

Working for you in Royal Bank of Scotland Group

NEWSLETTER • August 2011



JOB LOSS ANNOUNCEMENT CLOSURE OF MILTON KEYNES – CORPORATE SERVICE CENTRE (CSC)

Following the announcement by the Group on 2nd September 2010 of the loss of a further 3500 roles within the Business Services Division, today the Group has confirmed the specific impact at Milton Keynes. The CSC will close mid 2012 with the loss of 170 permanent and 6 temporary Corporate & Specialist Services (C&SS) roles.

Background to Announcement & Rationale

Since the start of the bank's ongoing Strategic Review a staggering 22,500 UK jobs losses have been announced across the Group. Within Milton Keynes today's announcement confirms the specific impact on members working within C&SS where operations will withdraw from the site with the majority of the work migrating to the bank's retained sites at North of England Bolton CSC and a smaller amount of work moving to the Scotland CSC in Edinburgh.

The migration of work to these retained sites confirms the bank's strategy to consolidate activity and to maximise savings on building costs as outlined by Ron Teerlink at the time of the announcements last year. The migration of work from Milton Keynes will reduce the number of CSCs from 4 to 3, with Milton Keynes being chosen for closure due to its relatively small scale operation which is currently operating under capacity at around 40%, with no other Group operations sharing occupancy of the site.

In addition the bank assert that reduction in call volumes by around 40%, investment in automation and centralising roles in larger teams across remaining sites will achieve some headcount efficiencies, with a reduction of around 15 fte being realised.

Impact of Changes

All staff on site are impacted by today's announcements and will therefore be placed at risk of redundancy. The work will migrate in phases from January to April 2012,

with around 30 fte of work possibly migrating to Scotland CSC as early as this month. Employee exits will take place between January and April 2012 with the site closed by the end of June 2012. The bank also advised that whilst they are withdrawing their operations from the centre, the lease on the property does not expire until 2021 and the building may therefore be used in future as a contingency site to undertake non related C&SS work

Managing Reductions

All those at risk will have the opportunity to opt for VR/VER or redeployment. The nature of these announcements culminating in the migration of work to retained sites means that all impacted staff will find themselves displaced outright, i.e. the role ceases to exist. If you do not wish to apply for VR/VER, then Unite will support you through the redeployment process. The bank will advise further of the specific impact on your role during one to one meetings.

The VR/VER window for all staff will be open for a period of 2 weeks post employee communications, with the bank recognising that in some cases this may need to be extended due to the summer holiday period. The preference survey exercise undertaken late 2010 pointed to a high number of staff expressing a preference to opt for VR/VER. However the bank will engage further with Unite on the final selection outcomes, including opportunities for redeployment and any Voluntary Job Matching (VJM) opportunities.

All impacted staff will be given the opportunity to move with the work to retained sites, though it is recognised from the preference survey exercise that it is unlikely that many staff will do so. Unite has also agreed a number of additional enhanced redundancy mitigation measures to further reduce the potential for CRs. Full detail of these measures were previously provided to members in a separate Unite newsletter, can be viewed on the RBS web pages at www.unitetheunion.org and are also available on the bank's Strategic Review website. These improved measures will also 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.

During consultations the bank advised that some staff have already been redeployed within Corporate Banking and this is very much viewed as a natural progression for C&S staff. The bank are in the process of identifying further roles that may be available to at risk staff, however it is recognised that redeployment opportunities in the Milton Keynes area itself are limited with the recently announced closure of the Private Banking Centre in the area. In addition, the Group's operations in the surrounding London & Eastern region has already been hit by the ongoing Strategic Review.

Members who are redeployed and who transfer to another work location may be eligible for a £5000 lump sum payment and payment of additional travel costs. If any members decide to relocate permanently they may be eligible for relocation assistance subject to meeting the necessary payment criteria for all support measures. For those who do leave the bank's employment, full outplacement support will be provided.

On a more positive note, the external employment market in Milton Keynes looks potentially more promising and the bank will undertake Career Fairs where impacted staff will have an opportunity to meet external employers and find out about job opportunities that may be available. The bank has advised should individuals wish to leave the bank's employ prior to their final exit date to take up an external career opportunity, then wherever possible these requests will be considered positively. At the same time the bank has committed that those who are at risk of CR who wish to be redeployed within the Group will have later exit dates to ensure they have the best opportunity to secure a role.

The bank gave a commitment to further dialogue with Unite throughout the consultation period, including reviewing the employee choices following the closure of the Voluntary Register to discuss the support that can be provided to employees who are at risk of CR.

Unite Comment and Next Steps

Since the announcement last September of a further 3500 job losses within Business Services, Unite has been involved in ongoing consultation with the bank and has supported our members as they continue to endure a significant period of change and uncertainty which will ultimately result in job losses as the bank continue to close operational centres and migrate work to key retained sites.

Unite also stressed that once again the majority of the roles being lost were at the lower Clerical grades, a trend that continues across the majority of the Business Services restructure announcements, as our members who bear no responsibility pay the ultimate price for the bank's failures. The impact of the closure of the Milton Keynes site does not just affect all members and their families but will also be felt by the local community. The nature of these losses results in jobs and skills potentially being lost forever from an area where RBS had been a major employer.

Unite has also asked a number of searching questions about the bank's new operating model and the ability of staff at remaining sites to often absorb work from other sites and to meet the challenges of an ever changing and demanding workplace. The bank assert that the use of alternative customer channels, automation and the "Lean" programme have realised these efficiencies which will allow the bank to get back to stand alone strength.

Since the announcement of the 3500 job losses, Unite has been undertaking an extensive site visit programme across all of the impacted Business Services locations and has already met many members at Milton Keynes. A further visit to support impacted members will be undertaken on Wednesday 10th August, further detail will be provided to members at local level. Our Unite Workplace Representative Tammy Ann Mouton Carballo who is based on site can also provide support, guidance and advice on an ongoing basis.

The bank has committed to ongoing dialogue with the trade union and has stressed that they are actively engaging with all staff. 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.

If members have any questions or concerns regarding these latest announcements 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 local Workplace Rep, the Unite RBS Helpline on **0870 241 4425** or email **rbsinfo@unitetheunion.org**

Unite Representatives

UNITE last year concluded negotiations with the bank on a new and improved UNITE Representatives Agreement. We are 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

It is also important that members ensure that your membership details are up to date and accurate, i.e. home address, workplace address, whether you are full time or part time etc. If you believe that your membership details are out of date, please also e-mail rbsinfo@unitetheunion.org with your updated details, alternatively you can contact your local District Office by phoning **0845 850 4242** or logging onto 'My Unite' at the website www.unitetheunion.org where you can update your own details.

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 emailing rbsinfo@unitetheunion.org or phoning **0845 850 4242** plus you can join on line at www.unitetheunion.org



Alison Maclean & Stuart Davies – Joint Lead Officers

Unite RBS Helpline – 0870 241 4425