

# UNITE newsletter



Unite – Working for **YOU** in the Royal Bank of Scotland Group

August 2010

## RBS INSURANCE – SITE RATIONALISATION PROGRAMME ANNOUNCED

**On Thursday 26th August, RBS announced their intention to reduce the number of operational RBS Insurance sites to 13 which will result in the withdrawal over a period of three years from four towns/cities as well as the closure of a number of operational offices in towns where RBS Insurance currently has more than one operation.**

### BACKGROUND TO ANNOUNCEMENT

The bank has pointed to an increasingly tough economic environment and competitive market place impacting the profitability of the Insurance Division, with recently reported half year losses of £253 Million compared with the large profits posted less than two years ago. They are now looking to create Centres of Excellence to become

more cost effective and competitive in advance of the future divestment of the Insurance Division.

Members will also be aware of the announcement of 2000 job losses in May of this year followed last month by confirmation of the first tranche of 600 losses, with the significant impact in Nottingham Avalon Court and NIG Personal Lines in Peterborough.

Paul Geddes committed to providing an update on the site strategy for

the Insurance Division back in May and these latest announcements confirm the Division's plans for the consolidation of Insurance sites.

### IMPACT OF CHANGES

RBS Insurance currently has an operational presence in 17 towns and their proposal is to withdraw their presence in four towns and to consolidate their operations in towns where they currently have more than one site, reducing the overall number of operational sites in the UK to 13.

The closure and consolidation of properties will be phased over a three year period (2010 – 2013) and the following sites are in scope of the closure programme:

2010	2011	2012	2013
Nottingham Q4 Peterborough (Part 1)	Glasgow Atlantic Quay Q1 Peterborough (Part 2) Ipswich Churchill House Q3 Romford Q4 Bristol St James Q4 Croydon Coombe Cross & Edridge Road Q4 Cardiff Q4	Birmingham Harbourne Rd & Brindley Place Q1 Peterborough (Part 3) Bristol Cathedral Square Q4	Farnham Q3 London Crown House Q4

RBS will remain at all other locations not detailed overleaf, they will also retain a presence in Central London however the current location of Crown House is under review and is yet to be decided. ARCs, Tracker, NIG, Devitt, Accident & Repair Centres and International Offices are excluded from the bank's proposals. NIG Packages (Peterborough) will also remain however the future site location is not yet known.

At this stage the bank have been unable to give neither a detailed analysis of their proposals nor an accurate indication of overall headcount reductions due to the future changes and movement in sites and individuals. For example in a town one function may withdraw, another may increase with movement of staff between towns and remaining locations that are geographically close.

Unite has requested further clarity on the site by site plans and impact on headcount reduction and have urged RBS to clarify the position to all staff across RBS Insurance as a matter of urgency. There is now a clear concern that the number of job losses could exceed the 2000 announced in May of this year. In addition the bank has previously stated their intention to offshore 500 back office jobs and it is unclear whether offshoring activity will feature as a result of the site consolidation plans.

### **NEXT STEPS**

As mentioned in previous newsletters RBS are not formally consulting with Unite on the overall programme of change due to the fact that the trade union are not recognised across the majority of the Insurance Division for the purposes of Collective Bargaining. The bank have stressed that their proposals outline current thinking and could be subject to further challenge

and review. At this stage they therefore wish to commence early engagement with all staff across the Division to outline their plans as opposed to starting the formal consultation process. Once the more detailed impact is confirmed they will consult via Employee Representative Bodies (ERBs), however Unite will maintain dialogue with the Group regarding these changes including proposals for mitigating the impact of redundancy. ERB members who are Unite supported candidates will receive full support and assistance throughout the consultation process. Once the detailed impact is known Unite will communicate further with members across the Division.

### **UNITE COMMENT**

Members across RBS Insurance and the wider Group are sadly no strangers to what appears to be never ending bad news. Whilst Unite welcome the bank being up front at an early stage over their plans there remain many outstanding questions and clearly members and all staff across the Division will be very anxious to understand what these changes mean for them personally.

As previously mentioned RBS point to tough trading conditions and a competitive market as the key drivers for these changes. However Unite believe that the bank are responsible for the circumstances that have given rise to such significant changes, with the bank now seeking to reduce costs and increase profitability in advance of the eventual disposal of the Division.

Unite have serious concerns given the scale of the site rationalisation programme, that yet again members of staff who bear no responsibility for the crisis that has gripped the Group will pay the ultimate price, with the prospect of CRs being inevitable.

Your trade union retains a position of complete opposition to all CRs and will seek to do everything possible to ensure that members who wish to remain with the Group are given every opportunity and support to do so. Unite also maintains a long standing opposition to CRs resulting from offshoring activity and have urged the bank to consult at an early stage to ensure that our members do not face CR as a direct result of jobs going to lower wage economies. Whilst the bank has committed to doing their utmost to supporting all employees and to minimising CRs, Unite will do everything possible to hold the bank to account on these promises.

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 the Unite RBS Helpline on 0870 241 4425 or email [rbsinfo@unitetheunion.org](mailto:rbsinfo@unitetheunion.org).

### **UNITE REPRESENTATIVES**

Unite is always seeking members to take on one of the four Unite Representative roles, i.e. Workplace, Union Learning, Safety and Equality. It is particularly important within those areas earmarked for divestment and it is vital that union organisation is improved in advance of any change of ownership.

Any Unite members interested in finding out more about becoming a Unite Representative please contact the Unite RBS Helpline or email [rbsinfo@unitetheunion.org](mailto: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](mailto:rbsinfo@unitetheunion.org).

## **Not a Member?**

Join Unite's two 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 20 hours a week. Membership forms can be obtained by phoning 0845 850 4242 or emailing [rbsinfo@unitetheunion.org](mailto:rbsinfo@unitetheunion.org) plus you can join on line at [www.unitetheunion.org](http://www.unitetheunion.org).

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