

Working for you in Royal Bank of Scotland Group

NEWSLETTER • April 2011



JOB LOSS ANNOUNCEMENT GLOBAL TRANSACTION SERVICES (OPERATIONS) LONDON

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 announced the specific impact of the loss of 114 permanent UK roles in GTS Operations & GTS Operational Risk & Control based at London Aldgate Union.

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 GTS Operations, today's announcements highlight the first impacts of a review that will take place over a 2/3 year period and will eventually see the footprint in GTS Ops London reduce from 385 permanent to around 100 permanent roles.

The majority of the work that has been undertaken in GTS Ops London will now migrate to 2 of the Group's strategic sites in Southend and Manchester and will therefore reduce property costs in London. As the work moves out of Aldgate, efficiencies will be realised through Lean, and therefore around 20 fewer roles will be required in Southend and Manchester as a result. It is estimated that the 2/3 year review in GTS Ops will result in overall headcount efficiencies of around 20%-25% (around 77 staff) due to Lean.

The bank will provide more detailed plans to Unite on the impact of the ongoing review towards the end of 2011 once they have undertaken further planning and a review of their processes and procedures.

Impact of Changes

114 permanent roles will be lost from London and will largely migrate to Southend and Manchester. The areas and roles that are in scope of the first tranche of the review are fairly widespread and include Client Services from which the majority of roles are being lost, Settlements (CHAPS, Q&R and Faster Payments, RBS NV & Timed Payments Unit), Vostro & US Dollar Clearing, Operations Support and GTS Ops Risk & Control. The Bank has advised that broadly speaking less complex work will transfer to Southend with RBS NV & Timed Payments work migrating to Manchester.

The areas that will form part of the 2012/13 review include London Trade, Coutts Payments, Repairs & Cheques, Operations Support and GTS Ops Risk & Control.

The bank has also confirmed that largely due to the specialist nature of roles some Settlements and Messaging work will be retained in London. The specific detail of retained work will be communicated by the bank but varies across a number of roles and areas.

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 site means that all impacted staff will find themselves displaced outright, i.e. the role ceases to exist in the new London GTS Ops structure. 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, following which the bank will engage further with Unite on the outcomes, including opportunities for redeployment and any Voluntary Job Matching (VJM) opportunities.

UNITE has also agreed with the Bank a number of additional 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 at www.uniteunion.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. It is hoped that a number of impacted individuals may express an interest in transferring to

Southend, where members 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.

Unite Comment & Next Steps

At the time of the announcement in early September Unite described this as a "horror story" but one that our members and all staff across the Group are sadly all too familiar with. Members and all staff in Business Services continue to endure a significant period of change and uncertainty which will ultimately result in the closure of many of the bank's operational centres and the migration of work to key retained sites. However Unite recognises that through early communication of proposed plans, the Bank is seeking to give the impacted employees as much notice as possible of proposed changes that may have an impact on them.

UNITE has challenged the bank on the poor communication and lack of detail that was available on the impact of Business Services Operational roles in London GTS Ops at the time of last year's announcements and the trade union are shocked at the scale of the losses which will eventually result in a reduction of around 75% of the GTS Ops London population. Unite are also acutely aware that members whose role is still subject to future review will now face many months of uncertainty and anxiety as they await their fate, however acknowledges that the Bank is striving to be as open as possible with staff in GTS Ops London by providing them as much notice as possible of the proposed changes for 2012/13.

UNITE has also asked a number of searching questions about the bank's new operating model and the ability of remaining staff to 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. What is becoming abundantly clear is that Unite's early concerns over job losses in Business Services being directly attributable to Lean are now being realised.

UNITE has also stressed to the bank that we have real concerns for those members who are left behind to drive the bank's recovery. The trade union are in ongoing dialogue with the bank on the Lean programme across Business Services both in relation to the immediate impact of job losses and the potential longer term impact on remaining staff. In this regard if members have any feedback either positive or negative about "Lean" or general feedback on the bank's changing operating

model, then please contact your local Workplace Representative our Helpline or email rbsinfo@unitetheunion.org.

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. A visit to Aldgate Union to support impacted GTS Ops London staff will be held on 12th April from 10am – 2pm, further details of which will be confirmed by local management in due course. There are also a number of Unite Workplace Representatives based at Aldgate Union who can 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 through town halls and other local initiatives. 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 has recently signed a new and improved Unite Representative agreement with the Group and 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

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

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