivered many manifesto commitments, collectively known as the Warwick Agreement, that are delivering benefits for working people such as the increased level of maternity pay that has been introduced.

**If you would like to know more about the union's political work then contact [clare.moody@uniteunion.com](mailto:clare.moody@uniteunion.com)**

## CORPORATE 92

Many members have expressed their shock at the recent job losses within the Corporate High Value area. Unite believes that the company did not on this occasion complete a meaningful consultation process with both Unite and Accord and much dialogue took place to strengthen the process for the future.

In the weeks following the announcement, Unite met with Andy Hornby, HBOS CEO, David Fisher, Director of HR, Peter Cummings, Corporate CEO and Dorothy Lowry, Corporate Director of People, to agree that all future changes will in fact follow the agreed procedures and processes and that all colleagues will be treated with dignity and respect, despite the difficult market conditions that are presenting unique challenges for the company.

Unite's policy is to oppose any compulsory redundancies and we will work with HBOS to ensure members are successfully redeployed wherever possible.

There is little doubt that there will be many changes taking place within HBOS over the next year and Unite is committed to support and represent all members throughout the process to ensure that each member is treated with dignity and respect.

## Capital Bank Cars

Members who previously worked for Capital Bank enjoyed as part of their terms and conditions a company car. Members may recall that as part of the harmonisation of terms and conditions between Bank of Scotland and Halifax, it was agreed that there would be a 6 year phase out period for all colleagues who had company cars but were not eligible to do so under the HBOS Car Scheme.

The company have now communicated their plan on the phase out process which will be complete by end of September 2008. Following prolonged discussions on behalf of our members we are pleased to report that the cars will now be made available for the affected colleagues to buy at £500 less than the bottom book price. Slightly different arrangements apply dependant on the original sourcing of the vehicle but the value to the affected colleagues is the same.

Unite acknowledges that colleagues will be impacted by the loss of their cars but would remind members that:

- the Company had at the time of harmonisation, proposed to withdraw cars almost immediately,
- Unite resisted this and negotiated the 6 year phase out to give adequate time to make alternative arrangements,
- the price for affected colleagues to buy the vehicles is now significantly less than the Company originally proposed.



# PERFORMANCE MANAGEMENT

Unite has recently been discussing a company proposal for standardising the approach to Performance Management (Appraisal) across the whole HBOS Group.

The main strands to this are as follows:

- standardised forms for Performance and Development assessment all based on the concept of Lead, Build, Shape, Deliver
- standardised appraisal ratings of 1-3 based on "What" and "How" where  
1 = Exceeds expectations,  
2 = Meets expectations,  
3 = More expected
- standardised guidance to be given about the spread of ratings awarded to try to achieve a distribution curve of approx:  
60% "Meets expectations",  
20% "Exceeds",  
20% "More Expected".
- the company intends to rate a 1 for "What", higher than a 1 for "How". This is because in future they intend to rate "What" is done in a role higher than "How" it's done. (Up until now in Retail ratings of 2.1 and 1.2 have been treated as equal for pay and bonus purposes).

They also intend that colleagues who have been in their role fewer than 6 months and have not yet taken on full objectives of the role would be rated 3 "More expected", but for bonus and pay decisions they would be regarded as "Meets". This mitigates to some extent concerns we would have about 20% of colleagues being rated as "More is expected".

We have raised the following issues:

- Guidance is fine when it comes to ensure an expected spread of appraisal ratings but there's the danger of poor management turning it into a rule
- Rating a new to role person as "more expected" is unnecessarily demotivating even if it doesn't have an adverse effect on pay and bonus
- The shift of emphasis away from the "how" towards the "what" needs carefully handling.



The company has decided to pilot this approach with Levels 5s for the second half of 2008 although it will not be used for determining pay awards for these colleagues in the 2009 pay review. This will include the balanced distribution concept.

Consultation will then take place with the unions with the aim of reaching a joint agreement that introduces the approach to levels 1 - 4 from the start of 2009.

This would mean it would be included in the objective setting process at the start of 2009 – with the first review on the new framework

being the half yearly review in 2009. The 2009 pay review would still use the existing basis of performance management approach for colleagues in levels 1 - 4.

The company has been made very aware of our concerns regarding the proposal particularly the possible impact on pay awards. The review of the level 5 pilot will therefore consider this i.e. identify what the impact would have been if the ratings had been used for pay – and compare this to the actual out turns from the May 2009 pay review. Unite is very keen to hear from Level 5 members during the pilot.

# UNITE MEMBERS AND THEIR FAMILIES SHOULDN'T SETTLE FOR LESS

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## Did you know that if you have an accident you are entitled to independent legal advice?

As a Unite member you can obtain this legal advice free from the union. Members of your family can have this benefit too. Unite has found that claimants who do not get independent legal representation and instead deal direct with insurance companies sometimes get less than their injury deserves or may get nothing at all. Unite has settled cases where union members were offered compensation by an insurance company, however after seeking legal advice from a Unite solicitor the offer made to them was doubled.



## UNION LEGAL SUPPORT

Last year, Unite won over £125 million in compensation for members who had been injured or become ill as a result of work, who had been discriminated against, or unfairly dismissed. As a member of Unite, not only do you get a high standard of legal representation, but the union does not take a percentage of your claim. This means that the union is better than “no win – no fee solicitors”, we are “no fee – whether you win or lose”. And what is more we carefully select our lawyers and only use experts in their fields.

## FREE LEGAL HELP ON NON-WORK MATTERS

When you join Unite, we're not just a friend at work, but at home too. As a member, you are entitled to free initial legal advice on any non-work related matter, anytime, visit our website or by ringing our 24-hour LegalLine. This valuable benefit could put your mind at rest on matters such as motoring offences, consumer complaints or property disputes.



# ADVICE AND ASSISTANCE FROM THE OUTSET

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**UNITE provides a wide range of legal services which can help you both at work and at home.**

**These are free to all members and are one of the most valuable benefits UNITE provides.**

Approach Unite for help straightaway - there may be time limits for your claim. In cases of personal injury you have three years to start proceedings, but the sooner you have an independent qualified solicitor looking after your interests, the better. But remember in many employment cases, the time limit can be as short as three months.



## HOW TO CONTACT US

**You can obtain free initial advice on any non-work-related legal matter by telephoning our 24-hour helpline on 0870 240 45 45.**

**Our network of advisers offer confidential advice on criminal law, family law, consumer law, property and land law, wills and trusts, nuisance and trespass and a host of other legal issues.**



# UNITED – UNITE THE UNION MEMBERS' MAGAZINE



The new Unite magazine UNITED will be published four times a year where you will find all the latest news and views from your union, plus all the info and tips you need. If you would like to receive UNITED regularly then you have to sign up to it. So if you don't want to miss out on what your union is doing for you at work, sign up for UNITED today!

Call our 24-hour sign up line on 0800 883 0605

Or text your membership number to 81025

Or email your membership number to: [mymag@unitedtheunion.com](mailto:mymag@unitedtheunion.com)

Or return the name and address label included with the recent mailing of the new magazine:

Freepost, United Magazine, Unite the Union, West Common Road, Bromley BR2 7AU

The best place to find the latest news about Unite in HBOS is to visit our HBOS special pages on the website.

Visit [www.uniteunion.com/hbos](http://www.uniteunion.com/hbos) to find

- copies of all our recent member communications
- contact details of workplace reps, senior reps and Unite officers