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# A WHOOPPING PUNCH IN THE PUBLIC'S FACE

## Fury grows over bank chief's million-pound bonus while Cameron fails to tackle greed



by Louise Nouratpour

PRIME MINISTER David Cameron was accused of a "disgraceful failure of leadership" yesterday after the taxpayer-funded Royal Bank of Scotland boss pocketed nearly £1 million in bonuses despite tough talk on executive pay.

Stephen Hester (pictured) is in line for £963,000 in bonus shares plus a massive £4.8m under a so-called long-term incentive plan (LTIP).

Together with his £1.2m basic salary and £420,000 pension his pay packet could reach a whopping £7.38m.

The £963,000 is less than half the value of last year's all-shares bonus and comes after Mr Cameron's feeble intervention last week that

the bonus must not exceed £1m.

Treasury sources said they were pleased at the reduction, but Labour accused the government of being "desperately out of touch" with voters.

Labour leader Ed Miliband said Mr Cameron had failed to live up to his rhetoric on executive pay.

Unions and cross-party MPs vented their anger, branding the lavish payout "offensive" at a time when thousands of families lived below the poverty line and millions of public-sector workers were facing pay freezes, lower pensions and job losses.

The bank, which is 83 per cent taxpayer-owned, insisted the award reflected that the turnaround of the bank was "progressing well" under Mr Hester.

But unions pointed out that under his leadership thousands of jobs had been lost at the bank, lending targets had been missed and the company's share price had dipped.

Unison assistant general secretary Karen Jennings called on Mr Cameron to stop dithering and "prove he is serious" about curbing excess by changing rules and regulations around bankers' pay.

"So much for Cameron's talk of moral capitalism. A bonus of this size is utterly immoral," she stormed.

"It is unjustifiable given the job cuts at RBS, the missed lending targets and the dip in the company's share price.

"A million could be better spent keeping nurses on wards, keeping Sure Start and day centres open."

Unite national officer David Fleming said: "Taking almost £1 million from taxpayers' pockets as a bonus is utterly disgusting and offensive to every working person across the country.

"How can a RBS senior banker who is responsible for sacking over 21,000 workers be rewarded in this way?"

RMT general secretary Bob Crow called the bonus "a kick in the face" to millions of ordinary people who deliver the nation's health, education and other vital services — often for a modest wage and no reward.

Left Labour MP Jeremy Corbyn expressed his disgust at the payout and called for "real public ownership and control of these banks."

Chancellor George Osborne suggested the bonus was acceptable because "the alternative of either a larger bonus or the government taking over the running of RBS and putting even more taxpayer money at risk would have been worse."

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