

January 2009



LLOYDS TSB BONUS 2008 OUTTURN. ADVICE FOR MEMBERS

Unite was advised on 7 January 2009 (the same day as LTSB staff) that there wasn't as much money available for bonuses this year as in previous years. This affects those on non-sales and other general annual bonus schemes. The Bank's communication to staff read :

- This year has seen an exceptional set of circumstances which has inevitably fed through to our organisational results. A result of this is that there is less money available for bonuses this year and recommenders will need to be far more discerning about how they use their pots.
- This will include, for example, making sure that the available spend is focussed on our best performers and people who have made an exceptional contribution. This will also mean that more people will receive lower or zero bonuses.

What does this mean for members?

Some business areas have only 50% of the amount available last year, where some others have up to 66% based on an assessment of how some business areas have improved their performance. This will hit staff in Bands 1-3 hardest whereas staff in bands 4-8 will have a 2.5% pot as in previous years. Bands 4 & 5 had been promised additional funds this year if the business met all of its targets but clearly it didn't.

It appears that the decision on the amounts available was made very late in the day by the Chief Executive's office who was keen to ensure general pay communications were not delayed.

Unite can understand why less money is available given the current climate but is not happy that it had not been given the opportunity to influence to any great extent how the available money would be distributed.

Since the announcement Unite has had discussions at divisional level about the guidance given in the different areas. In particular Unite is keen to understand what being "far more discerning" might mean! The union is keen to ensure that any shading down of bonus levels is done equitably and also that individual performance ratings will not be amended in order to make the payments fit the money available.

It is clear that those rating "Met" are likely to be the hardest hit with managers needing to decide which of their staff are performing more strongly as a "Met" and more deserving of a bonus. Unite has made it very clear that managers **MUST** explain to each person the rationale for the individual's bonus decision and have evidence to back up their decisions.

What should you do if you are unhappy with your bonus?

First of all seek a clear explanation from your manager ensuring that evidence is given. If you do not receive an explanation or you believe you have been treated unfairly in comparison to others, you have the right to raise a grievance. Unite reps can help members through this process. If you don't know who your local rep is contact the LTSB helpline on 08081 449595 or for C&G members ring 01452 375420.