Lloyds Trade Union
NEWS

St John's Terrace, 3–7 Ampthill Street, Bedford MK42 9EY **T**: 01234 262868 **F**: 0844 774 5971 24hours@ltu.co.uk General Secretary: Mark Brown

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TUPE Transfer To Equiniti

The announcement before the Christmas break of the TUPE-transfer terms that would apply to staff being transferred from Lloyds Estates Administration Services to Equiniti is causing much resentment and is a major concern for all affected staff; both in respect of their immediate and future prospects.

We understand that the Bank has 'agreed' the transfer terms with its two weak, HR-approved unions - Accord and Unite - who we believe have no members amongst the 42 staff affected.

What's Happening?

Staff have been told that the transfer to Equiniti will take place on 6th March 2017. 42 staff based in Exeter and Birmingham are affected by the transfer. Equiniti will be opening a new centre in Exeter and staff in Birmingham will be transferred to the Equiniti bereavement centre based in Kings Norton.

Key Issues

There are a number of critical issues facing staff, including:

- **Contractual Terms will automatically transfer intact to Equiniti and cannot legally be varied for two years or for any "reasons connected with the transfer".** However, once two years has elapsed, Equiniti could attempt to make contractual changes - something we have encountered with other companies to whom the Bank has previously forced staff to transfer.
- **The DC pension scheme being offered by Equiniti is far inferior to that provided by the Bank and, as a consequence, will leave staff substantially worse off.**
- **The compensation payments being offered to staff for loss of pensions and bonuses are significantly less than offered to staff during previous TUPE transfers.** For members of one of the Bank's defined benefit schemes the payments being offered by the Bank will barely cover the losses staff face over the first 12-months after they transfer. The DB scheme is worth 32% of salary per year but the Bank is offering just 20%. The Bank say it is offering members of the DB scheme the opportunity to see an IFA consultant, and whilst that's something members should take advantage of, it's not going to alter the fact that the compensation package is woeful.
- In respect of the DC scheme, staff will be between 4% - 11% worse off per year but the Bank is only offering a one-off compensation payment at the point of transfer. If staff want to maintain their current contribution payments they will have to do that from salary after year 1. So, members of staff paying in 5% now (getting 13% from LBG) will have to find 11% of salary to maintain their current contribution levels from March 2018 onwards. Most staff are not going to be able to afford to do that.

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- **The Bank's annual bonus scheme, which is worth 5% of base pay, is only being protected for one year for Grades A-C staff. So, once again staff will be significantly worse off after the first anniversary of the transfer. That's unacceptable.**
- **Staff will only be able to remain on preferential mortgage rates for 12 months following the transfer. Staff will be able to claim up to £1,500 to secure another mortgage but will not be compensated for the loss of this valuable benefit.**

Members can tell us their views on the Bank's proposed transfer terms by emailng us at 24hours@ltu.co.uk. Once we have the views of members we will then consider the Union's next steps.

Mark V Brown
General Secretary