

No Target Increase for 2005

Business Banking recently announced its regulated target proposals for Competent Financial Consultants, Senior Financial Consultants and Business Banking Financial Planning Managers.

The bottom up target process which is unique to Business Banking should now be completed and will have produced an overall target for 2005 of 18.1 million salespoints which is 8% lower than the 2004 target.

We would expect the majority of Financial Consultants to have accepted either minimal target increases for 2005 or the same target. Up to 15% of Financial Consultants will benefit from a reduced target this year.

We know that some FCs have been told their target for 2005 will simply be a multiple of their salary and discussions have been undertaken from that starting point. Business Banking has said that discussions should be specific to the Financial Consultant taking into account the historic performance of the FC, average ticket values, increased/reduced opportunities and the experience of the FC. Business Banking has said that simply using a multiple of salary is unacceptable.

The new targets for 2005 are as follows:

Level	2005 Target	Indicative Salary
BFPM	66k	36k
Senior FC	115k	36k
Competent FC	74k	25k

Targets, Appeals and LTU Advice

If you are given a target that you don't agree with then you can appeal to your RBDM and then your Senior Manager Regulated Sales. If you are still not satisfied with your target then you will be able to appeal directly to Mike Grant, Regulated Sales Director. Members wishing to use the Appeals Procedure should contact Joe Harrison of the Union's Advice Team on 01234 262868, or at Joe.Harrison@ltu.co.uk.

Business Banking Financial Consultants will be aware that since 2004 salaries are managed through the 1st April salary review process. Our discussions on pay for Financial Consultants are continuing and I will keep you informed of developments.

Regulated Performance 2004

Whilst 2003 was an extremely difficult year for Business Banking Regulated Sales, 2004 has proven to be a year of steady growth. Net issued performance in 2004 reflected an 18% increase in target over the same period in 2003. Overall the number of seller appointments increased by 7% and issued points per adviser increased by 22% year on year.

Interim Review of Targets for 2005

2005 is going to be a turbulent year for Business Banking. The 'new world' strategy is slowly being dismantled and the new high, medium and low turnover segmentation strategy will be rolled out later this year. Business Banking has said that all high and medium turnover Business Banking Managers will be situated within the Branch Network to be closer to customers and we would also expect FCs currently in the Direct Business Centres to follow the BMs. The decisions on location, portfolio size and number of Business Banking Managers and FCs will be taken at a local level following discussions with LTU.

Business Banking has admitted that there was an 18% fall in regulated productivity quarter on quarter following the introduction of the 'new world' strategy. We would expect a similar fall in productivity later this year when Business Banking goes through the reverse process. In our discussions with Business Banking they confirmed that there will be no changes to FC portfolios in Q1 and Q2 2005. However, when such changes take place, which is likely to be in the second half of 2005, individual FC targets will need to be renegotiated to reflect the disruption and fall in productivity which will inevitably follow the introduction of the new strategy. The process for renegotiating targets for the second half of 2005 will be subject to further discussions with LTU.

Contacting LTU

Members with any questions can contact the Union's Bedford Office as follows:

 <p>01234 262868 24 hour advice line</p>	 <p>24hours@ltu.co.uk</p>	 <p>Fax No: 01234 262821</p>
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