



GROUP MANUFACTURING – RESTRUCTURE OF OPERATIONS JOB LOSS ANNOUNCEMENT

In April the Royal Bank of Scotland Group announced a global reduction of 9000 jobs across its Group Manufacturing Division, 4500 of which will be in the UK. Following recent consultations with Unite, the bank has now confirmed the specific impact within Group Manufacturing Operations (GM Ops) which will result in c.500 job losses in permanent roles in the UK.

Impact of Restructure and Rationale

The restructure will impact across Operations within UK Retail, UK Corporate & Specialist Services, DMFO and GTS Ops. The proposals centre around the bank's objective to achieve management efficiencies to implement more effective and efficient operating structures with a focus on moving towards consistent spans of control.

The impact of the announcement on specific roles is wide ranging and it would be impossible to cover all aspects of the restructure in this newsletter, however the key elements of change include:

- **Management Efficiencies** across Operations within UK Retail Operations, UK Corporate and Specialist and GTS Ops, with an impact on 345 fte UK wide. Team Managers and Customer Service Managers will be significantly impacted.
- **Management Efficiencies Debt Management & Fraud Operations** - 28 fte Team Managers and Customer Service Managers from the DMFO Teams across the UK are impacted. In addition the bank plan to role out Job Family Frameworks (JFF) in the Collections & Recoveries area in Southend.
- **Closure of Glasgow Cash & Coin Centre** with an impact on 140 staff. The centre will close towards the end of 2009 with the majority of the work transferring to Edinburgh Cash & Coin Centre. All impacted staff will be offered VR from the outset and those who wish to stay with the Group will be offered the opportunity to redeploy to Edinburgh wherever possible.

Southend – Introduction of JFF Collections & Recoveries

In line with the rest of Group Manufacturing, as part of this restructure JFF will be rolled out to the remaining Collections & Recoveries area in Southend.

JFF identifies different job roles that require similar competencies, skills etc and groups these under the umbrella of a defined Job Family. For the majority of staff there will be no change in terms and conditions, some will see a positive impact with your salary being managed against a higher reference salary and a minority will unfortunately be negatively impacted. For those negatively impacted salary protection principles will

apply for one pay round, i.e. April 2010, after which you will be managed against the new lower reference salary for your role, in effect your salary will be red circled. Your line manager will explain this to you in further detail and everyone will receive an individual letter explaining how JFF impacts you. It is important that you are provided with a full explanation and rationale as to why your role has been mapped to a particular job family and level.

If you believe that the level your job has been mapped to does not reflect the responsibilities or competencies required for

your role then you have a right to appeal. In the first instance you should discuss your concerns informally with your Line Manager. However if you are still unhappy then you have the opportunity to formally raise your concerns through the Group's Grievance Procedure. UNITE will support and advise members through this process.

Staff currently working at Technical Specialist and Manager 1 level will be mapped to the higher Appointed A level with a requirement to fulfil the requirements of the Future Leaders Programme. As a result the bank plans to put all impacted

staff through a competency based interview selection process for the Appointed A role with a robust training and development plan in place. Whilst many will welcome the opportunity to undertake a promoted role, Unite has expressed concern over the suitability of roles for some individuals.

Unite has managed to secure a position whereby if individuals or the bank have

serious concerns about performance in the role, e.g. if they have failed FLP or are falling short on a number of competencies, they will be given a 12 week window to opt out of the role and seek redeployment opportunities.

This is not an absolute opt out right and Unite has remaining concerns about how this will work in practice and whether

individuals who are not performing ultimately become subject to the reaching performance procedures.

If after going through the assessment process and undertaking a period of coaching and development you have concerns, you should raise these with line management in the first 12 weeks before the expiry of the opt out option.

Managing Reductions

The bank has confirmed that a Voluntary Redundancy (VR) register will be opened as appropriate for at risk staff to provide the opportunity to apply for VR from the outset.

In addition the bank is committed through ongoing engagement with Unite, to minimise the impact of Compulsory Redundancy (CR) by seeking redeployment opportunities for any member of staff who wishes to remain with the Group. For staff based at Dale House Glasgow, a number of redeployment opportunities within RBS have already been identified.

Unite has agreed a number of redundancy mitigation measures to further reduce the potential for CRs, full detail of these measures will 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.

In certain circumstances help with additional travel costs will be considered where an alternative role has been identified but is not within reasonable travelling distance.

The bank will also give consideration to voluntary role reduction where an opportunity may exist for a member of staff who is at risk to consider taking a downgrade in role subject to availability of roles. A voluntary reduction in working hours may also be considered. For those who do leave the bank's employment, full outplacement support will be provided.

Next Steps

Over the coming days and weeks members will attend 1:1 meetings to discuss how this restructure impacts upon them, all those at risk will have the opportunity to opt for VR or redeployment, however the bank reserves the right to decline VR, e.g. if they are oversubscribed by volunteers or if there is a requirement to retain skilled staff. Unite however does not support a position where VR is declined when other members of staff may be at risk of CR.

In general terms, if the number of jobs specific to the role that you undertake are being reduced and you do not wish to opt for VR, you will be placed into a selection pool, with matrix selection for the role being undertaken. The bank will provide further detail on what selection pool applies to your role and questions on pooling should be addressed via line management in the first instance. A small number of roles will be displaced outright, i.e. the role ceases to exist in the new GM Ops structure, if you do not wish to apply for VR, then the bank and Unite will support you through the redeployment process.

Unite will also be holding workplace surgeries at a number of impacted sites in the coming weeks, details of which will be provided to you by local management or via your local workplace representative. We will endeavour to visit as many sites as possible however given the impact across GM Ops this may not be viable. If you would like a visit to your site please contact our member helpline and wherever possible we will make the necessary arrangements.

Unite Comment

This announcement confirms the worst fears for impacted staff across GM Ops during a period of continued anxiety. Whilst Unite welcomes the bank being "up front" with their staff on the anticipated impact of job losses across Group Manufacturing, the reality of this announcement is a bitter blow to all staff across the Group who are working tirelessly through the ongoing difficulties that the Group faces. Unite retains a position of complete opposition to CRs and urges RBS to undertake every conceivable measure to avoid CRs. Your trade union welcomes the commitment from the bank to work with Unite to avoid any such redundancies.

Whilst our immediate concerns are focused on those staff impacted, Unite also has concerns for those staff that will remain post restructure. During consultations, your trade union explored further the business rationale for the proposed headcount reductions in some detail and expressed concern for those staff that will remain and face the inevitably difficult and challenging task of driving the bank's recovery. The bank advised however that whilst they recognise the challenges that lie ahead, they are confident that the new structure will not adversely impact upon workloads and that staff will be fully supported and trained in learning new skills and developing in their roles. The bank has also committed to ongoing dialogue with Unite, where we will have an opportunity to raise any such concerns.

Unite does however have remaining concerns given the proposed headcount reductions that there is a real prospect of CRs. Therefore any members at risk of redundancy who wish to remain with the Group and feel they may have been unfairly selected for redundancy, feel that insufficient efforts are being made to support redeployment or have concerns regarding the selection pooling exercise should contact Unite for support, advice and where appropriate representation. If members have any queries that management are unable to respond to regarding the announcement and the impact upon them they should contact the RBS Helpline or speak to their local workplace representative. Unite will do everything possible to ensure that any members impacted who wish to remain with the Group, ultimately continue their employment with RBS.

Not a Member?

Join Unite's two million members and have a voice in the workplace, as well as receiving support, advice and representation, for £9.95 per month for full time staff and £5.78 per month for part time staff working less than 20 hours a week.

There is also a young persons' rate for under 21's of £4.98 per month.

Membership forms can be obtained by phoning 0845 850 4242 or you can join on line at www.unitetheunion.com