



UNITE UPDATES

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RESTRUCTURE OF BRANCH BANKING - LOCAL MARKETS

RBS have today (4 May) announced details of a restructure of the Retail Branch Network, with the main impacts being across the Senior Bank Manager (SBM) population, with up to 159 roles across all grades being placed at risk of redundancy. The restructure is introducing the concept of Local Markets and Local Chief Executive Officers (LCEOs) and there will also be some headcount neutral and headcount positive impacts across other roles. Branches in-scope of the sale and transfer to Santander are currently out of scope of these changes.

BACKGROUND TO THE ANNOUNCEMENT

Members in the Retail Branch Network (RBN) will recall the creation of the SBM role in February 2009, which effectively merged the Area Manager and Branch Manager 'A' roles into the new role of SBM. The SBM role was designed to be more of a leadership role, overseeing a smaller number of staff and branches than the previous Area Manager role, but driving and leading business performance across the SBM cluster. RBS now maintain that to implement a new Operating Model across the business, i.e. Local Markets, a new role to replace the SBM role needs to be introduced that of Local Chief Executive Officer. RBS argue that the new Local Markets will focus on local customers and opportunities by aligning the branch network to natural business catchments, which will achieve the targets and goals of the RBN.

DETAIL OF THE LOCAL MARKET RESTRUCTURE – RDS AND SBMS

The creation of both Local Markets and LCEOs is designed to provide a more localised focus and approach to acquiring, retaining and supporting businesses and customers within each Local Market, activities which will be supported by the Retail Head Office function in the production of Local Market Dossiers which will highlight the opportunities that exist within each Local Market.

Each Local Market will be larger in size than the existing SBM clusters, both in terms of the number of branches and the number of staff that the LCEO has either direct or indirect line management responsibility for, moving to between 75fte and 100fte. Increasing the size of the Local Markets from the existing SBM clusters will result in a reduced number of LCEOs required from the SBM pool, with numbers reducing nationally from 303 to 158. This reduction will see a corresponding reduction in the number of Regional Directors required, with numbers reducing from 26 to 19.

The RDs and SBMs will be pooled for the RD and LCEO roles respectively, with both populations having the opportunity to volunteer for redundancy; however the Group reserves the right to decline an application where there are volunteer numbers that exceed the reductions required or the Group wishes to retain key skills. The reduction in RD roles will result in a reduction of the current spans of control from 1 RD to 12 SBMs to 1 RD to 8 or 9 LCEOs and it is accepted that these roles are Suitable Alternative Employment.

UNITE does however maintain some concerns regarding the suitability of the LCEO role for the existing SBM population; although the grade, terms and conditions/salary range remain unchanged. RBS have accepted that the SBM role has become bogged down with

internal process checking, an issue that has been continually raised by UNITE, with LCEOs "being externally focused leaders at the heart of their Local Market".

Undoubtedly great numbers of SBMs will relish the move to the LCEO role and its more customer and business focussed nature; however UNITE maintains concerns that it will represent a major change for some SBMs and the employment of a different skill set that has not been developed over the course of the last two years. RBS are adamant that they consider the role to be genuine Suitable Alternative Employment; however have stated that SBMs will be encouraged via their one to ones to raise any concerns that they harbour re their suitability for the role and that these will be considered on a case by case basis. UNITE have highlighted to RBS the potential issues of shoehorning SBMs into a new role that they may potentially struggle with. A limited number of new roles have been created in the new structure that RDs and SBMs who are either unsuccessful in their application for VR, wish to remain with RBS, but not in the RD or LCEO role or are unsuccessful in their application for a RD or LCEO role can apply for.

The almost 50% reduction in SBMs is possible, the bank argue, by not only increasing the spans of control for the LCEOs, but also by "withdrawing from front line activities

and empowering their Branch Managers to lead their teams", as well as creating a number of new roles in the structure which will undertake much of the regulatory and checking work that the SBMs executed. UNITE have long argued that the bank continued to load more and more work upon the SBMs which mitigated against the true intentions of the SBM role when created; however the announcements today were not anticipated as the solution to these issues.

The creation of the LCEO role also throws up a debate about Branch Manager and Assistant Branch Manager 'Bs' managing 'A' branches. When the bank re-segmented the branch network in late 2009 and concluded that B level BMs and ABMs could manage 'A' branches, this was always on the basis that it was argued by RBS that the SBM would be domicile in the 'A' branch and would still undertake a number of the 'A' Manager's duties. This was an argument that UNITE have never been convinced by and the creation of the LCEO role, in the view of the union, further undermines this argument and this will be an issue pursued by UNITE over the coming months.

LOCAL MARKETS – OTHER DEVELOPMENTS

In line with the changes relating to the introduction of Local Markets, the bank are also reducing the number of Regional Director Business Support (RDBS) roles from 27 to 19 which are clerical roles and moving forwards will be based in the Regional Offices, which will displace 6 of the roles based upon geography where existing RDBSs are not based in their Regional Office. 5 new Regional Mortgage Manager Support roles will also be created, will also be based at the Regional Offices and will be the same grade, salary range etc of the RDBS roles.

RBS are also creating 5 Regional Mortgage Manager roles and 28 Area Mortgage Manager roles, as well as creating 5 new Regional Market Support roles. In addition the bank is creating an additional 9 Resource Planning Manager roles on a 12 month secondment basis to support the introduction of Local Markets.

Where a member of staff accepts a secondment, this will be on their existing salary, terms and conditions, unless their existing salary sits below the minimum for the seconded role, in which case a temporary allowance bringing the member of staff to the minimum will be applied for the duration of the secondment. Where a member of staff accepts a secondment at a lower grade that subsequently becomes permanent or accepts a permanent downgrade as part of the Local Markets restructure, the voluntary role reduction policy will apply, full details of which will

be shared with you by your line manager.

Further changes involve the renaming of the Manager ICOB/MCOB to National Quality Manager who will line manage a team of Regional Quality Managers, renamed from Regional Risk Managers. Finally the bank are merging the existing Regulatory Supervisor and Risk Manager roles into a new role Area Quality Manager, as well as creating a further 30 AQM roles. RBS maintain that where there is a change in job title that the role remains Suitable Alternative Employment. The overall impact of the Local Markets restructure is 159 roles at risk, 73 new roles created and a further 9 created on a secondment basis.

NEXT STEPS

All members that are directly impacted by the restructure will have a one to one with their line manager to discuss the changes and to raise any concerns regarding the suitability of the roles. Members impacted at RD, SBM and RDBS will be able to express a preference for VR and members will be advised whether their application has been successful following the preference exercise. If there are insufficient volunteers for roles, then there will be a matrix selection based upon the last 3 years performance ratings and an assessment against the Personal Excellence Framework competencies.

If you are accepted for VR, opt for one of the pooled roles and are unsuccessful, or opt for redeployment, but have not secured a role, RBS will place you on garden leave for the remainder of the consultation and notice period. If you opt for VR successfully then your notice period will run concurrently with the consultation period. During the garden leave, members will have full access to bank premises and equipment to aid the re-deployment process and members will also be fully supported by an appropriate line manager through the re-deployment process.

UNITE COMMENT

Many of the comments made to RBS by the UNITE Negotiating Team revolved around the fact that these proposals appeared to be adopting structures and initiatives operated by either RBS or NatWest historically and that the introduction of Local Markets represented an acceptance that the introduction of the SBM role and structure was not successful. As previously stated, UNITE were and remained sceptical as to whether the establishment of the SBM role would be successful and much of this scepticism focused on the amount of additional work that RBS kept allocating to the role. RBS maintain strongly that Local Markets is not reinventing the

wheel and that Local Markets, the LCEO role and the structure alongside and below the role is the right one to achieve the aims and goals of the RBN, only time will tell if this assertion is correct.

The reality is that the restructure could result in as many of 155 members of staff losing their jobs; although with the creation of the new roles this number will most likely be lower. It is yet another period of uncertainty and anxiety for members in the RBN. UNITE maintains a complete opposition to any Compulsory Redundancies and will do everything possible to ensure that any members who wish to remain with the organisation post re-organisation are given every opportunity to do so. UNITE will be pressing RBS to explore all avenues to avoid or minimise CRs, including Voluntary Job Matching, redeployment etc. UNITE will be meeting with RBS again at the conclusion of the preference exercise to ascertain the full picture in respect of volunteers etc and will begin further dialogue around additional avenues to avoid CRs.

If members have any questions or issues regarding the restructure, the suitability of the role that they have been offered etc, these should be raised in the first instance with line managers; however if these issues remain unresolved you should contact your local Workplace Rep, the helpline on 0870 241 4425 or e-mail rbsinfo@unitetheunion.org.

UNITE REPRESENTATIVES

UNITE 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 e-mail rbsinfo@unitetheunion.org.

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