

GLOBAL INFRASTRUCTURE SERVICES (GIS) & GLOBAL DEVELOPMENT SERVICES (GDS) REDUNDANCY OUTCOMES AND VOLUNTARY JOB MATCHING (VJM) PRINCIPLES ANNOUNCED

Following the announcement by the Group on 2nd September of the loss of a further 3500 roles within the Business Services Division and the subsequent consultations that took place on TS GIS, GDS & Risk & Security in Q4 2010, the bank has recently announced the outcome of the pooling and voluntary redundancy/voluntary early retirement (VR/VER) selection exercises as well as the detail of a new and improved set of VJM principles for members in TS.

GDS Outcomes

Members will be aware that the majority of the headcount reductions in GDS impacted Project Management, Testing, Application Development and Business Support roles and will largely be realised by changes to the target operating model in the UK as well as the transition of roles to offshore locations. A total of around 270 permanent UK GDS will be lost.

Around 650 permanent UK GDS staff were placed at risk of redundancy as a result of these changes. Of those impacted virtually all applications for VR/VER have been accepted, with a very small number of declines due to oversubscription in the Project Management pools. No applications for VR/VER were declined due to a desire to retain skills and there are therefore no VR declines in a pool where CRs exist. Although the vast majority of VR/VER applications were accepted, there remains a high level of potential CRs.

GIS Outcomes

The GIS impact was larger and arguably more complex with an anticipated reduction of 580 roles resulting in a large number of discreet pooling arrangements. Around 870 permanent UK GIS staff were placed at risk of redundancy again mostly all VR/VER applications were accepted with minimal declines due to oversubscription

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and being in scope of TUPE transfer. Again there remains the very real potential for CRs, with the majority of all CRs arising directly as a result of offshoring activity.

TS Security & Risk Outcomes

Of the 11 roles directly impacted, all those who applied for VR/VER have had their request accepted and the number of potential CRs remains at one role.

Voluntary Job Matching (VJM) – Background & Summary of Current Position

At the time of the first tranche of the Business Services 4500 UK job losses in 2009, Unite pressed RBS to consider job matching roles in an effort to minimise CRs. The basic principle around job matching is to match the role of an individual who wishes to be redeployed and is at risk of CR to the role of another who is in a non impacted role but who may express a desire to leave the bank's employ. At senior level management were very keen to emphasise their commitment to do everything possible to minimise CRs, however the reality at that time was that Unite do not believe that the bank acted quickly enough, instead taking a reactive approach to the idea of VJM.

By the time these VJM principles had been agreed after months of consultation, a number of members in TS who were subject to the first tranche of the TS Strategic Review and other members across the Group had already left the bank, in a number of cases these individuals were made CR. Had a set of VJM principles been agreed earlier then undoubtedly some compulsory redundancies could have been avoided.

When it became clear that TS would be impacted by further job losses, Unite challenged RBS to extend further the existing principles around VJM in a bid to minimise CRs in line with the Group's stated commitment. The other factor which undoubtedly played a key part in the bank agreeing to adopt a more committed approach to the VJM process in TS was that for the first time the job losses announced in September 2010 as part of the 3500 UK reduction in roles would see RBS directly offshore a significant number of its permanent UK TS roles to overseas locations. Unite made it clear to the Group that we would not tolerate our members being made CR as a direct result of offshoring activity, members were furious that once again TS had taken a significant hit and the trade union re-emphasised our long standing policy of complete opposition to offshoring and any resulting redundancies.

In the years and months leading up to this announcement Unite had seen much anecdotal evidence from its TS members that this was a direction which the Group were planning to take. Time and again the bank denied that roles were effectively already being offshored via the back door and whilst the eventual announcement that roles would be lost in the UK as a direct result of offshoring was devastating, it confirmed both Unite's and our members worst fears and at least gave us some long awaited clarity on the Group's longer term plans.

On numerous occasions the trade union had pushed the bank to sign an Offshoring Agreement and to take a proactive approach to the management of any offshoring activity, as Unite were pragmatic and realistic enough to know that it was only a matter of time before such activity was announced. However, the bank continually asserted that they could not commit to a Group wide Offshoring Agreement which would have at its core a commitment to no CRs.

Since the further job loss announcements in GDS, GIS & TS Security & Risk in Q4 2010 and taking into account the outcomes of the preference exercise that was undertaken in TS at that time, Unite has been involved in extensive dialogue with the bank in order to ensure that any VJM process is fit for purpose and that everything possible is done to minimise CRs. As detailed above, even taking into account and welcoming that all VR/VER applications with minimal exceptions have been accepted, there currently remains the potential for as many as 400 CRs in TS. The good news is that the bank has already identified a number of alternative roles with around 100 TS roles coming into the UK as well as a number of TS staff in non impacted roles who have expressed a preference to leave the Group and enter the VJM process. This means that all non at risk applicants who previously expressed a preference to enter the VJM process will now be able to enter the process, with all roles being made available to those at risk of CR.

TS VJM Principles

The specific detail of the extended VJM principles is complex and it would be impossible to go into full detail in this newsletter. However, there are a number of underpinning guiding principles as follows:

- All applications to enter the VJM process will be accepted from in scope areas. (TS Insurance, Change Management and those in scope of TUPE transfer are excluded).
- Access to the VJM Process will take place when individuals are served notice which should assist those with the most immediate exit dates.
- VJM is an additional mitigant over and above the existing Group redeployment process and any previously agreed redundancy mitigation measures which will remain available to all at risk staff.
- There will be no pre-screening or matching of members to roles, all roles will be available and will be subject to the normal Group process including short-listing by line manager and competency based interview.
- Trial periods will in most cases default to 4 weeks to minimise uncertainty and disruption. Any individual who has either not been selected for a role or who feels that they have unfairly failed the trial period will be given the right of appeal in line with the normal grievance process. Additional training, coaching and support will continue after the successful completion of a trial period to ensure long term success in the role.
- On committing to a trial period, individuals will ordinarily no longer be eligible for further VJM opportunities, in the majority of cases it is expected that only one trial period in role will be achievable. However if the trial period is unsuccessful and within the timescales of the notice period a further trial period is feasible, then individuals may be eligible to make a further VJM application and this will be considered on a case by case basis.
- A VJM Assurance Panel will review all VJM trial periods and will share outcomes with Unite on an ongoing basis. The role of this Panel is to ensure that the process is consistent, fair and equitable and that all VJM opportunities have been fully considered and supported. This should provide reassurances to both the individual at risk of CR and the VJM applicant in the non impacted role including regularly identifying remaining CRs and ensuring all potential VJM opportunities have been fully explored.
- The exit date of CR individuals will not coincide with the end of the trial period in the event that the trial period is unsuccessful, the exit date will normally extend to a further 2 weeks. On successful completion of the trial period the VR application of the VJM applicant will be accepted and ordinarily Pay In Lieu of Notice will be paid. The CR individual will then have notice withdrawn and will be appointed into the VJM role.
- Appointment into a VJM role is subject to the successful completion of the Future Leaders/Leading Leaders Programme as appropriate. This should be factored into trial periods/exit dates with adequate time, coaching and support provided to undertake the accreditation successfully.

Timescales & Next Steps

From the beginning of March those at risk of CR will be given an opportunity to register their interest in the VJM process. Those in a non impacted role who indicated during the previous preference exercise that they wished to make their role available will also be asked to confirm that they are still interested in entering the process at which point their job description will be loaded onto Sharepoint to be accessed by the CR population. The VJM applicant will be kept updated on any interest in their role throughout the process and when an individual has been identified to undertake a trial period. Clearly the individual at risk of CR and the VJM applicant will require to work closely during the trial period with the preferred outcome being the successful completion of a trial period for both individuals. However both those at risk of CR and the VJM applicant can ultimately withdraw from the process at any time with consequential impact to the other party.

Only at the point where a CR individual is served their formal notice can they enter into the VJM process and start applying for VJM opportunities. This was the subject of much debate during consultations as it was felt that taking into account phased exits which will extend into 2012, potentially those with earlier exit dates and in more immediate need could have an unfair advantage with the lion's share of available roles to apply for. However it could also be viewed that those with later exit dates have a longer period of time to access mitigants, may manage more than one trial period in role and that proportionately there may be fewer people applying for remaining roles as the phased exit of roles progresses.

Unite Comment

It has been a long and difficult consultation process to reach broad agreement on the VJM principles outlined above. Whilst Unite welcome the position reached around VJM and the significant progress that has been made throughout the VJM consultation process, we remain acutely aware that the process is a tool to manage and minimise the number of potential CRs and that the process is fraught with no guarantees of success.

Therefore both members at risk of CR and those in non impacted roles who enter into the VJM process could ultimately be disappointed. The VJM Assurance Panel will act as a conduit through ongoing engagement with Unite and their role is to do exactly what is suggested by their title, for example to ensure that questions are asked around why a trial period may have failed or why what on paper looks to be a very viable matching opportunity has never come to fruition. There will be checks and balances throughout the process and clearly given the lengths that Unite have gone to in ensuring that this process was adopted, we will be robustly monitoring its success or otherwise.

Even if we ended up in the very unlikely situation where all potential VJM opportunities were successful and also taking into account the further 100 roles that are being brought into the UK from the Amstelveen Data Centre, the number of potential CRs could still remain in excess of 200. We have already therefore highlighted to the bank that we would fully expect them to look at doing another round of VJM and opening this to further applicants from those who have either been excluded, or those who did not previously register an interest in the VJM process as part of the initial preference exercise.

The continued use of contractors is also an issue that has been discussed extensively with the bank and they have given a commitment to looking at minimising the use of contract staff in Change Management which could extend the tenure of an at risk member for a maximum of 18 months. Unite has also highlighted the high number of contractors that are being used in the Global Banking Markets TS function and we will be continuously pushing the bank throughout this process to really do everything possible and to think even further outside the box to achieve their stated commitment of minimising CRs.

Overall Unite are confident however that we have the foundations of a potentially successful set of VJM principles and clearly we welcome the position that has been reached. If we can even save a handful of CRs then this exercise has got to have been worth it.

Whilst this newsletter heavily focuses on the VJM process which is equipped to support those at risk, clearly and as articulated in previous newsletters, Unite have remaining concerns for those members who will be left behind and be faced with the challenges of the new global operating model. Many questions and concerns remain about the new operating model and Unite will have an opportunity to meet with the bank to discuss the future of TS in the UK. It is therefore vitally important that you make your views known both to the bank and to Unite, your views will help inform next steps and future dialogue with the bank.

Alison Maclean, Joint Lead Officer for the Unite RBS Section will be in attendance at both the TS Aldgate and Edinburgh Dundas/Fettes Branch Meetings on 8th and 15th March respectively. All members are encouraged to come along to these meetings.

If members have any questions or concerns regarding the outcomes of the pooling selection or VJM process they should be directed in the first instance to your Line Manager; however in the event that this proves unsatisfactory or the query remains unresolved please contact your TS Workplace Reps, the Unite RBS Helpline on 0870 241 4425 or email rbsinfo@unitetheunion.org

Unite TS Workplace Reps:

ALDGATE: Harriet Culkin (Senior Rep), Albert Hall, Cheryl Aldridge, Paul Hobday, Greg Oakes, Jennie Spill and Suk Bryan

FETTES/DUNDAS STREET: Sharon Orr, Kevin Benassi and Stephen Jenkinson

Unite Representatives

Unite has recently signed a new and improved Unite Representative Agreement with the bank and is always seeking members to take on one of the four Unite Representative roles, i.e. Workplace, Union Learning, Safety and Equality. Any Unite members interested in finding out more about becoming a Unite Representative please contact the Unite RBS Helpline or email rbsinfo@unitetheunion.org

Unite Updates

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

Not a Member?

Join Unite's one and a half million members and have a voice on this and other issues, as well as receiving support, advice and representation for £10.96 a month for full time staff and £4.98 per month for part time staff working less than 21 hours a week. Membership forms can be obtained by phoning 0845 850 4242 or emailing rbsinfo@unitetheunion.org plus you can join on line at www.unitetheunion.org

Stuart Davies & Alison Maclean – Joint Lead Officers

Unite RBS Helpline – 0870 241 4425

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