

23rd January 2012

WEALTH MANAGEMENT ADVISERS NEWSLETTER

# New Bonus Scheme For 2012

The new bonus scheme for WMAs is transitional with the aim being to introduce a new Advice Based Incentive Scheme by the end of the year for the whole of UK Wealth. An integral part of that new Scheme, which is still being developed, is a move from short-term bonuses to higher basic salaries. The aim would be to have that element of the new reward system in place for WMAs for Q3 & Q4 2012. When the transitional scheme was announced just before Christmas it was intended that Line Management would be in a position to sit down with their WMAs to discuss how the scheme, particularly the new adviser based Balanced Scorecard, would affect them personally and what they would need to do in order to earn bonuses under the new scheme. The lack of communications, particularly in respect of the transition arrangements from the old to the new bonus scheme, has caused a great deal of unnecessary anxiety.

**Members have asked about some of the remaining payments under the 2011 scheme and when those will be paid. November 2011 (based on September, October and November) and December 2011 (based on October, November and December) performance bonuses under the 3-month rolling scheme will be paid in January 2012 and February 2012 respectively. The Q1 2012 payment based on performance between the 1st January and 31st March 2012 will be paid in May.** This week Line Managers will sit down with WMAs to take them through the new Scorecard and explain how the new scheme will affect them personally.

The impact of the new scheme on performance will be reviewed on a monthly basis with LTU. **If the new scheme is not producing the right outcomes in terms of the number of WMAs earning bonuses then the performance weightings will be adjusted accordingly. Furthermore, an individual review will be carried out at the end of Q1 by LTU and the Bank to ensure that WMAs are not being adversely affected by the move to the new scheme.**

## The Importance Of Challenging Complaints

An issue which WMAs need to be aware of is customer complaints and how the Bank records them. We are dealing currently with a case involving a WMA who left the Bank last year on voluntary severance. The member was successful in securing a new job with another Financial Services organisation.

Only when the new employer contacted the Bank for references did it become apparent, unbeknownst to the member of staff, that five complaints had been registered against the member's name between him/her leaving the Bank and the new employer asking for a reference.

The complaints were minor, ranging from "inconsistencies with the fact find, breakdown in communications and record keeping and transfer not being made and instruction being ignored". The reference from the Bank says "5 complaints are recorded, which have been assessed as justified against the individual". Although they were considered minor and had not been registered with the FSA, the new employer, took a different view and terminated the members employment immediately. The member had no idea that all the complaints existed.

**LTU is dealing with this case on behalf of the member but it shows how important it is for WMAs to know what complaints have been made against them and if they disagree with those complaints to make sure they challenge them immediately. If they don't, then WMAs could find themselves in the same position as this member.**

Members with any questions on the new bonus scheme or want to discuss the complaints procedure can contact the Union's Bedford Office on 01234 262868 or they can email us at 24hours@ltu.co.uk.

**Mark V Brown**  
General Secretary

To join call 01234 262868... today!