

Workloads

LTU welcomes and supports these changes. They provide clear and improved career progression for PBM's and remove the odious threat of salary reductions for PBIFA's. But moreover these changes should help address the intolerable workloads faced by many working at the sharp end in Private Banking.

The Bank has told LTU that the "benefit is coming" but it won't be until later in the year before it is realised. According to the Bank recent initiatives such as the centralisation of administration should have helped eased workloads but it acknowledges that problems still remain and despite its best endeavours it can't achieve all it wants immediately.

The Bank has told LTU that a central tenet of its strategy is to remove inefficiencies and reduce the stretch that is being placed on staff being expected to do too broad a range of work without yet the full benefits of IT backup and automation. More immediately the Bank has undertaken to look at a specific range of problems raised by LTU and has expressed its willingness to address any further issues raised

by members. Members therefore experiencing unacceptable workloads or who have specific issues they would like us to raise should contact me either by email at Nick.Holt@ltu.co.uk or on 01234 262868.

LTU Advice

For further advice or assistance on this, or any matter, members should phone the Union's 24 Hour Advice Line on 01234 262868 to speak to a full time official for independent, professional advice and assistance.

NICK HOLT
Assistant General Secretary

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31 JANUARY 2005

Wealth Management

New Roles & Structure Agreed

In recent Newsletters I have reported on the Bank's latest plans to reform salesforce and relationship roles. Central to these changes is a significant increase in the number of Private Banking Consultants (PBC's) - hybrid IFA / Relationship Manager roles - to manage the relationship with all new 'Target' customers and the segmentation of the Private Banking Manager (PBM) role to deal with existing 'Target' and 'Traditional' clients.

There will also be a limited number of pure IFA roles to provide face-to-face advice to 'Target' clients and a new role of Para Planner to assist PBC's and PBIFA's prepare reports.

In December I reported that although our negotiations had already begun there was still much to address. However, I am pleased to report that with a few exceptions, primarily issues involving the new Para Planner and IFA roles, agreement has now been reached.

The new structure will be introduced on a phased basis. According to the Bank, this is to ensure that the launch of the investment proposition and client migration does not create a workload which is either unmanageable or which diverts people away from new business targets.

Initially the Bank will look to appoint 31 new Private Banking Consultant roles, selection

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for which will be confined to Private Banking Managers and existing PBC's. In February all PBM's/PBC's will have the opportunity to state a preference for which of the following roles they wish to be considered: PBC, Target PBM or Traditional PBM. Selection will take place in March and it is intended that staff will be trained and in place by July.

In Phase 2 a further 70 PBC's will be established and PBIFA's, together with Regulated Managers, will then have the opportunity to state a preference for which of the PBC or IFA roles they wish to be considered. Selection will take place towards the middle of the year so that staff are ready to move into their new roles during Q3 and Q4 and the early part of 2006.

Further details of the new roles and structure are provided inside this Newsletter.

New Roles & Structure Explained

Private Banking Consultants

- It is intended that by the end of the year there will be approximately 100 PBC's. 31 will initially be established in the first half of the year with a further 70 in the second.
- PBC's will be licensed to sign up and manage relationships for new Target and Banking only clients, providing wider financial advice with hand off as appropriate (for example in complex retirement planning cases) and will be supported by Accredited Account Openers and Para Planners.
- PBC's will be expected ultimately to have between 70-100 IPS clients and up to 50 Banking only clients.
- The role has been evaluated at Band 4 Upper with a salary range of £36,164 - £51,055 and a Market Rate of £42,546.
- The Bank has agreed with LTU's proposal that any salary increases should take effect from the date staff are appointed to the new role (likely to be 1st April) and not when they start the new role (1st July) because of the extent of training required.

Salary increases on appointment will apply as follows:

PBM's appointed to the PBC role, because it is a move within grade i.e. from Band 4 Lower to Band 4 Upper, will receive a minimum 3% salary increase or move to the bottom of the Primary Zone (£36,164) whichever is the greater.

PBIFA Levels 1 and 2 appointed to the PBC role will receive a minimum 5% salary increase or move to the bottom of the Primary Zone whichever is the greater because it is classified as a promotion to Band 4.

PBIFA's at Levels 3 and 4 appointed to the PBC role will receive a minimum 3% salary increase because it is a move within grade.

- The Bank has also agreed that targets will be reduced once training is under way.
- Achievement against target for the period until the new role starts will be pro rated and banked until payment in line with the full annual scheme next year.
- The new PBC bonus scheme and targets will be based on Balanced Scorecard measures weighted to reflect individual performance. Bonuses will be paid quarterly.

As with the existing PBIFA scheme bonus payments will start at 90% of target.

On Target Earnings will be 5% of salary per quarter - 20% in total for a full years performance. Higher bonus payments will be available for above target performance up to a maximum of 200%.

Targets will be flexed to reflect the mix of IPS and Banking only clients and a key commitment is that the total individual targets within an office will equate with the total office targets.

- PBIFA's with notional Band 3 car limits will on appointment to the Band 4 PBC role have their higher limits preserved for a period of three years.

Private Banking Managers

Target

Target PBM's will be expected to manage between 125 and 160 Investment clients and 50 Banking only clients. There will be 78 positions established in Phase 1.

Traditional

Traditional PBM's will be expected to manage between 300 and 350 Investment clients. There will be 47 positions established in Phase 1.

- Both PBM roles remain at Band 4 Lower but within the specialist market group for pay purposes LTU negotiated in 2001. The current salary range is between £31,011 - £43,781 with a Market Rate of £36,484.
- PBM's moving to either of the Target or Traditional roles will not be eligible for any salary increase on appointment as it would be a move with the same Band and Level.

PBM Development

In 2001 LTU negotiated a development scheme for PBM's that allowed Band 5 PBM's to gain experience over a defined 3 year period before being promoted to full PBM's at Band 4. Throughout our negotiations over the new structure we have been keen to ensure that this development system was retained.

I am pleased to report that it will be and moreover that B5's will be asked to state a preference for which of the segmented PBM roles they wish to go into. They will then be able to

spend the balance of their 3 year training in that segment and subject to proven performance be promoted accordingly. In the future Target PBM's will be seen as one of the development stages for new PBC's.

Para Planners

This new role will take the fact finds produced by PBC's and PBIFA's and complete the report writing with recommendations to be presented to the client. The aim is to reduce the administration involved in report writing whilst also introducing a career structure to the new PBC role.

However, we expect that PBIFA's and PBC's will continue to be responsible for the advice given and will have the ability to alter and amend the recommendations produced. The full details of the new role specification, grading, pay arrangements and location will not be finalised for some time. In particular no decisions have yet been made on whether there will be one centralised team or several regional teams or on how many staff will be needed.

IFAs

The Bank intends to retain approximately twelve IFA's across the country in order to provide Target and Traditional clients with face-to-face advice where necessary.

Again full details of the new role specification, grading, pay arrangements and location will not be finalised for some time.

I will keep members informed of developments.