



AMICUS THE UNION FOR YOU

February 2006

IN LLOYDS TSB

Progress on Zero Pay Awards

Members will know that pay negotiations for a two year pay deal have now been concluded based on a conditional acceptance by Amicus which is as follows:

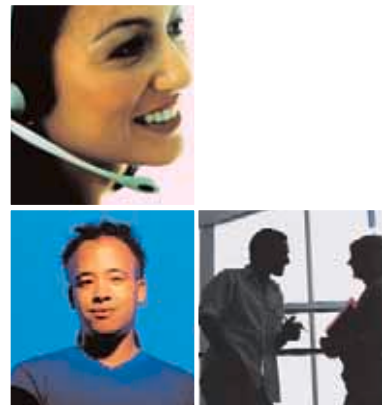
- that conditional on this and without prejudice, distribution and ratings will be subject to a full review with Amicus in June 2006 and that there is evidence to confirm that there is real progress towards elimination of zero pay awards
- that contribution is designed to reflect an individual's real worth, in other words it is not just a reflection of whether they have met their targets this year, rather it is a reflection of what they are worth and what they would be worth in the open market
- that a partially met rating under the proposed new five rating criteria for 2006 can allow the opportunity for a pensionable pay increase

The rationale for Amicus's LTSB National Company Committee accepting these proposals was as a result of long and sometimes arduous negotiations with the employer. It is recognised that zero awards will not disappear overnight, however, two key statements from the bank on how managers now have the opportunity to award a pensionable pay increase will give some hope to loyal and long serving staff that a pensionable award is possible. For clarity these are as follows:

"If an individual's salary is positioned in the market plus zone and they are meeting or exceeding expectations and contribution merits it they should expect to receive at least market movement."

For above scale staff, the bank have confirmed that ***"for the duration of the multi year arrangement where staff who are above scale are exceptional performers and have consistently exceeded expectations year on year, they should expect to receive a pensionable pay rise. A single year may also attract a pensionable award. In these instances pay awards would be capped at 2%."***

Both these statements will assist staff when their pay review has been confirmed. However, Amicus were concerned about the statement "contribution merits".



AMICUS YOUR UNION IN LLOYDS TSB
Bernadette Fisher, National Officer



AMICUS THE UNION FOR YOU

QUESTION & ANSWER

IN LLOYDS TSB



Contribution – what does it mean?

We asked the bank to explain this in greater detail.

Q 1. What do the bank mean by contribution?

- A.** Contribution is really designed to reflect an individual's real worth. In other words, it's not just a reflection of whether they have met their targets this year – rather it's a reflection of what they are worth and what they would be worth on the open market (i.e. what other companies would typically pay). We define contribution therefore as:
- performance 'in its broadest sense' (in other words not just their 2005 performance but also taking into account their performance over time) - one bad year may not reflect the individual's real value to the organisation;
 - capabilities/competencies, or behaviours, skills and knowledge.

Q 2. How does it differ from the annual BSC performance rating?

- A.** The BSC performance rating reflects the annual performance against the specific objectives and targets as set out in the individual's BSC.

Q 3. What are the risks of using the BSC rating (instead of contribution) to drive pay decisions?

- A.** If we just used the annual performance against targets there would be some real risks that pay didn't reflect the individual's real worth. Ultimately, the use of contribution is designed specifically and absolutely to help us make sure we are paying the fair market rate for every individual in the company – paying people what they are really worth.

Q 4. Does it matter which zone the individual is in?

- A.** No. It's all about their contribution (as defined above) or, in other words their value...irrespective of where they are in the zones. Just because someone is in the Market Plus Zone, if they are bringing more, and are worth more, they should rightly expect a pay increase – just as someone should if they are in the Primary Zone. This is exactly why we have, for 2006, introduced greater flexibility to give adjustments not only to those in the Market Plus Zone...but even to those who are above the top of the Market Plus Zone.

Q 5. What are you really trying to achieve here?

- A.** Ultimately, our aim is to try and ensure that people are paid a fair rate for what they are bringing to the organisation. This means paying the fair market rate reflecting the individual's real worth (rather than possible blips in achievement of targets in just a 12 month period). And this is absolutely in the interests of the company and the individual. If someone is genuinely worth more – they should be paid more (no matter where they are in the zones or what they are currently paid. To this end: we are allowing greater flexibility at the top end; we are providing additional funding at the bottom end and are reinforcing the messages that pay is more than just whether you've met your target this year.

It is fair to say that had Amicus not given conditional acceptance then the bank could have withdrawn these key statements. Amicus believe that managers will now have further discretion to allow pensionable pay increases for a significant population of staff who, in previous years, would not have been allowed one. We have informed the bank in no uncertain terms that we expect to see real progress on this in our June 2006 review with the bank.

Just to remind members the deal is as follows:

- a pay pot of 3%
- plus 1% for moving staff from the primary to market zone to fund the bank's previous commitments.

This will comprise of:

- 2.5% for average market movement
- 0.25% to fund the uplift commitment for bands 6-8 due in April 2006
- 0.25% to fund the uplift commitment in 2006 for bands 5-2 due in 2007 brought forward to 2006
- 1% for performance and pay progression

Broadly speaking the deal is replicated in both IT and Offshore, however, for Channel Islands staff the deal is for 12 months only

Oppositionists

No doubt staff will receive the usual propaganda from the in house staff association (LTU) who believe that whatever offer is put on the table is not good enough. Quite frankly Amicus believe that to engage in modern, pragmatic, sensible industrial relations with the employer you have to negotiate. Indeed, the bank's final offer on pay this year was far removed from their opening offer.

We have seen, in previous years, the LTU's opposition to any pay awards. Indeed, members will recall their disastrous industrial action ballot in 2005 that achieved absolutely nothing.

Trade union negotiations is about achieving as much as possible for as many people as possible. It is not about developing a policy of opposition in an attempt to sustain a hold on their decreasing membership by demoralising staff at every opportunity.

It is somewhat puzzling that the LTU believe that over 12,000 will not receive a pay increase and yet at this stage the pay distribution is not known.

Amicus believe the sensible way forward is to engage the employer in negotiations and work towards achieving the elimination of zero pay awards in Lloyds TSB through constructive and progressive dialogue. It is not about being sensationalist and headline grabbing with no success at the end and to promise members that their rejection of pay will achieve any further benefit.

Don't forget members should not always accept the managers rationale on pay and you are perfectly within your rights to challenge your pay award.

This is covered under the bank's grievance policy section 1.9 of the PPP manual. For further details on this please contact the union's helpline on 08081 449595





AMICUS THE UNION FOR YOU IN LLOYDS TSB

P ROBLEMS & P ROBLEMS



WORK YOUR PROPER HOURS



24 February is 'work your proper hours day'.

Most people enjoy their jobs and find them fulfilling. Putting in some extra hours when there's an emergency or sudden increase in workload is one thing. The problem is when long hours become the norm, not the exception, and even longer hours are needed when a real crisis comes along.

According to official statistics:

- Employees who work long hours on average work an additional seven hours and thirty minutes per week. If paid at the average wage for these hours they would get an additional £4,650 a year
- The TUC has calculated that if the average employee that works long hours did all of their overtime at the start of the year, they would have worked for nothing until Friday, 24 February
- Finance companies are making massive profits, while at the same time employees are working long hours for no extra pay
- UK workers work the longest hours in Europe

There is no doubt that UK employees work hard. But what are the consequences of doing all of this unpaid work? Amicus is concerned that as a result of the long-hours culture within the financial services sector:

- Family life is damaged
- Work/life balance is lost and
- Stress is a common problem resulting in loss of productivity, absenteeism and high staff turnover. Stress can also lead to mental or physical ill health

Amicus is urging all employees in the financial services sector to take a proper lunch break and leave work on time on this day.

The TUC has established a 'work your proper hours day' website. There are a number of resources on this website – www.workyourproperhoursday.com you can use to

- Calculate the value of your unpaid overtime by using the TUC overtime calculator
- Use the Boss-o-Gram machine to send your boss an anonymous reminder about 'work your proper hours day'

Support Amicus and send a message to employers in the financial services sector, work your proper hours!



If you work in Lloyds TSB, you are an Amicus member and you have a problem then one of our team of Amicus representatives will be able to help you. The national team of Amicus Jointly Accredited Office Representatives can help you with employment rights advice, representation at most disciplinary and grievance procedures and general enquiries about problems and issues in the workplace.

Each Amicus representative is trained in problem solving, assertiveness and personal effectiveness skills and time management to enable them to undertake their duties professionally and efficiently.

If your problem relates to a Health & Safety matter then Amicus uniquely has a team of Health & Safety Representatives that can point you in the right direction. Amicus is the only union that discusses Health & Safety issues at national level at the Central Health & Safety Committee with Lloyds TSB.

Amicus representatives from Lloyds TSB, Scottish Widows and Cheltenham & Gloucester discuss with the bank new codes of practice, workplace problems and Health & Safety policies on a regular basis. The training module for Amicus Health & Safety Representatives is presented in 3 modules each lasting 3 days each. This training course delivers the equivalent of the TUC's 10 day training course which is the industry's standard. No other union in Lloyds TSB offers this level of training on Health & Safety matters.

The latest addition to the Amicus team are the Amicus Union Learning Representatives. A pilot is currently being run in Manchester, Newport and Glasgow where Amicus Union Learning Representatives are sign posting Amicus members to learning opportunities with local colleges, the TUC, Amicus and other learning providers.

This is in addition to the work related training that is offered through the University for Lloyds TSB. This exciting new initiative is in line with the Government's agenda on life long learning and encouraging as many people as possible to access new learning opportunities. The pilot will shortly be reviewed with Lloyds TSB and we will be looking to extend the project into other workplaces and branches.

If you are an Amicus member then you too can become part of one of the Amicus teams of representatives. You can get more information by contacting the Amicus Helpline on 08081 449595. It is your opportunity to develop yourself as an individual, improve your skills and help others in the process.

AMICUS AT WORK ON YOUR BEHALF IN LLOYDS TSB

It makes sense to have someone on your side. And only a union with the massive financial and legal resources of Amicus can really provide the representation and influence in the workplace that YOU need.

Our aim is to get you the best terms and conditions of service and provide the advice and support on any matter you may need related to your job.





AMICUS THE UNION FOR YOU

IN LLOYDS TSB

NEW HEALTH & SAFETY REPRESENTATIVES WANTED

Amicus has a unique agreement with the bank for Health & Safety Representatives. Amicus can appoint a representative for each workplace. The agreement replaces all previous arrangements for Health & Safety Representatives within Lloyds TSB.

Amicus is looking for a team of exceptional people who will acquire the skills and professionalism to work with staff and management on safe working practices.

Paid facility time is available for the training, which is fully accredited. This means representatives will receive open college credits when they successfully complete the programme. The programme can be delivered in three modules lasting three days each.

If you are an Amicus member and are interested in this role please ring the unique Amicus Lloyds TSB helpline on **08081 449595** where one of our employment rights advisors will be able to give you more details about the role. Amicus' national network of Health & Safety Representatives are spread across the country and are helping Amicus members everyday.

Don't miss this opportunity to do something which is not only socially useful but will develop your skills and competencies and contribute to Amicus' work protecting the interests of Lloyds TSB staff.

Contact:

Bill Anderton, National Officer (Development), 4 Brewery Yard, Deva Centre, Trinity Way, Salford M3 7BB

Tel: 0161 742 2101 – Fax: 0161 832 3661 – Minicom – 0161 832 4097



JOINTLY ACCREDITED OFFICE REPS OPPORTUNITIES

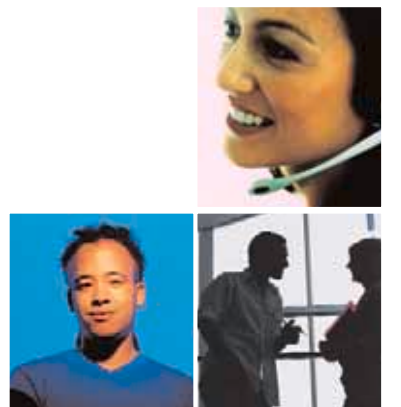
Amicus are currently looking for new Jointly Accredited Office Reps. We are looking for individuals who want a real development challenge. We need people who are problem solvers and negotiators, listeners and influencers, confident and compassionate, team workers who have the ability to work on their own.

If you don't have all of these skills, don't worry. Amicus' training for JAORs includes modules on the role of the rep, assertiveness, personal effectiveness and time management. We will also help you become familiar with the bank's procedures.

Amicus' training is accredited to national standards so you will get recognition for your training achievements. This is a joint scheme supported by Lloyds TSB who has agreed that reps will have one day per week to undertake their duties.

If you want to be considered for a role in the team then please ring the unique Amicus Lloyds TSB helpline on 08081 449595 where one of our employment rights advisors will be able to give you more details about the role. Amicus' national network of JAORs are spread across the country and are helping Amicus members everyday.

So if you want to extend yourself, develop skills and help other members, this is the role for you.





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SECONDED REPRESENTATIVE VACANCY

Amicus is looking for a special person to join its team of hard-working full-time Secoded Representatives.

The successful applicant will be a person with a positive and outgoing character who is committed to trade union values and has a genuine desire to help improve the quality of working life in Lloyds TSB. The job is based at the Amicus office in Manchester, the successful applicant will be expected to work from this office on at least one day per week. The role involves extensive travel, for which a user car is provided.

The role is best suited to a positive self-motivated person who enjoys managing a team. They will need or be willing to develop people management skills, problem solving skills, negotiating skills, project management skills and telephone communication skills. A training programme will be provided.

The jobholder will be required to work on the union's telephone help desk. In addition they will be expected to manage, coach and help with the training of Amicus' Jointly Accredited Office Representatives and Health & Safety Representatives. They will also represent Amicus members at the final stages of the bank's grievance and disciplinary procedures and give employment rights advice on a range of issues.

The role provides significant opportunities for personal development, but is also challenging and rewarding; it is about managing people, helping members and making a difference.

Following a two-year period of secondment to the union the person appointed will normally return to bank duties. However, in exceptional circumstances, following a review an extension may be offered.

If you think you have got what it takes and you are a member of Amicus please telephone Bill Anderton on 0161 742 2101 or email Bill.Anderton@amicustheunion.org for an application form.

The closing date for receipt of completed applications is 3 March 2006

Please send me an application form for the above

Name: _____

Address: _____

Job Title: _____

Branch/Dept: _____

Location: _____

Please return this form to Bill Anderton, Amicus, Lloyds TSB Section, 4 Brewery Yard, Deva Centre, Trinity Way, Salford, M3 7BB



AMICUS YOUR UNION IN LLOYDS TSB
Bernadette Fisher, National Officer