

September 2009



## GROUP MANUFACTURING RESTRUCTURE OF SECURITY AND RISK JOB LOSS ANNOUNCEMENT AND PAY PLAN ALIGNMENT

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 Security & Risk (S&R) which will result in around 100 job losses in permanent roles in the UK.

### Impact of Restructure and Rationale

The restructure will impact a number of sites where S&R have a presence, with the most significant impact in Edinburgh and London. The proposals centre around the bank's objective to achieve a more robust, fit for purpose, S&R operation with Group Manufacturing. The bank believe that the current S&R structures are no longer reflective of the needs of the business following the acquisition of ABN Amro, the increase in global footprint together with the associated risks and exposure the bank is faced with. As a result a new operating model will be introduced which will have a clear focus on turning S&R into a more specialist business area. In this regard around 90 new "specialist" roles are being created which all employees will be able to apply for.

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 a reduction in roles across the S&R area. In some cases individuals whose role remains largely unchanged in the new structure will be directly mapped over, where the role no longer exists, individuals will find themselves displaced. Others will find themselves being pooled for remaining roles where the number of individuals currently in role exceeds the new requirements.

### 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

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. For those who do leave the bank's employment, full outplacement support will be provided.

A number of "specialist" roles are being created in the new structure and the bank has advised that they are confident that a number of at risk employees will be successful in securing these roles. Due to the specialist skills involved in undertaking these new roles they are deemed by the bank to be alternative roles and selection will be via a competency based interview. A degree of retraining will be required as appropriate including assessment and in some cases accreditation may be required to be confirmed into role. The bank has committed to ensuring that a robust training and development plan is in place for all successful candidates undertaking an alternative role, with a review at the 3 month stage. Individuals would then have the option to continue and be confirmed into role or to opt out after what is in effect a trial period in the new alternative role. They would then be subject to the redeployment process with compulsory redundancy being a last resort. Further details of new roles will be provided via your Line Manager.

### 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 reserve 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 do 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 number of roles will be displaced outright, i.e. the role ceases to exist in the new S&R 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 in London and Edinburgh locations in the near future, details of which will be provided to you by local management or via your local workplace representative. If you would like a visit to your site please contact our member helpline and wherever possible we will make the necessary arrangements.

### Pay Plan Alignment

As part of this restructure the bank has also looked at pay plan arrangements across S&R. Members may recall the previous roll out of Job Family Frameworks (JFF), where different job roles that require similar competencies, skills etc are identified and grouped under the umbrella of a defined Job Family. The bank now believe that due to several changes in the S&R area, a number of roles are not benchmarked to the correct salary plan, with current arrangements no longer reflective of the reality of the roles undertaken.

As a result 73 staff are impacted by proposed changes to the pay plan, 41 will see no impact or change in terms and conditions, however unfortunately 32 individuals will 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 the alignment of the pay plan 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.

### Unite Comment

This announcement confirms the worst fears for impacted staff across Group Manufacturing S&R 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 have concerns for those staff that will remain post restructure. Whilst it is welcome that a number of new roles are being created as part of this 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 and the creation of around 90 new roles, 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 do 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 £10.96 per 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 you can join on line at [www.unitetheunion.com](http://www.unitetheunion.com)



**ALISON MACLEAN AND STUART DAVIES – JOINT LEAD OFFICERS**

**UNITE RBS HELPLINE: 0870 241 4425**