



John McGee
Group Employee Relations Director

Sent via email

09 June 2020

Dear John,

Reorganisation Policy Review

I am responding formally, on behalf of Prospect, to your letter of 27 May 2020 outlining the company's intention to undertake a review of the Reorganisation Policy.

The union notes your comments in respect of the pace of change that BT is likely to experience over the next five years and the concomitant reorganisations that will be necessary to match this. Furthermore, we welcome the commitment from the company to retrain and reskill the workforce for the new roles that will be needed in the future.

Where the union is less enamoured is with your proposal to review the Reorganisation Policy itself. Indeed, there is particular disquiet where you mention a "competitive set of severance terms". Unfortunately, the union is all too familiar with this phrase as a harbinger for a reduction in terms. Of course, if that is not the case then Prospect would welcome an early clarification, that there is no intention by BT to reduce the value of the redundancy terms that currently apply. Indeed, given the potentially serious industrial relations implications of the review, Prospect suggest that discussions be held within the next two weeks so that the union can better understand the scope and timescales of BT's intentions. This will ensure that we are engaging with sufficient priority to achieve the best outcome for our members.

In the event that it is intended to reduce the Enhanced Voluntary Redundancy (EVR) terms I need to make it abundantly clear that this will be implacably opposed by Prospect. These terms were negotiated following the closure of the BT Pension Scheme and the ending of a "no redundancy" approach by the company. Moreover, our members voted in favour of the company's pension proposals, which removed some safeguards on job security, on the understanding that a fair and equitable reorganisation policy would be put in place. As a result BT and Prospect negotiated a contractual agreement that contains the current EVR terms. If the company were to seek to reduce these terms, just over two years after closing the Pension Scheme, then that would inevitably lead to the union consulting members on how we should oppose any such proposals.

New Prospect House
8 Leake Street
London
SE1 7NN

0300 600 1878
info@prospect.org.uk

prospect.org.uk

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Finally, Prospect will of course take part in the review in good faith. Furthermore, we want to make sure that the company has in place a fair Reorganisation Policy and redundancy compensation that takes account of the service and hard work that members have performed for BT over the years. We will also support the company in putting in place an enhanced package of support for those who wish to move on from the business and develop their careers elsewhere. However, what we cannot support is the outcome of a review that calls for the degradation of our members' current redundancy terms.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'John Ferrett', with a stylized flourish at the end.

John Ferrett
Prospect National Secretary