

UHNW Pay Review Agreed With LTU

Pay 2007 highlighted a number of problems with the way UHNW staff were remunerated and following the April pay review process, Senior Management undertook to carry out a review of roles and rewards against the external market.

The results of that benchmarking review, which was carried out by McLagan's, a firm of Reward Consultants, highlighted the fact that the Bank's direct competitors were paying more, in some cases significantly more, for the same skill sets. Moreover, increased turnover with Relationship Managers and Client Assistant roles being targeted by external competitors meant that if the UHNW business was going to grow, which it plans to do over the next few years, then it needed to put in place a remuneration strategy that would not only attract highly skilled UHNW Consultants but retain those it already had.

New Relationship Manager Levels

There will be four levels of Relationship Manager and these are as follows:

- **Level 1 - Senior RM (Investments)** - this role will be accountable for the more complex and very high value customer base.
- **Level 2 - Standard RM (Investments)** - these roles will be responsible for winning new business but also protecting and growing £1.5 million back book business.
- **Level 3 - Standard RM (Banking)** - these are responsible for managing the full range of banking services offered to UHNW customers including foreign exchange deals and any discretionary personal lending.
- **Level 4 - Assistant RM (Bkg & Inv)** - these roles act as the day-to-day liaison point for clients.

Following a review of the external market new pay zones will be introduced for each of the four new levels with effect from the 1st October and these are as follows:

Role	Primary Zone	Market Zone	Market + Zone
Relationship Mgr 1	£72,250 - £80,749	£80,750 - £89,249	£89,250 - £102,000
Relationship Mgr 2	£63,750 - £71,249	£71,250 - £83,999	£78,750 - £90,000
Relationship Mgr 3	£51,000 - £56,99	£57,000 - £62,999	£63,000 - £72,000
Relationship Mgr 4	£29,750 - £33,249	£33,250 - £36,749	£36,750 - £42,000
Assistants	£26,350 - £29,449	£29,450 - £32,549	£32,550 - £37,200

Average Market Movement Increases Of 29%

The market movement increases for the new levels are as follows:

- Level 1 - Senior RM (Investments) - Market Movement increase of £20k or 31%.
- Level 2 - Standard RM (Investments) - Market Movement increase of £10k or 15%.
- Level 3 - Standard RM (Banking) - Market Movement increase of £13,942 or 30%.
- Level 4 - Assistant RM (Bkg & Inv) - Market Movement increase of £5,949 or 20%.
- Assistants - Market Movement increase of £9,850 or 47%.

Staff 1 - 2 -1's

Over the next few weeks all staff will have 1-2-1's with their Line Managers to agree their readacross to one of the four levels, their position in the new zones and their pay awards. Individual salary increases will be received in November. Of those affected by the changes some 78% will receive individual salary increases averaging £14,833 at Level 1, £9,125 at Level 2, £11,685 at Level 3, £4,648 at Level 4 and £5,518 for Assistants.

In similar exercises carried out by other Business Units the Bank has tried to claw back additional payments by excluding the staff from the normal annual pay review process in April 2008. Wealth Management has specifically said that all staff subject to the normal pay review process in April and given their respective positions against the new zones we would expect a significant number of staff to receive pay increases in April 2008.

Members with any questions on the new roles and pay zones or would like to discuss their 1-2-1 meeting contact the Union's Bedford Office as follows:

 <p>01234 262868 24 Hour Advice Line</p>	 <p>24hours@ltu.co.uk</p>	 <p>01234 262821 Fax number</p>
--	---	---

Mark V Brown
Assistant General Secretary