

# Working for you in RBS

NEWSLETTER • July 2010



## **BUSINESS SERVICES – RESTRUCTURE OF GROUP OPERATIONS JOB LOSS ANNOUNCEMENTS AND SITE CLOSURE LIVERPOOL PRINCES DOCK**

In April 2009 the Royal Bank of Scotland Group announced a global reduction of 9000 jobs across its Business Services Division, 4500 of which would be in the UK. A number of restructures and announcements have taken place in the period from April 2009 as the bank continues to implement and roll out its Strategic Review across the Group.

Following recent consultations with Unite, the bank has today announced the specific impact of the withdrawal of GTS Operations from the site of Liverpool Princes Dock, together with job losses and migration of work from three sites - Glasgow St Vincent Street and West George Street and Farnborough Abbey House (DMFO).

These announcements will have an impact on 500 staff and could result in as many as 377 job losses in permanent roles in the UK.

### **Impact of Restructure and Rationale**

The restructure will impact the Debt Management & Fraud Operations (DMFO) and Global Transaction Services (GTS) Operations functions. The proposals centre around the bank's objective to achieve efficiencies by consolidating the number of sites where similar activity is undertaken which applies in the case of DMFO in Glasgow and Farnborough. The withdrawal from Liverpool Princes Dock is driven by automation of payment processing work which is also currently carried out at a further 2 sites in Leeds and Manchester.

### **Withdrawal from Liverpool Princes Dock**

The bank is taking the opportunity to reduce costs and create efficiencies by closing their GTS Outward Payments Centre at this location. The bank has advised that 2 key automation strategies have driven these changes. "Enhanced Data Capture" which allows customers to make internet and telephone payments and "Maximising Bankline", which is the self service channel for Corporate clients. This has resulted in decreasing volumes of manual processing work, the outcome will be the loss of 128 roles impacting all staff on site with a small number of roles transferring to Manchester RCSC.

### **Migration of DMFO work from Glasgow and Farnborough**

#### **Glasgow Impact:**

There has already been much activity impacting members in Glasgow as a result of the ongoing strategic review. This latest announcement impacts the Security & Fraud (S&F) Teams and the Collections Centre in 2 Glasgow City Centre locations, around 140 employees and a number of agency staff are impacted by these changes.

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The work currently undertaken by the S&F (Ops) Team will transfer to Edinburgh Drummond House by Quarter 4 2010. The S&F work for Tesco Bank currently undertaken as part of the Commercial Services Agreement will remain on site until such times as it transfers to Tesco. For those eligible to do so there is an opportunity for redeployment to this area which will be facilitated by pooling and by matrix selection, further detail of which will be provided to you by the bank.

The Collections Centre work will be absorbed across other DMFO sites, again by Q4 2010. Employees who currently support Tesco bank in this specific area are out of scope and therefore not at risk of redundancy. They will transfer on a temporary basis to George House Glasgow until such times as the work fully transfers to Tesco Bank. Further information will be provided to these individuals by the bank at the relevant time.

All S&F roles transferring to Edinburgh will be available on a 12 week trial basis to impacted staff who wish to consider moving work location with travel assistance up to a maximum of £10 per day being available. However the bank will open a Voluntary Redundancy/Voluntary Early Retirement (VR/VER) register for all impacted staff in the first instance to minimise the impact of Compulsory Redundancy (CR).

### **Farnborough Impact:**

Around 166 permanent staff are impacted. The bank will move the work currently undertaken by the S&F Team to Southend DMFO. The migration of work will be undertaken in 3 phases over approximately 10 months commencing in September 2010 and ending June 2011. The roles transferring to Southend will be offered to impacted staff however it is not anticipated that many will transfer and the bulk of the work will be absorbed in Southend. The agreed travel and relocation allowances agreed as part of the Redundancy Mitigation Measures will be available in circumstances where any staff wish to take up this option.

### **Managing Reductions**

The bank has confirmed that a VR register will be opened for all at risk staff to provide the opportunity to apply for VR from the outset. In addition the bank is committed through ongoing engagement with Unite, to minimise the impact of CR 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 all at risk employees in their Employee Communication pack and should be discussed in detail with line management in the first instance. In certain circumstances help with additional travel costs will be considered where an alternative role has been identified but is not within reasonable travelling distance. The bank will also give consideration to voluntary role reduction where an opportunity may exist for a member of staff who is at risk to consider taking a downgrade in role subject to availability of roles. A voluntary reduction in working hours may also be considered. For those who do leave the bank's employment, full outplacement support will be provided.

Unite has also agreed a set of Voluntary Job Matching (VJM) principles with the bank. After the outcome of the initial VR selection and pooling exercise (where appropriate) are known, the potential number of CRs will become clear. At that stage roles that are not at risk but which have broadly similar location, skills, competencies etc may be considered for the purposes of job matching. Discreet populations of staff may then be approached to ask them if they would be interested in opting for VR in an attempt to save another colleague from being made CR. The bank has committed to engaging further with Unite to discuss the potential for VJM after the VR and pooling selection outcomes are available.

### **Next Steps**

Over the coming days and weeks members will attend 1:1 meetings to discuss how the various restructures outlined in this newsletter impact upon them. All those at risk will have the opportunity to opt for VR or redeployment, however the bank reserve the right to decline VR, e.g. if they are oversubscribed by volunteers or if there is a requirement to retain skilled staff. Unite however do not support a position where VR is declined when other members of staff may be at risk of CR.

Unite will also be holding workplace surgeries at all impacted sites in the coming weeks, details of which will be provided to you by local management or via your local workplace representative.

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## Unite Comment

This announcement confirms the worst fears for impacted staff across Business Services Operations during a period of continued anxiety which has been ongoing now since April 2009 with no end in sight. The level of potential CRs resulting from these announcements is hugely disappointing and is a bitter blow to those who are directly affected as well as to all staff who are working tirelessly through the ongoing difficulties that the Group faces. As mentioned Glasgow has already borne the brunt of previous job loss announcements and there is now real concern about the future of the impacted Glasgow and Farnborough sites. In this regard the bank are unable to offer Unite any reassurances about the future plans for these locations at this time but have given a commitment to engage with all staff and the trade union at the earliest opportunity to provide clarification.

Unite retains a position of complete opposition to CRs and urges RBS to undertake every conceivable measure to avoid CRs. Your trade union welcomes the commitment from the bank to work with Unite to avoid any such redundancies.

Whilst our immediate concerns are focused on those staff impacted, Unite also have concerns for those staff that will remain post restructure. During consultations, your trade union explored further the business rationale for the proposed headcount reductions in some detail and expressed great concern about the various "Lean" practices that are now driving efficiencies both for remaining staff and those who will lose their jobs as a direct consequence.

The bank advised however that whilst they recognise the challenges that lie ahead, they are confident that for the most part roles can be absorbed and this will not adversely impact upon workloads with staff being fully supported and trained in learning new skills which allow them to develop in their roles. The bank has also committed to ongoing dialogue with Unite, where we will have an opportunity to raise any such concerns.

Unite do however have remaining concerns given the proposed headcount reductions that there is a real prospect of CRs. Therefore any members at risk of redundancy who wish to remain with the Group and feel they may have been unfairly selected for redundancy, feel that insufficient efforts are being made to support redeployment or have concerns regarding the selection pooling exercise (Glasgow only) should contact Unite for support, advice and where appropriate representation. If members have any queries that management are unable to respond to regarding the announcement and the impact upon them they should contact the RBS Helpline or speak to their local workplace representative. Unite will do everything possible to ensure that any members impacted who wish to remain with the Group, ultimately continue their employment with RBS.

## 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 [www.unitetheunion.org](http://www.unitetheunion.org)

**Alison Maclean & Stuart Davies – Joint Lead Officers**  
**Unite RBS Helpline – 0870 241 4425**

