

RBS Wealth Division Restructure 500 Job Losses Announced

RBS have today (2nd June) announced the headline details of their major restructure plans for the RBS Wealth Division impacting staff across Adam & Company, Coutts & Co and RBS Coutts. The restructure is a 3 year plan which could result in up to 500 job losses across the division.

Background to Announcement

In addition to the on-going financial challenges facing the Group, RBS have argued that the Wealth Division has been under-invested in during previous years and that there is a requirement to transform the business. The main plank of this transformation would be the introduction and roll out across the division of the Avaloq IT platform, currently used extensively within the Wealth operations in Europe. The Group anticipates the benefits flowing from the introduction of the Avaloq system will be efficiencies achieved through greater automation and the streamlining of support and operations functions. The introduction of the new IT platform will ultimately result in as many as 500 less staff working within the Wealth Division in the U.K.

Details of Announcement

UNITE have had initial high-level consultations with Senior Management within RBS Wealth regarding the impact of this latest announcement. The precise details and the full consequences of the restructure are unclear at present; however the initial and first phase of the announcement will impact staff within Adam & Company. UNITE do not currently have recognition for the purposes of collective bargaining within Adam & Company, therefore the bank will be creating an Employee Consultative Body (ECB) to consult directly with members.

The exact details of the impacts upon Coutts & Co and RBS Coutts are still being worked through and RBS will continue to consult with UNITE throughout this process. As this is a 3 year restructure programme, initial implications of this announcement upon Coutts & Co and RBS Coutts are unlikely to be known until at least late 2010, early 2011.

Next Steps

UNITE welcomes the bank being up front in respect of the full potential impact of this announcement, rather than drip feeding individual announcements; however this restructure represents a sustained period of uncertainty for members within RBS Wealth. UNITE will be making direct contact with its members working in Adam & Company, to offer support and advice, both in terms of their individual situation and collectively should they decide to stand for the ECB.

UNITE will communicate again with members within Coutts & Co and RBS Coutts once the detail of the restructure begins to develop.

Managing Reductions

The bank has confirmed that members of staff who are placed at risk of redundancy will have the opportunity to volunteer for redundancy and the bank is committed through ongoing engagement with UNITE, where the union is recognised for the purposes of collective bargaining, to avoid wherever possible Compulsory Redundancies (CRs) by seeking redeployment opportunities for any member of staff who wishes to remain with the Group.

UNITE has agreed a number of redundancy mitigation measures to further reduce the potential for CRs, full detail of these measures will be provided to employees, if and when they are placed at risk during this restructure. For those who do leave the bank's employment, full outplacement support will be provided.

Unite Comment

The announcements within RBS Wealth represent another RBS Group restructure which will result in a number of members no longer working for the Group and exiting the organisation via redundancy. Whilst RBS would argue that this restructure would have been undertaken regardless of the difficulties being faced by the Group, the announcement will result in more staff that the Group recognise bear no responsibility for the crisis that has faced RBS in the last 24 months, losing their jobs. Whilst the bank have confirmed their commitment to avoiding CRs wherever possible, there exists a significant concern in terms of this announcement given the scale of the restructure.

UNITE remains completely opposed to all CRs and will seek to do everything possible to ensure that members who wish to remain with the Group post re-organisation are given every opportunity and support to do so. UNITE believes that the timescales governing this restructure over 3 years, provides an opportunity for the bank to work creatively with UNITE to avoid CRs and the union will continue to hold the bank to account in respect of the outcomes of this announcement.

If members have any concerns or queries regarding the announcements, these should be directed in the first instance to your line manager; however in the event that this proves unsatisfactory or the query remains unresolved, you can contact the union either by phone on 0870 241 4425 or email rbsinfo@unitetheunion.org.

UNITE Updates

If you would like to receive regular updates electronically from the union, please e-mail from your preferred e-mail address to rbsinfo@unitetheunion.org.

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