

## **RESTRUCTURING POLICY – CORPORATE FUNCTIONS**

### **Positioning Statement**

This policy should be used for all restructures in Yell Corporate. Yell has consulted with Yell's Trade Unions who are in agreement with this policy.

This policy will ensure that anyone whose job becomes surplus to requirements will be treated consistently, fairly and in line with Yell's values and Equal Opportunities Code of Practice.

### **Roles & Responsibilities**

Line Managers will;

- ensure that Yell's commitment to individuals is maintained through their line management duty eg – provision of up to date APR / quarterly review documentation
- ensure the appropriate level and timescales of consultation and communication with impacted individuals
- treat their people fairly and in line with the agreed restructuring process

Individuals will;

- work with their Line Manager to establish best fit
- participate openly and constructively in the consultation process

Unions will;

- support the most effective management of change for Yell and individual

HR will;

- ensure the retention key talent which is invaluable to Yell
- Hold timely consultation with Trade Unions to discuss impact of proposed changes, possible alternatives and support to be provided to Yell people
- provide appropriate level of support to line managers ensure fair selection and open communication whilst causing least distress to individuals

### **Principles**

The aim is:

- To ensure that the most appropriate skills and abilities are retained within the business to meet future business needs.
- Yell will take appropriate steps to keep the number of surplus roles to a minimum, whilst taking into account the needs of the business.

- The agreed process will apply to all restructures which have the potential to result in redundancies regardless of the number of people impacted or roles made redundant.
- To ensure people's expectations are managed appropriately. Redundancy pay estimates will only be available to those people who are at direct risk of redundancy and are required to state their preference, i.e. a role in the new structure or redundancy/redeployment.
- All people who would become surplus following the end of individual consultation process will be given the option to leave Yell under the terms of voluntary redundancy or seek redeployment to a role elsewhere in Yell.
- Yell will always seek to reduce the number of people leaving Yell as a result of a restructure or other business reason by sourcing alternative opportunities and giving people the opportunity to apply for roles that suit their skills and career aspirations. Yell will also look to reduce contractors, agency workers and consider bumping.
- Yell is committed to making redeployment a priority. Where this is viable, supporting redeployees to find alternative roles in Yell in line with Yell's Redeployment Policy, i.e. priority in resourcing decisions and a trial period in a new role.
- All stages of the process will be applied in accordance with Yell's commitment to the principle of equal opportunities, and opposes all forms of unlawful or unfair discrimination on the grounds of colour, race, nationality, ethnic origin, gender reassignment, marital status, disability, part-time or fixed term status, parental responsibilities, age, sexual orientation, religion or belief.
- All stages of this process will be conducted with open / transparency and committed to consultation and dialogue with impacted individuals.
- Yell is committed to working with Trade Unions where appropriate to manage the process of change in the most cohesive way possible.

### **Restructuring Process**

The agreed restructuring process is outlined in flow detailed in the appendix and should be used for all restructures in Yell Corporate.

### **Suitable Alternative Role**

During the consultation process a suitable alternative role for an individual potentially impacted by a restructure may be identified.

Where possible, Yell will always seek to reduce the number of people leaving Yell as a result of a restructure or other business reason by sourcing alternative

opportunities and giving them the opportunity to apply for roles that suit their skills and career aspirations.

Where an individual is placed into a suitable alternative role all terms and conditions will remain unchanged.

Whilst it will always be Yell's intention to deploy individuals into roles by mutual agreement there may be exceptional occasions where there is disagreement between Yell and the individual as to the suitability of a proposed role. In such circumstances Yell will redirect the individual into that role, based on achieving a reasonable balance of current skills, skills that can be acquired, and capability to perform well within any chosen role across the company. Prior to such direction the Line Manager must have consulted HR and obtained their authority to apply the following process;

Once a reasonable alternative role has been identified then an offer in writing will be made. If a reasonable job offer is refused, an individual will be given three working days to further consider and/or explain why the job is unreasonable. The first step would be to resolve this informally and where appropriate in consultation with the relevant Trade Union.

If the individual refuses the redeployee role and the line manager agrees with the reasons for that objection, the person will not be directed into the job.

If the individual is a member of a Union Yell will consult with the relevant union on whether the job is reasonable. If during consultation with the union it is agreed that the offer is reasonable, the below steps should apply.

If Yell, and for union members the relevant union, agree the job offer is reasonable the following steps should apply with the aim of resolving the matter within a reasonable time:

1. Yell will provide written confirmation to the individual of the offer of reasonable alternative employment
2. The individual will be advised by the line manager and union if applicable of the reasonableness of job i.e. it is in line with agreed criteria etc
3. The line manager should answer the individual's concerns and explain why the job is reasonable
4. The line manager will advise the individual that a further refusal to take this job may lead to dismissal without the right to a redundancy payment
5. The line manager will then direct the individual into the job
6. The individual is given two working days reflection time to reconsider their decision in the knowledge of the possible consequences

If during consultation it is identified that the offer was unreasonable, the line manager would inform the individual and the individual will be considered for other suitable alternative roles, given the option of voluntary redundancy or redeployment elsewhere in Yell.

### **Appeal against Selection**

Where an individual disagrees with a selection decision they have the right of appeal. This will be heard in line with Yell's Grievance policy and heard by Manager(s) who are independent to the selection process (see Yell Grievance Policy).

### **Redundancy**

In exceptional circumstances if redeployment is as a result of a position being made surplus and if the person rejects a job offer because of valid personal reasons (as deemed by operational Management and HR in discussion with a relevant Trade Union), they will still be considered for voluntary redundancy or redeployment elsewhere in Yell. However, if the individual unreasonably refuses an offer of a suitable job, no redundancy payment is due.



## Registration of Preference

Please complete in BLOCK CAPITALS

<b>Surname:</b>			
<b>First name:</b>		<b>SAP no:</b>	
<b>Department:</b>			

As recently communicated, your current role has been identified as being potentially affected by restructuring proposals. As we move into the selection phase for the new structure, you have the opportunity to register your preference as below:

✓

**My preference is to be considered for a position in the new structure**

I understand that whether a position is offered to me will always be subject to operational requirements and therefore cannot be guaranteed, and also understand that this preference does not commit me.

The role(s) in the new structure that I wish to state my preference for is:
---

or

**My preference is to be considered for voluntary redundancy**

I understand that stating this preference does not commit me to taking voluntary redundancy, and also understand that whether voluntary redundancy is offered to me will always be subject to operational requirements and therefore cannot be guaranteed.

or

**My preference is to be considered for redeployment opportunities**

I understand that stating this preference does not commit me to taking a redeployment opportunity, and also understand that whether a redeployment opportunity is offered to me will always be subject to operational requirements and therefore cannot be guaranteed.

Please note that you are registering a preference only, which is not binding on either you or the Company. Yell reserves the right to redeploy someone into a suitable alternative role in line with the terms of the Restructuring Policy.

<b>Signed:</b>		<b>Date:</b>	
----------------	--	--------------	--

## Selection Criteria

### The Selection Criteria

Having identified the 'pool' for selection, you must consider the selection criteria. You must ensure that these are objectively and fairly applied.

Tribunals have made clear that it is your responsibility to establish selection criteria that do not depend solely on the subjective opinion of the person who is selecting individuals for redundancy, but can be checked objectively against such things as performance appraisals, attendance records and efficiency at the job.

The Competency and Skills elements of the selection criteria will be dependent on Yell's needs and arrangements.

Please note this selection criteria has been discussed and agreed with our Trade Unions.

### General Guidance

Selection criteria	
Performance	You must consider the individuals performance based on timely APR / QR / 1-1 including any relevant feedback. This should be not only their ratings but also the examples and evidence that back up the ratings. The individual's performance should be measured in the round using both competences and behaviours.
Skills and knowledge	It is reasonable for you to take individuals' skills and knowledge into account in a selection exercise. You must ensure that such skills are assessed objectively and should avoid subjective tests such as individuals' 'attitude'.
Attendance	While you can use individuals' attendance records as a criterion for selection, you need to consider the period over which attendance is reviewed and the reasons for absence. You should exclude any absences due to pregnancy and or disability.
Disciplinary records	Individuals' disciplinary records may be taken into account in the selection process. One way of doing this is to award points in relation to the seriousness of the warning. Again, you must consider the period over which disciplinary records are to be assessed. You can only take into account live warnings and disregard warnings that are 'spent'.

You need to propose what competencies and skills are required for the roles in the new structure and which are essential for Yell to retain. You will share and consult with the affected individual on the Competencies and Skills that will be assessed during the consultation meetings. You should score people, where appropriate, on a scale of 1 to 5 utilising the Yell appraisal ratings.

Example selection criteria are copied below:

For a new role, interviews will normally need to take place, rather than just using the selection criteria detailed above.

### Example Selection Matrix

Based on a rating scale of:

1: Far exceeds role requirements, 2: Exceeds role requirements, 3: Meets role requirements, 4: Improvement required, 5: Unacceptable performance.

Criteria	Person A Score	Person B Score	Person C Score	Person D Score
Recent overall APR score	3	2	3	2
Competence 1: Deliver Results	2	2	4	2
Competence 2: Planning & Org.	3	1	3	2
Competence 3: Communication	3	2	4	2
Professional qualifications: CIMA	3	3	3	4
Skill 1: Excel knowledge.	2	2	3	2
Skill 2: Data Analysis	3	1	3	2
Disciplinary record	3	3	3	3
Attendance	3	3	3	4
<b>Total Score</b>	25	19	29	23

Guidance notes for completion:

- Individuals with the lowest scores will be successful.
- Don't forget that an individual has the right to be provided with their scores – but not anyone else's – and could challenge the scoring that you provide for them against the criteria. Therefore you must have evidence to support the scores that you provide and be prepared to be challenged.
- Evidence must be recent – do not rely on all of the ratings from an APR that took place many months ago. Use examples and scores from recent 1:1 or Quarterly Review meetings.
- For attendance and disciplinary record criteria, you would expect everyone to achieve a '3' if they are not on any type of formal warning or an improvement plan. Should someone be on an informal improvement plan e.g. for short-term absence or a behavioural issue, you would expect them to score a '4'. Should someone be on a formal warning (for conduct of performance) or have absence levels that exceed the Yell standard (4 occasions and/or 10 days in 12 months for ST absence) then it would be expected that they would score a '5'. Remember the advice about regarding pregnancy-related and disability-related illness.

You should ask another member of your management team to act as a moderator to ensure consistent and fair marking against the criteria.

Competencies and skills must be reviewed by your HR contact to ensure that they are fit for purpose.

In the example above, if you were moving from 4 roles to 2 roles, person B and person D would be successful for the remaining roles, ie the 2 individuals with the lowest scores.



## Template Selection Matrix

Based on a rating scale of:

- 1: Far exceeds role requirements,
- 2: Exceeds role requirements,
- 3: Meets role requirements,
- 4: Improvement required,
- 5: Unacceptable performance.

<b>Criteria</b>	Person A Score	Person B Score	Person C Score	Person D Score
Recent overall APR score				
Competence 1:				
Competence 2:				
Competence 3:				
Professional qualifications:				
Skill 1:				
Skill 2:				
Skill 3:				
Disciplinary Record				
Attendance				
<b>Total Score</b>				

## Appendix - Redeployment

# Redeployment Policy – Yell Corporate

This policy applies to Yell Corporate Departments.

In the situation where it is necessary to follow Yell's restructuring process Yell is committed to supporting redeployees to find alternative roles in Yell in line with Yell's Redeployment Process below.

Anyone whose job becomes surplus to requirements will be treated consistently, fairly and in line with Yell's values and Equal Opportunities Code of Practice. Where surpluses arise, redeployment will be utilised.

### **Roles and Responsibilities**

#### Yell Responsibility

To review all work including that of agency and third party workers to ensure that the work they are completing for Yell is not a role that can be performed by a redeployee.

#### Vacancy Holder Responsibility

To proactively consider redeployees first and provide written feedback if a redeployee is not selected for a vacancy.

#### HR Responsibility

HR Direct will provide support and guidance to the individual in the areas of understanding development needs how to seek feedback and interview coaching and feedback on their CV. They will also provide weekly updates of available vacancies in Yell and support to source short term work.

The HR Resourcing team will review the redeployees CV against any current suitable vacancies and contact the redeployee to progress an application as appropriate.

#### Redeployee Responsibility

To provide their HR Direct contact with a current copy of their CV, to proactively seek and participate in the Resourcing process for permanent roles in Yell and to take an active role in creating their career and development plan.

### **Redeployment Opportunities**

Where possible, Yell will always seek to reduce the number of people leaving Yell as a result of a restructure or other business reason by sourcing alternative opportunities and giving them the opportunity to apply for roles that suit their skills and career aspirations.

## **Redeployment Process**

The aim is to retain skills and experience throughout this group and to find alternative options for an individual through a number of routes, e.g. existing vacancies, the review of roles filled by temporary workers.

### Resourcing Process

A person with redeployee status will be considered in advance of other candidates and will be given priority in all resourcing decisions for any internal vacancies for which they meet the skills and competency requirements. Their current level, location, mobility and any other personal circumstances will also be taken into account. A redeployee should be considered even if the skills match to the role is not absolute but where reasonable retraining or reskilling can be put in place.

### Retraining

Where appropriate reskilling or retraining will be considered for a redeployee and reviewed on an individual basis if it would help move from one skill area to another and there is a reasonable prospect of the individual securing another role in Yell. Retraining should be made available within a reasonable time frame.

### Trial Period

The employee is entitled by law to a trial period for a minimum of four weeks, this may be extended, by mutual agreement, where training is required or there is a longer learning curve for the role. The trial period is put in place for both the individual and Yell to assess whether the role is suitable.

The role and the trial period will be confirmed to an individual in writing. This letter will confirm that their previous role was made redundant, that a vacancy has been identified which Yell believes is suitable and that because the new job is different from their old role they will be entitled to a statutory trial period of four weeks. It will further explain that, if either the individual or the Company finds during this time that the job is unsuitable, the individual will retain their right to be considered for voluntary redundancy or further exploration of redeployment opportunity.

At the end of the trial period a review meeting will take place to establish if both parties agree to confirm the individual in post or if a further extension of the trial period is required. Should the individual be confirmed in the role, this will be confirmed in writing and their entitlement to a redundancy payment will cease.

### Pay and Benefits Provision

An individual may accept redeployment to an alternative job which is at a lower level than their previous one. In this situation the individual will retain for a minimum of two years their current base salary, bonus arrangements and all other terms and conditions of employment. However where there is a significant difference in salary range and benefits package it will be reviewed on an individual basis. At the end of the two year period, the terms and conditions will be reviewed and brought in line with the appropriate benchmark terms and conditions for the role.

### Support

The below will be available to aid a redeployee in securing a permanent position in Yell

- Help in compiling CVs and job applications
- Feedback sessions from interviews and interview coaching
- 360 degree feedback to help create personalised development plan
- Providing weekly updates on internal Yell vacancies
- Support with networking
- Providing a list of external recruitment agencies and consultants
- Support through Employee Assistance Programme Provider
- Information about reskilling or retraining
- Assistance in finding short term work placement

### Performance Management

After successful completion of the trial period an individual and line Manager will sit down and agree an ongoing development plan. The individual would be treated in the same way as any other new joiner and the performance management criteria will be applied in line with any other circumstance.

### Short Term Work

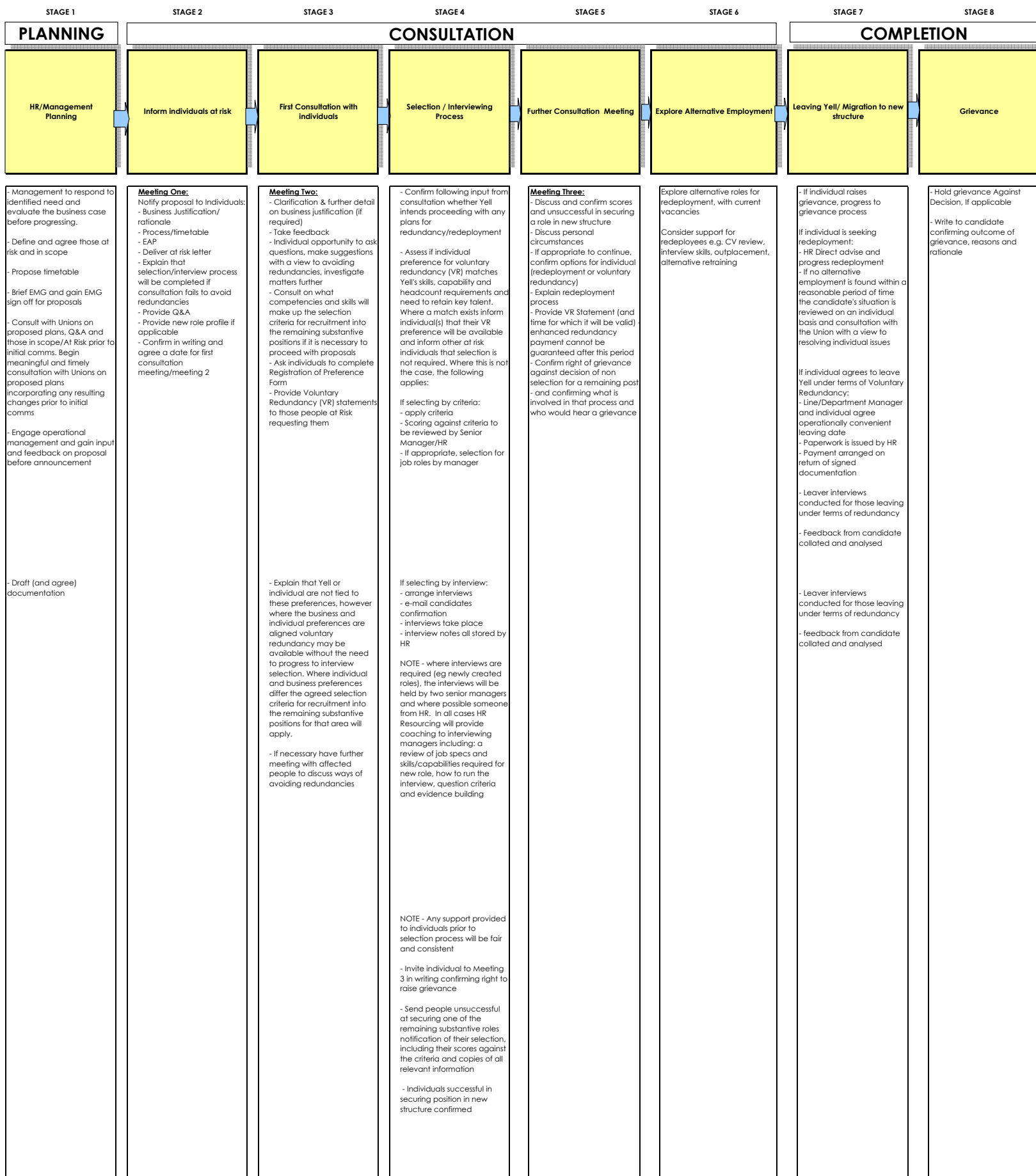
A redeployee may be asked to take short term work, which should be fulfilling and productive in aiding their development, whilst they seek a permanent position. Where possible this work will be used as an opportunity to develop an individual's skills or experience to enhance their career opportunities.

### Redeployment Period

If no alternative employment is found within a reasonable period of time the redeployees situation is reviewed on an individual basis and if appropriate consultation with the union with a view to resolving individual issues.

# Restructuring Process - Timetable

Details the process to be followed for all Corporate Functions impacted by restructuring, including those who, as a result, become surplus to normal requirements







## **Question and Answers regarding the proposed organisational changes in 118 24 7 and Business File**

This document contains many questions that have arisen through the briefing process and will continue to be updated as required.

### **For all people in 118 24 7 and Business File**

#### **1. What was announced on 29<sup>th</sup> March 2011?**

It was announced that:

- The recession has had a significant impact on Yell UK revenues – with revenues continuing to decline.
- To protect Yell's future, against this background of revenue decline, we are required to examine our cost base (including people cost) and make important decisions on where savings can be made.
- In the financial situation with which we are faced, significant step change is required, and incremental savings are simply no longer enough
- The proposal that effects both 118 24 7 and Business File is to move these operations offshore to India as a result of the significant cost saving opportunity that this provides the business
- In total, today we are announcing a reduction in permanent headcount of 341 across the UK. This is around 10% of the total Yell UK workforce including Adworks.
- The departments affected and being briefed today are:
  - 118 24 7 - Bristol and Newport
  - Business File – Reading
  - Telesales – Bristol
  - Some specific areas within Adworks

#### **2. What impact will that have on headcount?**

In total, today we are announcing a reduction in permanent headcount of 341 across the UK. This is around 10% of the total Yell UK workforce including Adworks.

#### **3. What happens next?**

We now wish to enter into consultation with our people and share with them these findings, so that we can properly consider the views of those who may be affected. This period of consultation will be for a minimum of 90 days.

#### **4. Are our US and Spanish Companies and Adworks also making cuts?**

Both countries and Adworks have been taking their own actions to achieve an optimal cost base.

#### **5. Is this across Corporate, Sales or both?**

In the last year there have been a number of restructures in various departments across Corporate to achieve the optimal structure, cost base and headcount required for future success. These proposals



today only impact some operational functions within Corporate along with Telesales - Bristol office and some areas of Adworks.

## **6. Is this the end of the changes?**

We anticipate continually reviewing our business operations and will continue to communicate with the relevant people as appropriate.

## **7. What is the timescale?**

The collective consultation period which will last for a minimum of 90 days and which is due to start on Wednesday 6<sup>th</sup> April 2011. Details of exact timescales will be discussed through the consultation process.

We aim to ensure that those affected will be clear on their individual circumstance as soon as possible.

## **8. Are we going to continue to recruit new people into other areas of the business whilst relocating this part of the business outside of the UK?**

Yes, we will continue to recruit into new and existing roles within the business to ensure that we are best positioned to drive the business back to growth.

## **9. How will the redundancy process be handled?**

For those individuals based in Newport Employee Representatives (Debbie McDonald and Gareth Cryer) have been nominated, who will act on their behalf to discuss the proposed changes with Senior Management in more detail at the Yell Consultative Committee meetings.

For those individuals based in Bristol 118 24 7 and Business File, Trade Union representation already exists so no nomination activity is required.

In the meetings, proposed changes will be outlined in more detail and the likely impact on roles, and the selection criteria that will be used in the event that a reduction in the number of roles is necessary.

We are keen to listen to ideas that have not been considered already and to take into account concerns and feedback. Once that process is complete, and if we decide to move forward with the proposals, we will be in position to commence selection of affected people where it is necessary and speak to all those impacted individually.

## **10. I have heard the term collective consultation being used? What does this mean?**

When companies undergo re-organisations where a significant number of people are likely to be affected, they are legally bound to follow certain steps in the way they undertake the changes.

We have incorporated these requirements into how we intend to manage the organisational changes we need to make. One of the key requirements is that we engage the people who are affected by the proposed changes so that they fully understand the need for change, the impact these changes are likely to have and how we intend to make decisions about possible redundancies.

We are, of course, interested in ideas of how we could do things differently to avoid the need for redundancies. When there are large numbers of people possibly affected, we will do this through elected representatives. This is what is called "collective consultation".

## **11. Are the Unions involved?**

The consultation process will involve our Unions. Yell and the Unions have had a long and valuable relationship and we look forward to their involvement in this exercise.

**12. Who are the elected representatives?**

For those individuals based in Newport the Employee Representatives are Debbie McDonald and Gareth Cryer.

**13. How have the representatives been elected?**

Eligible people within Newport 118 24 7 received an email requesting nominations to become or nominate another to be a representative. We asked that you reply by 5pm on Thursday 31<sup>st</sup> March. On Friday 1<sup>st</sup> April, you eligible people were sent another email asking for a vote against proposed nominees. Voting closed at 4pm on Monday 4<sup>th</sup> April 2011.

**14. Who can be nominated / elected as an employee representative?**

Nominees and elected representatives were permanent, full or part-time Yell employees, employed within the constituency for Newport and had the support of one colleague in their role group who is willing to sponsor their nomination.

**15. Why can't you tell us when we are likely to leave?**

As we will be in a period of consultation we cannot predict the outcome of our discussions and therefore the absolute end dates. Our aim is to complete the process in a timely manner and we will update everyone at the earliest opportunity as to what progress has been made and the relevant timelines.

**16. If I am in a role where selection is likely, how will this be completed?**

We will be talking to your representative about how we propose to do this.

**17. How do I ensure my queries and questions are answered?**

Those who do not have national or local union representatives to take their queries will be asked to nominate and vote for representatives to act on your behalf. Once representatives have been confirmed, you will be able to email them your queries or questions and they will ask them on your behalf and then feedback to you. We would encourage you to also raise queries with your managers and if they are unsure of the answer, they will seek clarification from a member of the Senior Management Team.

**18. If my role is to be made redundant, how will I be considered for a vacancy?**

All internal vacancies will continue to be advertised on iYell. If your role is confirmed as redundant, you will be given priority consideration, providing your skill set matches the vacant role requirements.

**19. Will redeployment be an option?**

Yes, where possible, Yell will always seek to reduce the number of people leaving Yell as a result of a restructure or other business reasons by sourcing alternative career opportunities.

**20. Will the redundancy payments continue to be enhanced?**

Yell has in the past provided enhanced redundancy payments and will again, for this particular off shoring exercise, offer redundancy payments in line with those offered in the past.

**21. How will notice be treated?**

An individual will normally be served notice upon a termination date being identified in line with operational need and will work until this date (and receive normal pay for doing so). Where an individual is not required to work all or only part of their contractual notice period, payment in lieu of the balance of notice will be made. Pay in lieu of notice will be subject to tax and NI deductions at the appropriate rate.

**22. In the event that I have to leave Yell, what help is available?**

As in previous circumstances the company offers options for career guidance which includes assistance with CV writing, interview skills and job applications; this would be available through a third party organisation who specialise in providing this kind of help, and who have offices across the country. You may also wish to undertake training to further assist you in securing a future role. A fixed financial amount will be made available to all individuals who exit the business by way of redundancy to use against such outplacement or career related training and development activity.

**23. If I am made redundant, what happens to my pension, healthcare?**

Every benefit continues as normal and ceases on your last day of working. There are options for you to consider in relation to what happens after that, which can be discussed if it becomes relevant.

**24. Are there any policies related to this process?**

Yes, there are two policies available on iYell these are the Yell Restructuring Policy and the Yell Redeployment Policy.

**25. Now that I am at risk of redundancy will this impact my eligibility in the current salary review process or payment of any applicable bonus for the financial year 2010/11?**

No, if applicable, you would continue to be eligible for both.

**26. I am current part of the Sharesave scheme and have shares that mature in October, if I have to leave before that date am I given the option to complete contributions until that date?**

You can choose to:

- Exercise your option to buy shares within six months following your leaving date, using some or all of the money saved, to which you can add a further six monthly payments, or
- Withdraw your savings and any interest earned immediately, but lose your option to buy shares, or
- Continue to save independently beyond the six months and receive the tax-free bonus at the end of your savings period, but lose the option to buy shares at a special price.

Yell Share Helpline – 0871 384 2130 (please note that calls to this number are charged at 8p per minute from a BT landline. Other telephony providers' costs may vary).

**27. If I did transfer to WiPro India under TUPE terms would I remain on my current UK terms of employment in India?**

The international recognition of TUPE does suggest that individuals transfer on current terms to the new employer and location. Local employment laws may, however, not protect individuals on these terms moving forwards should WiPro choose to alter them in any way.

Yell cannot provide detailed employment advice on this matter and therefore would highly recommend any individual considering taking such a transfer seek further legal advice.

**28. Have Yell considered outsourcing the 118 24 7 service to a UK service provider?**

When we made the shift changes last year we did review the outsourcing to a UK provider as an alternative. In these very difficult financial times, this does not provide anywhere near the savings achievable from off-shoring.

**29. What is the total cost saving of the Business File and 118 24 7 off-shoring to India?**

The full year saving is circa £3,227m of direct costs and a further potential c£0.4m of accommodation cost in ORC.

**30. What alternative options have been considered other than off shoring to India?**

Within Business File we did consider UK Outsourcing but the Cost Benefit Analysis undertaken by Yell Finance showed that the cost over a full 3 year period was more expensive than the existing in-house operation.

We have previously explored Homeworking but excluded it for two main reasons. Firstly it carries with a requirement to be both a homeowner and have space that could be utilised according to DSE requirements.

With such a high population of people in both Business File and 118 24 7 living at home/in rented accommodation, this could not be considered for the majority of people. Secondly, and more importantly, the infrastructure cost to Yell would be prohibitive, with each home working unit costing c£5k to set up and then requiring additional management costs to run. The purpose of the project is to make significant savings, and retaining current salary costs would not fulfil this requirement.

**31. What assurances are there that this off shoring project is going to work effectively and we safeguard any relevant revenues? If it does not work, what reversion plans are there?**

Firstly we have opted for a top-end supplier in terms of quality and experience rather than look for the lowest cost operator. WIPRO are an existing and established supplier to Yell and have established a high level of trust in terms of understanding of Yell's operations and an ability to deliver.

Secondly we have undertaken a due diligence visit whereby Paul Crowe and Mark Eade visited various WIPRO sites in India and sat with agents to personally experience both the quality of training and the service delivery against a range of client contracts. The feedback from this was only of a positive nature.

Finally we have worked with WIPRO to take their own extensive experience of Business Process Outsourcing to create transition plans that represent best practice and are paced at a realistic level.

Armed with this we are confident that the project will work effectively and are not considering any reversion plans.

**32. How is Yell going to safeguard its reputation and minimise risk to service in this offering from India?**

We will safeguard our reputation in our selection of a top-end supplier, the due diligence that we have undertaken and the quality of the transition process gives us confidence that reputation will be maintained and risk mitigated. Additionally we will continue, at a contractual level, to monitor and review the quality aspects and take corrective action where necessary.

**33. Business File in the past have supported a number of process / procedure trials. What is the contingency for getting this type of activity completed in future?**

The trials mentioned were undertaken using existing resource and simply adjusting work and process priorities in order to create the scope to undertake them. The contract with WIPRO provides for 'flexibility' in terms of additional/alternative work on an ad hoc basis with the agreement of both parties. During the discussions to date specific examples of the trial activities have been discussed with WIPRO in order to test and confirm that this capability will be retained.

**34. In Business File if lead generation does continue, how are 'hot' transfers to Sales going to take place?**

The technical architecture that will be employed will simply extend our current VOIP network into WIPRO and therefore agents will simply transfer calls as they do today.

**35. Customers currently call an 0800 number to speak to Business File, will this continue and what extra cost will this incur?**

The technical architecture that will be employed will simply extend our current VOIP network into WIPRO and therefore customers will continue to call the 0800 numbers and be routed to agents. Similarly the number that is declared during Outbound calling will remain unchanged

**36. Business File have very clear legal requirements and have built relationships with Experian. How will Yell ensure the high standards are met & will the proposed change have consequential impact on Experian?**

The contract with Experian operates around agreed volume and quality measurements, not on any of the operational aspects. Similarly the contract with WIPRO will have specific quality and volume metrics embedded into it that will be measured regularly to ensure that the high standards we have always operated to are maintained.

We have discussed the project with Experian and they have expressed no concerns about the proposed change.