

Working for you in RBS



A Guide to Redundancy

The Job Security Agreement (JSA) is an agreement that exists between the trade union and the bank and covers the arrangements in place and the bank's obligations in the event of a redundancy situation. Its primary objective is to ensure that any reduction in headcount is handled lawfully, fairly and in line with bank policy as well as ensuring that every effort is made to minimise the number of Compulsory Redundancies.

The bank is legally obliged to consult with UNITE in advance of announcing any job losses. Whilst Unite engage in often extensive dialogue with the bank this in no way means that we are in agreement with their proposals. Unite's key objectives during such consultations are to challenge, question, input and influence the bank's plans and to ensure they are fulfilling their obligations under the terms of the JSA.

It is the bank's responsibility to outline to members how they will be impacted by any job loss announcement which usually takes place initially as part of a general announcement which is then followed by a one to one meeting to give more specific detail of how members are personally impacted. The union's role is to assist, advise and support members through these changes and to ensure that they are treated in line with the JSA.

In the event of being put at risk of redundancy, the specific impact on an individual will be dependant on the circumstances of the restructure. Members will normally be given the option to select Voluntary Redundancy or Voluntary Early Retirement if eligible, or Redeployment.

Voluntary Redundancy/Voluntary Early Retirement (VR/VER) – As mentioned all at risk members will be given the option to apply for VR/VER, however the bank do reserve the right to refuse VR/VER, for example if a suitable alternative role exists or they are oversubscribed with volunteers for redundancy.

Redeployment – This is the term used if you wish to apply for other roles within the Group and do not want to opt for VR/VER. The bank must actively support individuals in this process and the union will also provide support and assistance. Individuals will be considered for both Suitable Alternative Employment (SAE) and Alternative Employment (AE). Members may also decide to apply for roles outwith the Group in which case they are entitled to reasonable time off for interviews and outplacement support.

Selection Pools – Individuals will be placed into a selection pool where the role is continuing, there is no substantive change to the role, but there are fewer roles in the new structure. In these circumstances selection for the new role would be undertaken by matrix selection which takes into account the skills and competencies for the roles as well as the previous 3 year's performance ratings. A scoring system is used to determine the outcome of the selection process for the remaining roles; an interview may be required in the event of a tie in the scoring. Selections may be avoided where sufficient volunteers have been identified and the volunteers would be confirmed before any selection process commences.

Role is Displaced – Other members may find that their role does not exist at all in the new structure in which case the role is displaced outright.

What is Suitable Alternative Employment? (SAE)

This is where a member secures another role within RBS, maintaining their present salary and benefits, or equivalent. The new role will also be similar to the role that is being made redundant in terms of the skills, competencies and location of the role.

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What is Alternative Employment? (AE)

This is where a member takes on a role at a different grade, in the case of a role at a lower grade their current skills or knowledge may not be used to full potential or in the case of a promotion they may require a period of training to undertake the new role. A role at another work location outwith reasonable travelling distance (40 miles/one hour from home location) is also considered as AE as is a role that is not continuing on a permanent basis. A role at the same grade, salary, benefits and location can also be considered AE where the job content and competencies to undertake the role are significantly different. Individuals are under no obligation to accept AE, they will be given a trial period in the alternative role and if it doesn't work out they are still entitled to redundancy.

Employees accepting AE and taking a downgrade will also be compensated for any loss of earnings, this will be done either as a lump sum payment or part lump sum and/or part paid in equal instalments depending on the difference between the old salary and the new salary.

Redundancy Mitigation Measures

These measures include travel assistance, relocation assistance, voluntary role reduction, part-time/short time working and small business funding. Unite has also agreed Voluntary Job Matching principles with the bank, where in the event of an individual facing compulsory redundancy (CR), there may be an option if that member wishes to be redeployed to match them into a role of a non at risk member of staff.

Appeals against Redundancy

Members can appeal if they believe they have been unfairly selected for redundancy on the basis of failure to follow the terms of the JSA or if they believe they have been unfairly scored or any part of the selection process has been unfair. Appeals will also be considered where a member has been served notice of CR and VR applications from the same area have been declined.

CR should therefore happen only as a last resort and the bank has given an ongoing commitment to Unite to ensure that wherever possible all efforts are made to avoid CRs.

Severance Terms

The severance terms (redundancy terms) for all RBSG employees are 3.5 weeks per year of service capped at 104 weeks.

Employees who are members of one of the Group Defined Benefits Pension Schemes and are over the age of 55 can either opt for a discounted pension or leave their pension deferred and receive 3.5 weeks pay per year of service again capped at 104 weeks. Alternatively they can take an immediate undiscounted pension and a severance payment based on one weeks pay per year of service capped at 80 weeks or statutory redundancy which ever is the greater. Employees under the age of 55, but 50 or over can also opt for an immediate undiscounted pension and the severance payment detailed above, providing that they leave the employment of RBS on Voluntary Redundancy.

If you are facing redundancy then the above information will hopefully provide a summary of the key vital information that members will need to know. It is however important that you ask questions or make any concerns known to local management in the first instance and if the matter remains unresolved then please contact our Helpline on 0870 241 4425 or email us at rbsinfounitetheunion.org.