

# Working for you in RBS



NEWSLETTER • May 2010

## Group Document Solutions (GDS) Shepshed & Livingston - TUPE Terms Announced

Following a series of meetings between Unite, Williams Lea (WL) and RBS consultations are ongoing however to date have resulted in no overall agreement being reached upon TUPE transfer terms. Whilst meetings have been broadly constructive and Unite recognise that genuine efforts have been made to maintain many of the terms and conditions of those members in scope of transfer, overall Unite remain disappointed with the TUPE negotiations and the fact that the trade union are not in a position to agree to a number of the proposed transfer terms.

### TUPE Terms

It would be impossible to cover off all the detail of the transfer terms and the discussions with WL and RBS within this newsletter, therefore the key items will be detailed. Members by now will have started to receive full briefings from WL and RBS with the opportunity to raise questions during their one to ones and in the lead up to the date of transfer which is currently anticipated as 1st August.

**Pay and Performance** – Current levels of pay will transfer. As WL pay date is the 29th of each month this would have potentially meant that members would have been waiting 6 weeks (i.e. from 18th July until 29th August) to receive their next pay, as RBS pay 2 weeks in arrears, 2 in advance. Agreement has been reached that a loan facility will be made available up to a maximum of 50% of monthly salary repayable over a 3 month period, any loan amount will be paid by WL on 18th August & they will be sympathetic to individual personal circumstances should members require an alternative arrangement. The first full monthly salary from WL will therefore be paid on 29th August. WL do not have published pay scales and historically annual pay settlements are based on a cost of living increase effective 1st April of each year. Performance reviews are carried out on a bi-annual basis in July & December. Competency based ratings apply, however they are not linked to pay for non managerial staff.

**Pensions** – The position of Pensions within TUPE legislation is that where an occupational pension exists, the receiving employer (i.e. WL) has to provide a pension entitlement up to a maximum of 6% but is not required to replicate the existing pension arrangements. WL are providing to all transferring staff a Defined Contribution Pension Scheme (“The DHL Retirement Plan”) regardless of whether staff are in the RBS Defined Benefits Scheme (Final Salary Scheme) or the Defined Contributions Scheme (Retirement Savings Plan). All staff have the option to join the scheme within one year of transfer, a pensionable allowance of 15% will be available which can be fully or partly invested into the scheme with any residual % being taken as cash. The mandatory default contribution rate is 8% however in order to ease transition into the scheme agreement has been reached on a phased contribution rate of 2% up to September 2010, 4% from October 2010 and 8% from October 2011.

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Staff can also opt not to join the DHL Retirement Plan and take the 15% supplement to be invested in a private pension or taken in part or full as cash. This 15% funding will continue to be paid in the event that individuals accept a new role in WL.

Whilst welcoming that WL are providing pension funding in excess of statutory requirements, Unite pushed hard for a compensatory payment for impacted staff who will lose their superior pension arrangement currently enjoyed as members of the RBS Final Salary Scheme. WL recognise that they are not able to match the benefits of the Final Salary Scheme however no compensation agreement was reached.

All changes and differences within the scheme, including matters around the Normal Retirement Age, Death in Service, etc will be explained as part of the communication process.

**Benefit Funding** – The existing arrangement of 10% for Clerical and Appointed and 15% for Managers will be maintained post transfer. Any member of staff who voluntarily accepts a new role with WL will transfer to WL terms, in which circumstances the funding will ordinarily be lost. Unite expressed concerns that this may discourage individuals from changing role unless they are in line for a generous promotion & remain sceptical about how benefit funding will be offset. WL confirmed that any change in role, including any consolidated increase in salary in the case of a promotion, would adequately compensate for the loss of this separate benefit funding and have agreed that no member of staff will be worse off in the event that they change role. The benefit funding will be retained in circumstances where an employee remains in their current role but makes other changes to their contract, e.g. a change to working hours.

**Bonuses** – The bonus schemes within RBS will be replaced by the existing WL scheme. All entitlements are discretionary with no fixed entitlement/upper limit for Clerical grades and up to 10% for Appointed and Management grades. Whilst the potential overall bonus opportunity compared to the existing arrangements in RBS are less, when comparing the amounts paid in RBS and WL over the previous 2 performance years the WL bonus has been more favourable. Whilst bonus remains discretionary it is not subject to the current deferral or clawback terms that currently exist within RBS.

**Sick Pay & Sickness Absence** – WL have confirmed that existing sick pay entitlement will continue post transfer and that progression of sick pay will apply unless an employee voluntarily accepts a new role in WL.

WL intend adopting their own sickness absence policy on transfer which includes discretionary payment of hours for doctors, dentist and hospital appointments, however a commitment has been given to reasonable paid time off to cover these instances in line with the RBS policy. Sickness trigger points operate based on a scoring system called the Bradford Factor which takes into account number, frequency and length of absence. Members will be aware that in RBS the sickness triggers are more than 14 days or four occasions of absence in a rolling twelve month period. The terms of any existing disciplinary warnings including those for sickness absence will remain in place post transfer. Full details of the sickness absence, disciplinary and grievance process will be made available to all staff.

**Redundancy Terms/Operational Review** – WL have stated their long term commitment to both the Shephed and Livingston sites which is welcomed by Unite, however an operational review will be carried out post transfer, the outcome of which is broadly unknown at present. WL apply statutory redundancy terms which are significantly inferior to current RBS terms but against the background of an operational review the current RBS redundancy terms will be protected for 24 months post transfer. The trade union remain disappointed and concerned that the protective terms in the event of redundancy may be reduced after 2 years as Unite consider redundancy terms to be contractual. WL have committed to engaging with Unite over their plans and any associated changes to terms and conditions as a result of the operational review and in the event of any proposed future changes to redundancy arrangements.

**Alison Maclean & Stuart Davies – Joint Lead Officers**

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**Holidays** – Overall the annual leave arrangements within WL are less advantageous than RBS however existing RBS holiday entitlements will transfer. Any member accepting a new role within WL will revert to WL holiday entitlement.

**Overtime** – Existing overtime arrangements will transfer across and will continue to apply until the operational review.

**Share Options** – As transferring staff are leaving RBS by way of TUPE transfer, you will be treated as a good leaver for the purposes of any Share Options that you currently possess, full details will be provided by RBS. WL do not operate a Sharesave scheme.

**Your Bank** – Facilities will continue for 6 months post transfer. Unite urged RBS to extend this term as a gesture of goodwill to transferring staff, many of whom enjoy the associated benefits. No agreement has been reached with RBS stating that they cannot implement such a change due to Group policy, a position that Unite do not support.

**Trade Union Recognition** – The collective agreement between Unite and RBS will transfer across to WL post transfer and Unite will be able to provide support, advice and representation, as well as continuing to negotiate terms and conditions of staff including during the forthcoming operational review and the annual pay round.

## Unite Comment

As already mentioned it would be impossible to cover off every element of the TUPE discussions and this newsletter has concentrated on the key terms and conditions of the transfer. In addition shift allowances, notice periods, maternity leave, breaks and hours per week remain unchanged on transfer. Whilst there are still some outstanding issues including mortgage subsidy Unite are disappointed that they have been unable to reach agreement on the overall package of measures. Unite urged RBS to consider a goodwill payment to transferring staff to reflect the fact that a number of the new terms are less favourable and as a gesture of thanks for their loyalty, commitment and hard work to the Group, however this has not been forthcoming.

Visits to both Shephed and Livingston have already been undertaken and further arrangements for on site visits can be arranged on request to meet with members and discuss any concerns. We would encourage all staff to make their thoughts known on the transfer terms and how they are feeling about a move to a new employer both to the trade union and to RBS and WL. Unite will continue to engage with both RBS and WL and it is therefore vital to ensure that the views of the workforce are fully considered in the run up to the transfer date. Members can also contact their Workplace Representative or the Unite RBS Helpline on 0870 241 4425 or e-mail [rbsinfo@unitetheunion.org](mailto:rbsinfo@unitetheunion.org).

Finally Unite would like to pass on a big thank you to Lucy Kitchen, Melanie Harper and Val Bidwell of RBS and to Dominic Stone, Senior Workplace Representative, for their involvement and input on the Unite negotiating team.

## Not a Member?

Join Unite's two million members and have a voice in the workplace, as well as receiving support, advice and representation, for £10.96 per month for full time staff and £4.98 per month for part time staff working less than 20 hours a week. Membership forms can be obtained by phoning 0845 850 4242 or you can join on line at [ww-w.unitetheunion.org](http://ww-w.unitetheunion.org)

**Unite RBS Helpline – 0870 241 4425**

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