

PRESS CUTTING

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Bankers: We'll sue if we are denied our million-pound bonuses

A group of senior bankers today warned they would sue if they are denied million-pound bonuses. The bankers, all at managing director level and some with more than £1 million bonuses, have taken on a leading lawyer to prepare for legal action if an attempt to clamp down on payouts is made.

Ronnie Fox, who specialises in employment law, has been contacted by managing directors who fear they could be denied their bonuses despite their departments making money. Mr Fox, of Fox Lawyers in Cornhill, is preparing to launch a legal battle against the unnamed banking giants if the Government presses ahead with plans to impose a blanket ban on bonuses. **Legal experts today warned that plans to stop bonuses may be a breach of bankers' human rights.**

The warning came hours after a Downing Street spokesman said the Prime Minister wants employees at banks which have received state handouts to waive their bonuses.

Mr Fox, a member of the Law Society's remuneration committee, is representing "a small number" of senior clients but said this could expand if the Government gets tough on payouts. They include one senior executive who devised a strategy for turning losing positions into profits but was made redundant after his department suffered big losses.

Mr Fox told the London Evening Standard: "Although it is a small amount now, if the Government decides to act over bonuses, that group of disgruntled bankers could become a lot larger. In each case they have said to me that there are several other people in the same position. I'm representing some people who are very concerned. What they have to see is what the banks actually do and what the Government makes them do. At the moment the Government is telling the banks to look very carefully at the bonuses paid to people where the banks have received state aid. Where they have done well or their business unit has done well it's wrong that they should suffer. **These are people who would expect six to seven-figure bonus payouts.**"

He said there is a shortage of jobs in the sector and some bankers are "quite angry" at the prospect of losing bonuses.

Mr Fox added: "The Government oversimplifies things and says 'all bankers are bad, none of them are entitled to bonuses, they got us into this mess'.

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“They’re doing it to focus attention away from the Government’s role.”

Many bank workers are legally entitled to bonuses under the terms of their employment contract.

A spokesman for Gordon Brown said: “The Prime Minister’s view is that, for those people in potential receipt of substantial payments to which they are legally entitled, they may want to ask themselves some quite searching questions about whether or not they should in fact receive them.”