

Job Security Agreements

Following the announcement of the Lloyds Banking Group's strategic review where it was identified a further 15,000 jobs were to be lost over 3 years, Unite raised concerns that the HBOS Job Security Agreement was due to expire in the summer of 2012.

Unite members have rightly been concerned that, in today's climate, a new Job Security Agreement would likely see an attempt to dilute terms, particularly with regard to redundancy payments.

Unite welcomes the Group's commitment to the extension of the HBOS Job Security Agreement until the end of 2013 which protects the redundancy payments at 1 month's pay for every year worked. However your Union is deeply disappointed that as part of this commitment, there will be the removal of the non-discounted pension option. Whilst this will only impact a small section of colleagues, it is unpalatable at this time. The Group has however, agreed to raise the payment cap to £165,000.

These terms will apply from 1 June 2012.

Transitional Arrangements

Transitional arrangements to the new terms have been put in place as follows:

- Where business restructurings have been or will be announced which will result in employees exiting the Group before 1 June 2012, existing severance/redundancy terms will be honoured
- For all announcements made after 1 December, departures before 1 June will be on existing arrangements, any departures on or after 1 June will be based on the new terms

Lloyds TSB colleagues will be unaffected with this change.

New Terms for New Starts

Unite is appalled at the cheap shot the Group has taken to introduce new severance and redundancy terms for colleagues beginning employment 1 January 2012.

At a time when the UK economy is at a 20 year low, unemployment is rising and today's Government is attacking workers rights' and laws, particularly for new employees, it is unacceptable that the Group is jumping on this bandwagon and changing the severance/redundancy terms for those joining LBG on or after 1 January 2012 as follows:

- ½ a week's pay x 2.75 (1.375) for each year worked up to 22nd birthday
- 1 week's pay x 2.75 for each year worked between 22nd and 41st birthday
- 1 ½ week's pay x 2.75 (4.125) for each year worked after 41st birthday

The maximum length of service for calculation purposes will be restricted to the last 20 years of service with a cap of £150,000.

This is by far the lowest terms within the finance sector – just when you thought it couldn't get any worse, LBG manages to stoop that little bit lower – this certainly won't help with another strategic review aim to making colleagues feel proud!

The Group intends to begin harmonisation talks on a Group-wide Job Security Agreement throughout 2013.

Unite has given a stark warning to Lloyds Banking Group. Unite is the only union that represents colleagues in all heritages and we will not accept a further reduction in terms during these talks.

In addition, Unite will continue to resist any attempt to focus job losses on the cost of redundancies. Your Union has already had to threaten court action against the Group due to the expense of honouring redundancy commitments to colleagues from Scottish Widows heritage.

If you wish to be part of the Unite campaign to protect your Job Security Agreement and are not already a member, you can join online at **www.unitetheunion.org**

If you have any queries or comments regarding any of the recent announcements or any other issue, please do not hesitate to contact us. You can do this through:

- Your local representative. To find out who this is go to **www.unitetheunion.org/lloyds**
- Unite helpline – 0808 1449595
- Email www.LBG.Support@unitetheunion.org

Remember:

Unite – working on your behalf regardless of heritage.

- Unite is the **only** union negotiating for members in all areas of Lloyds TSB
- Unite is the **only** union negotiating for members in Gloucester
- Unite is the **only** union negotiating for members in both Lloyds TSB and HBOS
- Unite has a workplace reps structure of 170+ to ensure your voice is heard at negotiations

Unite the Union – the Campaigning Union

WE DESERVE BETTER