



REDUNDANCY AND REDEPLOYMENT – Q&As

Following Nigel Trout's letter last Friday, we've had several queries from members in Change Management wanting to know where they stand with regard to redundancy and redeployment.

To try to minimise confusion, we've drawn together some of your most commonly asked questions and provided answers in line with the Security of Employment Agreement (SEA), which was drawn up and jointly agreed several years ago by HSBC management and Amicus. If you'd like a copy of the SEA, it can be found on the HSBC intranet.

WHOSE RESPONSIBILITY IS IT TO FIND ME A JOB?

In a redundancy situation, it is expected that both management and the individual employee will make efforts to ensure that redeployment is successful. Ultimately, under UK law, it is the responsibility of management to try to find "suitable alternative employment" for displaced staff in situations where companies would prefer not to make staff voluntarily redundant. However, all employees should be mindful of the clause of the SEA which states that "an employee who, in the opinion of the bank, refuses an offer of suitable alternative employment may not be eligible for redundancy terms." Members should ensure that they keep a record of their job-search so that they can prove they have made the necessary efforts with regard to redeployment.

WHAT WILL HAPPEN IF I DON'T GET A JOB BY THE END OF MY NOTICE PERIOD?

When the Change Management job losses were first announced, there was a degree of confusion around the statement "there'll be no redundancy". This was interpreted by some CM staff as meaning "the Company won't pay me redundancy no matter what happens".

In reality, HSBC management have a legal and contractual obligation to pay redundancy in full to any employee for whom they cannot find a suitable alternative role (as long as the employee him/herself has not unreasonably turned down a suitable alternative role, as discussed above). There is nothing that could be done by the Company to "contract out" of making this redundancy payment.

HOW CAN I TELL IF A JOB IS A "SUITABLE ALTERNATIVE"?

Evaluating jobs with regard to "suitability" is not an exact science. Opinions may vary from one individual to another – and from management to employee – as to what constitutes a Suitable Alternative.

However, UK case law, based on cases which have already been through the Employment Tribunal system, suggests that some key criteria of suitability are: skills, location, grade, salary, status and working hours. As you may have noticed, several of these criteria were mentioned in Nigel's letter last week – but you should be aware that status and working hours, whilst omitted from Nigel's letter, have also been used successfully at Employment Tribunals to argue that a job is "unsuitable". We would expect HSBC management – and individual employees - to consider all of the criteria listed above, including working hours and status, when evaluating "suitability" of roles.

WHAT SHOULD I DO IF I THINK A JOB MAY BE UNSUITABLE?

If you think a job is unsuitable, explain your reasons to your Redeployment Manager and keep a note of these reasons. If you are still unable to reach agreement with management on the "suitability" of a role, you can appeal through the designated SEA Appeals procedure. Please note that an appeal must be lodged within 3 weeks of the date when you received the letter advising you of the decision against which you are appealing.

If you need further guidance, don't hesitate to contact one of your local reps (listed below) or call the Seconded Reps Helpline on 020 7253 9642 or 020 7336 8253.

Jan Bramah (NCM)	City Plaza, Sheffield	0114 252 0544
David Cheetham (Amicus)	City Plaza, Sheffield	0114 252 0201
Brian Statham (NCM)	8CS, London	020 7992 1311

And please remember – we are here to help.

Caroline Milton, Negotiating Officer

4 May 2006

