



## Establishment Committee

**Date:** WEDNESDAY, 16 JANUARY 2019  
**Time:** 11.30 am  
**Venue:** COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

**Members:**

Deputy Edward Lord (Chair)	Deputy Joyce Nash
Deputy the Revd Stephen Haines (Deputy Chairman)	Barbara Newman
Randall Anderson	Deputy Richard Regan
Sir Mark Boleat	Deputy Elizabeth Rogula
Deputy Keith Bottomley	Alderman William Russell
Deputy Kevin Everett	Ruby Sayed
Deputy Jamie Ingham Clark	Deputy Philip Woodhouse
Jeremy Mayhew	Vacancy
Sylvia Moys	

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**Lunch will be served in Guildhall Club at 1PM**  
**NB: Part of this meeting could be the subject of audio or video recording**

**John Barradell**  
Town Clerk and Chief Executive

# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To agree the public minutes and summary of the meeting held on 3 December 2018.

**For Decision**  
(Pages 1 - 10)

4. **OUTSTANDING ACTIONS REPORT**  
Report of the Town Clerk.

**For Information**  
(Pages 11 - 12)

### Strategic Business

5. **GUILDHALL WORKPLACE UTILISATION PROGRAMME - SMART WORKING REPORT**  
Joint report of the Town Clerk and the City Surveyor.

**For Decision**  
(Pages 13 - 16)

### For Formal Decision

6. **TERMS OF REFERENCE REVIEW**  
Report of the Town Clerk.

**For Decision**  
(Pages 17 - 20)

7. **DRAFT PAY POLICY STATEMENT 2019/20**  
Report of the Director of Human Resources.

**For Decision**  
(Pages 21 - 34)

### For Information

8. **BREXIT UPDATE**  
Director of Human Resources to be heard.

**For Information**

9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

10. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

11. **EXCLUSION OF THE PUBLIC**

MOTION - That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

**For Decision**

**Part 2 - Non-Public Agenda**

12. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 3 December 2018.

**For Decision**  
(Pages 35 - 36)

13. **OUTSTANDING ACTIONS REPORT**

Report of the Town Clerk.

**For Information**  
(Pages 37 - 38)

14. **GUILDHALL WORKPLACE UTILISATION PROGRAMME - APPENDICES**

Appendices to the report contained at Item 5 of the agenda.

**For Decision**  
(Pages 39 - 44)

15. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

16. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

**Part 3 - Confidential Agenda**

17. **CONFIDENTIAL MINUTES**

To agree the Confidential minutes of the last meeting held on 3 December 2018.

**For Decision**

**For Formal Decision**

18. **STAFFING MATTERS - ADDENDUM**

Report of the Chamberlain.

**For Decision**

19. **STAFFING MATTERS**  
Report of the Town Clerk.

**For Information**

**For Decision**

20. **STAFF APPEAL REPORT**  
Report of the Director of Human Resources.

21. **TOWN CLERK'S UPDATE**  
The Town Clerk to be heard.

**For Information**

**For Information**

# Agenda Item 3

## ESTABLISHMENT COMMITTEE

Monday, 3 December 2018

Minutes of the meeting of the Establishment Committee held at Guildhall on Monday, 3 December 2018 at 1.45 pm

### Present

#### Members:

Deputy Edward Lord (Chair)  
Deputy the Revd Stephen Haines (Deputy Chairman)  
Randall Anderson  
Deputy Keith Bottomley  
Deputy Jamie Ingham Clark  
Jeremy Mayhew  
Sylvia Moys  
Deputy Elizabeth Rogula  
Alderman William Russell  
Ruby Sayed  
Deputy Philip Woodhouse

#### Officers:

John Barradell	- Town Clerk and Chief Executive
Laura Simpson	- Town Clerk's Department
Sacha Than	- Town Clerk's Department
Peter Kane	- Chamberlain
Matthew Lock	- Chamberlain's Department
Michael Cogher	- Comptroller and City Solicitor
Peter Collinson	- City Surveyor's Department
Ola Obadara	- City Surveyor's Department
Dorian Price	- City Surveyor's Department
Peter Young	- City Surveyor's Department
Simon Cribbens	- Department of Community and Children's Services
Marcus Roberts	- Department of Community and Children's Services
Chrissie Morgan	- Director of Human Resources
Marion Afoakwa	- Human Resources Department
Janet Fortune	- Human Resources Department
Tracey Jansen	- Human Resources Department
Caroline Reeve	- Human Resources Department
Justin Tyas	- Human Resources Department
Jonathon Poyner	- Barbican Centre/GSMD
Alethea Marshall	- Barbican Centre/GSMD

The Chair informed Members that Sophie Fernandes would be stepping down from the Committee and thanked her for her contributions.

The Chair also welcomed Marion Afoakwa, who was recently appointed Assistant Director of Human Resources to the meeting.

1. **APOLOGIES**

Apologies for absence were received from Sir Mark Boleat, Deputy Kevin Everett, Sophie Fernandes, Deputy Joyce Nash, and Deputy Richard Regan.

2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations of interest.

3. **MINUTES**

The Chair tabled a revised set of minutes advising there were minor nomenclature changes.

**RESOLVED** – That the public minutes and summary of the meeting held on 29 October 2018 be approved as an accurate record

Matters Arising

In response to a Member's query on the declarations of interest register for Senior Officers, the Chair reminded the Committee that the register of interests for Chief Officers was in the public domain and was reviewed by the Committee each year. The Director of Human Resources added that the register for Senior Officers was the responsibility of each Chief Officer to ensure they were updating the details, but the document was held centrally by Human Resources with an annual check conducted each year.

A Member queried the date of the Equalities and Inclusion Conference, the Director of Human Resources advised this was not yet available and Members would be provided with the details in due course.

4. **OUTSTANDING ACTIONS REPORT**

The Committee considered a report of the Town Clerk which provided details of outstanding actions from previous meetings.

Guildhall Workplace Utilisation Programme

The City Surveyor provided an update on the Programme, advising that the various workstreams had been aligned, a new manager for the Programme was in post and the design principles agreed. A report on the Programme would be brought to the Committee in January 2019.

**RESOLVED** – That the Committee note the report.

5. **GENDER IDENTITY PRESENTATION OF RESULTS AND DRAFT POLICY DISCUSSION**

The Chair welcomed Marcus Roberts and Simon Cribbens of the Community and Children's Services Department, and Tina Azande from Smart Consult who

provided a presentation of key findings from the consultation survey which took place in the Summer 2018.

An overview of who had responded to the survey and what, in summary, they had said was provided to the Committee. Members were advised that there were free text options for people to leave comments, and whilst the comments did not reflect this, respondents were generally in agreement with the questions posed. A final report on the survey including a literature review and other discussions would inform a draft policy and this would be provided to the Committee in February 2019. The Chair noted that the views of all people, but particularly those of residents, City workers and people who use the Corporation's services were of interest.

Discussion took place amongst which the following comments were made:

Ms Azande confirmed that there were 21,000 replies received in relation to the survey, Members noted the level of non-UK citizens responding to which the Chair suggested that those respondents may reside in London and access the Corporation's services.

In response to a Member's query on the facilities at Hampstead Heath, it was noted that the question of whether the bathing ponds should continue on a single gender basis would be looked at, but the consultation showed there was positive endorsement for the Corporation's current policy on access to the bathing ponds.

A Member commented that he would encourage officers to question the responses which were least in agreement with the questions posed in the survey, particularly if those were City of London workers. The Member added that in order to change attitudes, it is necessary to understand why people hold certain views, and asked officers to look at getting those answers.

A Member suggested that it may be useful to consider the religion of those who responded, especially amongst those who did not reside in the UK as this could inform their opinions.

The Chair advised that the data set was enormous and asked that certain areas be drilled down into such as the strongest levels of agreement versus the least agreement to understand both ends of the spectrum. The Chair noted that those who objected to the proposals, made greater use of the free text box to criticise the consultation as a whole, hence the comments critiquing the consultation.

The Chair outlined future steps, particularly that a report would be brought before the Committee in February 2018. The consultation had demonstrated positive endorsement to the City of London Corporation's current approach with regards to the services at Hampstead Heath, which would inform our holistic approach to all services, and crucially any new policy will comply with the Equalities Act to ensure that the Corporation was providing people with access

to its services and respecting dignity, regardless of sex/gender and gender reassignment characteristics.

6. **EU SETTLEMENT SCHEME**

The Committee received a report of the Director of Human Resources which set out plans for EU Citizens employed by the City of London Corporation post Brexit.

The Director proposed that the City of London Corporation fund the £65 applicant fee for Corporation employees and their dependents (£32.50 for those aged under 16) for entry to the EU Settlement Scheme. The Director advised that weekly meetings were taking place amongst Chief Officers to look at the implications of Brexit and further reports and updates with longer term proposals would be brought before the Committee when more information is known.

A Member commented that other companies within the City were not paying the applicant fees for their employees. In response the Chair reminded the Committee of the difference in salaries and that the Corporation has a duty of care to its employees.

In response to a Member's query on what other London Boroughs were doing for their employees. The Town Clerk explained that the City of London Corporation would be leading the way on this with conversations taking place with other Local Authorities. The Town Clerk added that 11% of adult social care staff were EU Nationals and in areas that already experienced issues with recruitment, the proposals outlined by the Director of Human Resources would assist with retention.

Members commented on whether a decision should be made on an item that was marked for discussion. Members asked that "for discussion" not be used on reports in future.

**RESOLVED** – That the City of London Corporation fund the applicant fee for Corporation employees and their dependents for entry to the EU Settlement Scheme.

7. **REVIEW OF THE CITY OF LONDON POLICE AUTHORITY - RESOURCING & GOVERNANCE ARRANGEMENTS**

The Committee considered a report of the Town Clerk which outlined proposals to enhance the Police Authority function within the City of London Corporation.

In response to a Member's query on why this report had been considered and approved by the Policy and Resources Committee in advance of the Establishment Committee, the Chair explained this was due to the timings of the meeting, but if Members did not agree with the proposals, it would return to Policy and Resources.

**RESOLVED** – That the Committee:

- a) note the intention to introduce service level agreements between the Police Authority and the Corporation's professional support services;
- b) note the improvement to the governance arrangements that will enhance the Police Authority's oversight and scrutiny function including greater strategic leadership and community engagement and better performance management arrangements;
- c) note the intention to establish the full cost of the Police Authority function for benchmarking and Value for Money purposes; and
- d) note, posts will be recruited to and will be a cost pressure on the Chamberlain's and Town Clerk's 2018/19 budgets. If required, a funding request may be made to Finance Committee for contingency funding late in the financial year;
- e) approve the creation of two FTE finance posts, including recommending to the Court of Common Council a new Grade I post, at a cost of up to 195,000 and one FTE Town Clerk's post at a cost of up to £55,000 to strengthen the capacity and capability of the Police Authority.

**8. REPORT OF ACTION TAKEN**

The Committee received a report of action taken under urgency procedures for the creation of a new post of a Grade J Chief Operating and Financial Officer at the City of London Police.

**RESOLVED** – That the Committee note the report.

**9. REVENUE BUDGETS 2019/20**

The Committee considered a joint report of the Town Clerk, the Chamberlain and the Comptroller and City Solicitor which sought approval of the provisional revenue budget for 2019/20.

In response to a discussion on the correct process for the approval of budgets, the Town Clerk explained that the relevant service committees receive the budgets for subsequent approval on to the next stage, i.e. the Finance Committee, which makes a final recommendation to the Court.

In response to a Member's query on unidentified savings as mentioned within the report before Members, the Town Clerk explained that the organisation would need to look at ways to make savings in order to run more efficiently. The Comptroller and City Solicitor added that next year, the Comptroller and City Solicitor's Department would operate a trading account for legal services.

A Member commented on the employee costs and queried the increase behind some of those figures. In response, the Comptroller and City Solicitor advised there were a number of people who had received the annual increment in their pay, the Director of Human Resources added that the job grades were budgeted at the mid-point of the scale and for those who exceeded this point, additional funding for this payment was then sought.

**RESOLVED** – That:

- a) the Committee having critically reviewed the provisional 2019/20 revenue budget was satisfied that it reflects the Committee's objectives;
- b) the Committee note the unidentified savings lines for Town Clerk's Budgets of £311,000 and £360,000 for the Comptrollers and City Solicitor's Budgets;
- c) the Committee approve the budget for submission to the Finance Committee and
- d) the Committee authorise the Chamberlain to revise these budgets to reflect any further implications arising from the Service Based Reviews and other corporate efficiency projects.

10. **CORPORATE HEALTH SAFETY AND WELLBEING POLICY**

The Committee considered a report of the Director of Human Resources which sought endorsement for a revised Corporate Health and Wellbeing Policy.

**RESOLVED** – That the Committee endorse the suggested revisions and refreshing of the Corporate Health Safety and Wellbeing Policy (HSP1 - draft Version 01 – 03) and agree the revised Policy attached as set out in Appendix One in the papers before Members.

11. **CORPORATE LONE WORKING / PREVENTING VIOLENCE POLICY**

The Committee considered a report of the Director of Human Resources which sought approval for a new Corporate Lone Working/Preventing Violence Policy.

Discussion took place with a Member seeking the definition of lone working, the Director of Human Resources advised that lone working refers to situations where staff in the course of their duties work alone or are physically isolated from colleagues and without access to immediate assistance i.e. not just immediate support/supervision of a manager.

A Member noted that bullet 8.4 was missing within the Policy, the Director agreed to make this revision.

In response to a Member's comment on the use of the Data Protection Act 1998 within the Policy, but noting there had been a further act since, the Director advised that the advice provided as part of that act was relevant and was used as good practice. The Committee noted that if the legislation is defunct, but the guidance has validity, for this to be rephrased within the Policy.

**RESOLVED** – That the Committee approve the new corporate Lone Working / Preventing Violence Policy subject to the revisions raised by Members.

12. **FLU VACCINATIONS**

The Committee received a report of the Director of Human Resources which was in response to a query raised by Members at the previous Committee regarding flu vaccinations.

A Member commented that the cost benefit analysis was incontrovertible, and Boots seemed to provide the best value for money.

In response to a request for an update with regards to the Open Spaces trial of the flu vaccination, Members were informed that out of 480 staff, 85 opted to have the vaccine.

Discussion took place as to whether there would be tax implications, the Chamberlain advised this would be unlikely.

Members asked that an action plan to roll out the vaccination to staff and Members be brought back to the Committee for January 2019, and that Boots be approached by the Chamberlain to see whether a financial discount could be given.

**RESOLVED** – That the Committee note the report.

13. **DEVELOPMENTAL TOOLKIT AND COMPETENCY FRAMEWORK UPDATE**

The Committee received a report of the Director of Human Resources which updated Members on the pilot phase for proposed new developmental framework for managing performance.

A Member commented on the Competency Framework as set out in the report before Members noting there was a difference between a vision and a mission and asked officers to bear this in mind. In response, the Director of Human Resources commented that this was a work in progress and was evolving; staff were involved in developing elements of the framework and a pilot of the online system would be taking place in January 2019, with a report to come back to Committee, and the new system to go live in 2019/20. Members noted it would be useful to hear back on the results of the pilot.

**RESOLVED** – That the Committee note:

- a) the findings and feedback from the pilot phase of the launch of the new appraisal toolkit and the next steps and changes to progress to 'go-live' launch phase in April 2019 across the whole Corporation; and
- b) the continuation of the pilot groups using the new competency continuum scales from December - February 2019 in conjunction with the pilot Clear Review online recording tool which launches in November to the pilot groups.

14. **SENIOR REMUNERATION COMMITTEE MINUTES**

The Committee received the draft public minutes of the Senior Remuneration Sub-Committee meeting held on 8 November 2018.

**RESOLVED** – That the Committee note the minutes.

15. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

Questions were raised as follows -

A Member asked; "noting the agreement given by the Policy and Resources Committee regarding the new Project Management processes and procedures,

do we believe the Project Management Office in the Town Clerk's Department is adequately resourced?"

The Town Clerk responded that a report would be provided the Establishment Committee in early 2019 on this matter, subject to the proposals being approved by the Court in December 2018.

A Member asked; "regarding the mailing out of papers, there have been at least two incidents where papers have been coming out of the envelopes, how do we oversee the control of this?"

The Town Clerk advised this matter has been raised at two other Committees and discussed at the Committee and Member Services monthly meeting. Officers were advised that the old style of envelopes were no longer being ordered, and the Committee and Member Services Team had asked that those be ordered again to ensure the issues with the post no longer occur.

The Chair noted that whilst Members were pleased with the savings being made from City Procurement, it was important that quality not be compromised, and this was an issue of security. The Chamberlain noted the comments made.

**16. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**

The Chair advised of three items of business to raise:

- i) A resolution of the Markets Committee was tabled which raised a concern regarding a paper not being on the agenda. The Chair advised this occurred due to an error within the Town Clerk's Department. At the Markets Committee meeting, the point was raised that there were a number of vacancies within the Team, but recruitment was taking place. The Chair commented that the Markets Committee had asked the Establishment Committee be made aware of slippage due to staffing issues.
- ii) A report of the Director of Human Resources on the Project Management Academy was tabled, the Chair advised this would be brought before the Projects Sub-Committee taking place the following week. The Chairman of the Projects Sub-Committee commented that this piece of work would make a huge difference to staff and supported a more strategic approach.

In response to a discussion on funding, the Director advised it was planned for the costs to be absorbed from the training budget. The Town Clerk added that at present a number of costs were not known, but Committees would be allowed to view the costs for each project and vote accordingly. A Member queried whether the Academy could be run with London Councils. In response, the Director advised that this had not been looked at as the modules were tailored to the City of London Corporation's governance processes. The Chair asked

that a collaboration with other London Councils be looked into as part of the project.

- iii) The Chair raised the need to have Equality Impact Assessments for Committee reports, particularly those for decision, as otherwise the City of London Corporation would be at risk of failing to comply with its statutory duty to have due regard.

The Committee agreed that the Town Clerk and Director of Human Resources look at the provision of compulsory training for report authors on the need to provide essential information on Public Sector Equality Duty and Equality Impact Assessment requirements in order for Members to be assured that they are compliant with in their statutory duties.

**17. EXCLUSION OF THE PUBLIC**

**RESOLVED** – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

Item	Paragraph
18	1,2,3,4,5
19,26,28	1,2
22	1,2,3,5
23,24,35	1,2,3
27	4
29	1,4

**18. NON-PUBLIC MINUTES**

The non-public minutes of the meeting held on 29 October 2018 were approved.

**19. OUTSTANDING ACTIONS REPORT**

The Committee noted a report of the Town Clerk which provided details of non-public outstanding actions from previous meetings.

**20. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

**21. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

There were no items of urgent business.

**22. CONFIDENTIAL MINUTES**

The confidential minutes of the meeting held on 29 October 2018 were approved.

23. **MARKET FORCES SUPPLEMENT REQUEST**  
The Committee considered a report of the City Surveyor regarding a request for a Market Forces Supplement.
24. **MARKET FORCES SUPPLEMENT REQUEST**  
The Committee considered a report of the City Surveyor regarding a request for a Market Forces Supplement.
25. **MARKET FORCES SUPPLEMENT REQUEST**  
The Committee considered a report of the City Surveyor regarding a request for a Market Forces Supplement.
26. **EMPLOYMENT MATTERS**  
The Committee considered a report of the Chamberlain regarding Employment Matters.
27. **CHANGE PROGRAMME**  
The Committee considered a report of the Director of Operations and Buildings, Barbican/Guildhall School of Music & Drama with regards to a change programme.
28. **CONFIDENTIAL STAFFING ITEM**  
The Committee considered a late paper of the Town Clerk with regards to staffing.
29. **SENIOR REMUNERATION COMMITTEE MINUTES**  
The Committee received the confidential draft minutes of the Senior Remuneration Sub-Committee meeting held on 8 November 2018.
30. **TOWN CLERK'S UPDATE**  
There was no update.

**The meeting ended at 3.30 pm**

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Chairman

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**Officer:**

**Sacha**

**Than**

## Establishment Committee – Outstanding Actions

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
1.	9 July 2018	<u>Guildhall Workplace Utilisation Programme</u> A timetable for the Project to be provided to the Committee.	Director of Human Resources/City Surveyor	January 2019	A report to be provided to the January 2019 Committee.
2.	9 July 2018	<u>Gender Identity Policy</u> A draft policy to be provided to the Committee following the public consultation	Director of Human Resources; Town Clerk; Director of Community and Children's Services	October 2018  December 2018  January 2019	Following a presentation in December 2018, a final survey with the literature review and other discussions would inform a draft policy and this would be provided to the Committee in February 2019.

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
3.	29 October 2018	<p><u>Influenza Inoculations</u> A question was raised regarding whether the City Corporation should offer free influenza inoculations for all officers and Members as soon as practicably possible to reduce sickness absence levels and maximise officer/Member wellbeing.</p> <p>The Director of Human Resources explained that the Open Spaces Department was currently piloting a free inoculation scheme for officers and a review of that exercise could be used to inform a future report to the Committee in December.</p>	Director of Human Resources	March 2019	<p>A report was provided to the Committee in December 2018, a further report would be provided to the Committee in March 2019 following the conclusion of the trial within Open Spaces.</p> <p>An oral update will be provided to the Committee at the January 2019 meeting.</p>

<b>Committee</b> Establishment Committee	<b>Date:</b> 16 January 2019
Efficiency and Performance Sub Committee	29 January 2019
<b>Subject:</b> Guildhall Workplace Utilisation Programme - Smart Working Report	<b>Public</b>
<b>Report of:</b> The Town Clerk and The City Surveyor	<b>For Decision</b>
<b>Report author:</b> Dorian Price, Guildhall Manager	

## Summary

The purpose of this report is to update Members on progress with the Guildhall Workplace Utilisation Programme and refreshed as Smart Working.

## Recommendations

Members are asked to;

- note the contents of this report,
- approve the six Design Principles to support the Smart Working programme.

## Main Report

### Background

1. In support of the City's Corporation Property Asset Management Strategy and Operational Property Review, the Accommodation and Ways of Working programme was formally initiated in September 2016. In early 2017, it became clear that this project was failing to gain momentum as a result of dependencies on other workstreams and a lack of clarity around the rationale for change and target operating model. The decision was taken to pause the delivery of the project to tackle these issues.
2. Subsequent developments within each of the three workstreams; IT Transformation, HR Transformation and Operational Property Review; support the resumption of activity under a revised Smart Working Programme.
3. The focus of the programme is the efficient use of space with a resultant improvement on current desk allocation, moving away from the culture of "owned" desks, achieved by introducing additional docking stations (thus allowing effective use of IT equipment and increased mobility) and implementing a clear desk policy.

4. “Smart working” is defined by the Chartered Institute of Personnel and Development as ‘an approach to organising work that aims to drive greater efficiency and effectiveness in achieving job outcomes through a combination of flexibility, autonomy and collaboration, in parallel with optimising tools and working environments for employees.’
5. The purpose of the Smart Working Programme in the City Corporation is to bring about change to current practice in three areas – workforce, organisation, and physical and digital. The following strategic objectives, set within the framework of the Corporate Plan, are proposed for each area:
  - **To contribute to a flourishing Society (Workforce):**
    - To make Officers safe in their digital and physical work environment.
    - To enable Officers to have the best work-life balance possible whilst meeting business requirements.
  - **To support a thriving Economy (Organisation):**
    - To enable Officers to adopt and optimise new technologies to meet business requirements.
  - **To shape outstanding (Physical and Digital) Environments:**
    - That the work environment enables Officers to meet business requirements e.g. City Surveyors 2018/19 business plan target ratio of 1 Full Time Employee (FTE) per 7 sqm. (currently 1 FTE per 8.1 sqm).

### **Current Position**

6. High level strategic planning is currently undertaken to inform decisions relating to the future of Guildhall complex properties (west wing, north wing, 65/65a Basinghall Street and 20/21 Aldermanbury. To this end it is deemed important to develop a comprehensive Architect led masterplan for the Guildhall complex subject to Corporate Asset Sub Committee approval and funding. Such a masterplan will provide a framework by planning the estate to maximise future development potential and flexibility. See Appendix 1 – current/future utilisation capacity.
7. In the interim, the key tactical objective is to relocate office-based staff from Walbrook Wharf to the Guildhall Complex, thus releasing space in Walbrook Wharf to generate income. However, one of the many tactical challenges is to find circa 420 sqm office and auxiliary mixed-use space for Market & Consumer Protection, excluding their additional requirements for storage and laboratory space at Guildhall.
8. The vacating of the majority of the Walbrook Wharf offices will be interdependent with the Operational Property Review, ensuring that the identified benefits of running cost savings and rental and service charge income generation, see Appendix 2 – Estimated Walbrook Wharf Income.

### **Proposals**

9. The new Workplace Manager will continue to manage a number of tactical space related issues in the interim period, e.g.;
  - Compiling thorough headcount data for Guildhall Complex (GHC)

- Reviewing options for Guildhall Justices Room and moving Agilisys IT team
- Working with Town Clerk/Department of Community and Children's Services /Economic Development Office and City Bridge Trust teams to improve their department utilisation
- Assisting the current security Bomb Blast Mitigation project as point of contact for GHC
- Key member of Smart Working Group.

The main focus of activities will be on consolidating the operational footprint by relocating departments from Walbrook Wharf offices to Guildhall Complex to facilitate the proposed letting.

10. **Design Principles**, the following draft design principles are proposed;

- i. Taking a zero-based approach to workstyle requirements, i.e. everyone needs to demonstrate that they need a particular element (e.g. office, fixed desk, other equipment) rather than the programme having to persuade them to give it up.
- ii. Setting benchmarks around numbers of desks, meetings spaces and other facilities per person, using a 'neighbourhood' approach rather than 'sit anywhere'.
- iii. Allocating resources in every department to help identify workstyles, related provision of desks etc and any other local requirements (such as equipment for specific roles/teams) AND to helping baseline and track improvements as per the goals set out.
- iv. Requiring all changes to be cleared through the Smart Working Task and Finish Group and anything significantly different from the benchmark to be cleared by Strategic Resources Group / Summit.
- v. Recycling equipment where possible before procuring afresh. All spend to be approved by the Smart Working Task and Finish Group or accountable group if above thresholds.
- vi. Running all communication through the internal comms campaign that will cover all organisational change projects and programmes and thereby hold the narrative on what staff said and what we are doing in response to the survey.

### **Corporate & Strategic Implications**

11. The Smart Working programme aligns with the following Corporate Plan outcomes.

- Outcome 1: People are safe and feel safe.
- Outcome 2: People enjoy good health and wellbeing
- Outcome 4: Communities are cohesive and have the facilities they need
- Outcome 5: Businesses are trusted and socially and environmentally responsible
- Outcome 8: We have access to the skills and talent we need
- Outcome 9: We are digitally and physically well-connected and responsive
- Outcome 10: We inspire enterprise, excellence, creativity and collaboration

Further assessment of outcomes and measures which could be used to evaluate the impact of the Smart Working Programme are listed in the table in Appendix 3. The results of the staff survey will be analysed to find out where staff feel least satisfied with their working environments.

## **Other Implications**

12. There is demand from departments and from Members for the Corporation to move to better ways of working and more efficient use of space and with the IT in place we can now progress with the project.
13. How much we spend on improving work spaces will depend on the nature and level of improvement we want to deliver and, for how long the benefits will be felt.
14. This means we need to;
  - a) understand the size and scale of the challenge versus an acceptable benchmark;
    - We have information on occupancy levels that we can compare with other organisations, and the recent staff survey will tell us which departments are least happy with their physical environment, plus give us private, public and charitable sector benchmarks for comparison. This can be used to prioritise a programme of work, to be co-ordinated by the Workplace Manager, in the context of also needing to vacate Walbrook Wharf.
  - b) Take a view on how long it will be before we have a full refurbishment;
    - We need to undertake a high level options appraisal on three options –
      - i. move quickly to refurbishment,
      - ii. delay for as long as possible or,
      - iii. a compromise option i. and ii. somewhere between the two.This then needs to be considered alongside the major capital works programme.

## **Financial Implications**

15. Outside a consultancy budget funding the workplace manager, there are at present no funds earmarked for this project. Given the competing priorities for City's resources any initiatives from this programme will need to have a robust business case and demonstrate an acceptable return, in accordance with our usual property metrics.

## **Conclusion**

It is recommended that the Design Principles are approved in order that these can be incorporated into the Smart Working programme, providing the DNA behind any future evidence-based design.

## **Appendices – These can be found in the non-public section of the Agenda.**

- Appendix 1 - Current/Future Capacity
- Appendix 2 - Estimated Income
- Appendix 3 - Outcomes and measures for the Smart Working Programme

## **Dorian Price**

Guildhall Manager

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<b>Committee(s)</b> Establishment Committee	<b>Dated:</b> 16 January 2019
<b>Subject:</b> Terms of Reference Review	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report author:</b> Sacha Than, Town Clerk's Department	

## Summary

As part of the post-implementation review of the changes made to the governance arrangements in 2011 it was agreed that all Committees should review their terms of reference annually. This will enable any proposed changes to be considered in time for the reappointment of Committees by the Court of Common Council.

The terms of reference of the Establishment Committee are attached at Appendix A to this report for your consideration. If approved, it is proposed that any subsequent changes to the Committee's terms of reference required in the lead up to the Court's appointment of Committees in April 2019 be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman.

The Committee is also required to review the frequency of its Committee meetings. The Committee currently meets every six weeks.

## Recommendations

It is recommended that:

- the terms of reference of the Committee, subject to any comments, be approved for submission to the Court in April 2019;
- Any subsequent changes required in the lead up to the Court's appointment of Committees be delegated to the Town Clerk in consultation with the Chairman and Deputy Chairman; and
- Members consider whether any change is required to the frequency of the Committee's meetings.

## Appendices

- Appendix A – Terms of Reference

### Sacha Than

Senior Committee and Member Services Officer

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**Establishment Committee Terms of Reference**

To be responsible for:-

- (a) The Establishment Committee has specific authority to deal with or make recommendations to the Court of Common Council where appropriate on all matters relating to the employment of City of London Corporation employees where such matters are not specifically delegated to another Committee.

These matters include:-

- Conditions of employment;
- Local Government Pension Scheme (apart from investments);
- Workforce planning;
- Wages, salaries structure, job evaluation, staff grading and remuneration of Senior Officers;
- Organisation reviews;
- Employee relations;
- Joint consultation;
- Learning and employee development;
- Recruitment and selection;
- Discipline, dismissal, redundancies in line with the appropriate stages in policy etc;
- Occupational health, safety and wellbeing.

NB. The exception to this rule is, whilst the support staff in the City of London Police come within the purview of this Committee, the uniformed Police come under the Police Committee.

- (b) To approve:-
- (i) Reports of Heads of Departments recommending changes to senior management posts of Grade I and above which need the approval of the Court.
  - (ii) The structure and application of Job Evaluation Schemes and any amendments thereto.
- (c) To approve and promulgate Human Resources policies and practices so that the City of London Corporation can recruit, retain and motivate its employees and carry out its functions to the highest standards of quality and cost effectiveness;
- (d) To instigate and promulgate organisational reviews of departments and to approve their reports and comments on proposed changes in organisation to ensure that staff resources are deployed in an efficient and effective manner.

- (e) To make amendments to:-
  - (i) the general terms and conditions of employment which are contained in the employee handbook, such as working hours, annual leave, pension, leave of absence, allowances, family friendly provisions, and sick pay;
  - (ii) those procedures which form part of the contract of employment to include the grievance, disciplinary, capability, and appeals procedures, motor car, and motorcycle assisted purchase scheme.
  
- (f) To appoint seven members (including the representative of the Finance Committee):-
  - (i) to act as the Employer's side of the Joint Consultative Committee when meeting 8 members of the recognised unions, UNITE and GMB for the purpose of collective consultation and negotiation on general matters relating to salaries and terms and conditions of service etc. of City of London Corporation employees up to and including Grade G but excluding teachers and City Police Officers;
  
  - (ii) to act as the Employer's side of the Senior Management Joint Consultative Committee when meeting representatives of senior management of grades H and above, including High and Table Officers, for the purpose of collective consultation and negotiation on general matters relating to salaries and terms and conditions of service, etc;
  
- (g) To increase Judges' salaries if they follow the recommendations of the Top Review Board and are approved by the Lord Chancellor.
  
- (h) To increase the salary of the Coroner if it follows the recommendations of the Joint Negotiating Committee for Coroners.
  
- (i) To consider submissions of the Board or Boards of Governors relating to teaching staff, which, inter alia, may have to be finally submitted to the Court of Common Council.
  
- (j) To approve any increase in the salaries for teachers at the three City Schools if they are in excess of that recommended by the School Teachers' Review Body and any proposed changes to the basic salary structure or restructuring of the common pay spine for teachers.
  
- (k) To approve:-
  - (i) the learning and employee development policy, strategy and budget;
  - (ii) the Health and Safety and Occupational Health and Wellbeing policies and strategies.
  
- (l) To be the service Committee for the following Departments:-  
 Town Clerk's (Policy and Democratic Services, including Corporate HR)  
 Comptroller and City Solicitor's
  
- (m) To be responsible for the appointment of the Coroner (and see (h) above).

- (n) In accordance with the Scheme of Delegation, to receive details of:
  - (i) redundancies and early retirements
  - (ii) Market Forces Supplements
- (o) To be responsible for the monitoring and control of overtime, sickness absence, recruitment and retention changes to staffing resources, workforce profile, job evaluation and the termination of employment.
- (p) To have oversight of the City of London Corporation's policies and practices in respect of equality and inclusion, including the implementation of the Equality Act 2010 and other relevant legislation.
- (q) Equality Act 2010 and other relevant legislation.

dealing with requests for grants to support staff welfare initiatives from funds under the Committee's control, as allocated by the Resource Allocation Sub (Policy and Resources) Committee

# Agenda Item 7

<b>Committee</b>	<b>Dated:</b>
Establishment Committee	16 January 2018
Policy & Resources	21 February 2018
Court of Common Council	7 March 2018
<b>Subject:</b>	<b>Public</b>
Draft Pay Policy Statement 2019/20	
<b>Report of:</b>	<b>For Decision</b>
Chrissie Morgan, Director of Human Resources	
<b>Report author:</b>	
Ian Simpson, Corporate HR, Town Clerk's Department	

## Summary

The Localism Act 2011 requires the City of London Corporation to prepare and publish a Pay Policy Statement setting out its approach to pay for the most senior and junior members of staff. This must be agreed each year by the full Court of Common Council.

This Committee has now received the Pay Policy Statements since 2012. The Statement has now been updated for 2019/20 and is being presented for consideration by this committee prior to submission to the Policy & Resources Committee on 21 February and Court of Common Council on 7 March 2018.

The Statement generally updates the information provided in previous versions of the Statement, including details of the 2018-20 Pay Award and changes to the City of London's policy on paying London Living Wage.

## Recommendations

Members are asked to:

- agree the attached draft Pay Policy Statement 2019/20 to ensure the City Corporation meets its requirements under the Localism Act 2011, to enable it to be forwarded to the Policy & Resources Committee and Court of Common Council for further necessary approvals.

## Main Report

### Background

1. Under Section 38(i) of the Localism Act 2011 (the Act), all local authorities are required to produce and publish a statement setting out their pay policies. The aim of the Act is that authorities should be open, transparent and accountable to local taxpayers. Pay statements should set out the authority's

approach to issues relating to the pay of its workforce, particularly its most senior staff and its lowest paid employees.

2. The Department for Communities and Local Government publishes guidance to the relevant parts of the Localism Act and a Code of Recommended Practice for Local Authorities on Data Transparency which is also of relevance in complying with the Act. The City Corporation must have regard to this guidance in formulating a Pay Policy Statement.
3. The Pay Policy Statement must be agreed and published by 31 March each year, including agreement by the full Court of Common Council in open session. Should any changes to the Statement arise during the year, a revised Statement must come before the full Court.

### **Current Position**

4. Attached to this report is an updated draft Pay Policy Statement for 2019/20 for consideration by Members. Subject to any comments from your Committee and the Policy & Resources Committee, the draft Statement will be placed before the Court at its meeting in March to enable the City Corporation to meet the deadlines specified in the Act. The draft Pay Policy Statement 2019/20 is included as Appendix 1.
5. In addition to updating the Statement for the 2018-20 pay award there are a number of other changes to note:
  - a. An additional post (Chief Grants Officer & Director of the City Bridge Trust) has been added to the SMG staffing structure, following changes to the post's corporate and strategic responsibilities.
  - b. The bringing forward of the date from which the City Corporation pays the London Living Wage to its lowest-paid staff, which was previously the 1 April following the November announcement of the new rate, and is now (from 2018) the actual date of its announcement, following the decision to this effect by the Policy & Resources Committee in October.
  - c. Confirmation of the first report of the City Corporation in line with the legislation on the Gender Pay Gap.
6. The policy statement has not been amended to reflect changes that may arise from the Government's stated intention to introduce restrictions on exit pay packages for employees leaving public-sector jobs. Regulations were laid before Parliament on 24 January 2017 putting into law from 1 February 2017 the power of the Government to issue further regulations making restrictions on exit pay packages. Such regulations have not been introduced, but a Private Members' Bill (the Public-Sector Exit Payments (Limitation) Bill 2017-19) had its first reading in Parliament on 5 September 2017. Its second reading was originally timetabled for 1 December 2017, but this has since been deferred on several occasions, and the new expected date of its second reading is 25 January 2019. The Bill has now been published and aims to

compel the Treasury to lay before parliament a draft of the regulations which it has since 1 February 2017 been empowered to issue.. Members may wish to note that if the Bill follows the previous Government line on this matter (advocated in consultation before the 2017 Regulations were made) it may (if passed into law) require some amendment to our severance packages for high-earning employees, and give rise to considerations about how we deal with the pension provision for employees aged 55 or over who are dismissed for reasons of redundancy or business efficiency (see paragraphs 32 and 34 of the Statement). However, insofar as the 2017 Regulations allow the Government to impose such restrictions by Statutory Instrument without awaiting a further Act of Parliament to compelling them to do so it may be that enthusiasm for this is waning. In any case, it is not possible at this stage to make firm policy commitments on it. Members should note that the Localism Act enables the Pay Policy Statement to be amended at any time when statute or internal policy requires it, and so any required revisions to the Statement will be put to Members when or if the requirement for them is clear.

## **Conclusion**

7. To meet the requirements of the Localism Act, the City Corporation must agree and publish a Pay Policy Statement which has been agreed in open Court of Common Council. Members are asked to consider and agree the draft Statement as presented for forwarding to the Policy & resopurces Committee and Court of Common Council.

## **Appendices**

Appendix 1: Draft Pay Policy Statement 2019/20

Ian Simpson, Pay and Grading Manager, Corporate HR, Town Clerk's Department

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# CITY OF LONDON CORPORATION

## PAY POLICY STATEMENT 2019/20

### Introduction

1. Section 38(i) of the Localism Act 2011 (the Act) has required local authorities since the financial year 2012/13 to produce a pay policy statement for each financial year. This applies to the City of London Corporation in its capacity as a local authority and this document meets the requirements of the Act for the City of London Corporation for the financial year 2019/20.
2. We are required to set out our approach to a range of issues, particularly those relating to remuneration for the most senior staff and our lowest-paid staff. These provisions do not apply to staff of local authority schools or teaching staff in the three independent schools run by the City of London Corporation.
3. The provisions of the Act require that authorities are more open about their local policies and how local decisions are made. The Code of Recommended Practice for Local Authorities on Data Transparency enshrines the principles of transparency and asks authorities to follow three principles when publishing data they hold: responding to public demand; releasing data in open formats available for re-use; and, releasing data in a timely way. This includes data on senior salaries and the structure of the workforce.
4. All decisions on pay and reward for senior staff must comply with this Statement. The Statement must be reviewed annually and agreed by the Court of Common Council.
5. The Localism Act applies to the City of London Corporation only in its capacity as a local authority. In general, and in keeping with the spirit of openness, this Statement does not try to distinguish between information which applies to the City Corporation as a local authority and that which applies to it in any of its other capacities. However, insofar as the Act specifically excludes police authorities from its remit, this Statement does not include information about Police Officers. The Act does not require authorities to publish specific numerical data on pay and reward in their pay policy document. However, information in this Statement should fit with any data on pay and reward which is published separately. The City Corporation operates consistent pay policies which are applied across all of our functions. Further details of the current Grade structures and associated pay scales can be seen below.

### Salary Scales effective from 1 October 2018:

<b>Grade</b>	<b>Min Salary (£)</b>	<b>Max Salary (£)</b>	<b>No. of employees</b>
Grade A	£15,200	£16,150	184
Grade B	£17,090	£19,840	620
Grade C	£22,310	£25,890	832
Grade D	£28,140	£32,640	691
Grade E	£32,640	£37,810	546
Grade F	£41,320	£47,920	399

Grade G	£49,340	£57,240	177
Grade H	£57,240	£66,320	84
Grade I	£66,320	£76,870	25
Grade J	£79,190	£91,810	19
Senior Management Grade (SMG)	£80,770	£248,300	15
<p>The figures given are for Base pay only. Employee numbers are those at the time of the January 2019 pay roll. Any employee on Grades A-J who manages or supervises another employee on the same Grade has a separate pay scale paying up to 6.1% greater than the salary on the substantive Grade. Any employee on Grades A-J who is in a residential post has a separate pay scale paying 12.5% less than the salary on the substantive Grade. The figures for employees in each Grade in the table above include those on the relevant supervisory and residential scales. All employees on Grades A-J and in the SMG also receive a London Weighting allowance. The allowance does not differ between Grades of staff.</p>			
Teacher Grades	£29,200	£59,650	
Senior Teacher Grades	£69,650	£146,030	
<p>Figures for Teacher Grades exclude any additional responsibility allowances payable. Figures for Senior Teacher Grades include all payments.</p>			

This information is reviewed, updated and published on a regular basis in accordance with the guidance on data transparency and by the Accounts and Audit (England) Regulations 2011. It should be noted that all Police Officer pay scales are nationally determined and as such do not form part of the City Corporation's Pay Policy.

6. A two-year Pay Award covering 2018-20 for staff in Grades A-J and the SMG was negotiated with the recognised Trade Unions and staff representatives for these employees in 2018, and agreed by the Court of Common Council in July 2018. The Pay Award provided for a 2.45% increase on all salaries in Grades A-C and a 2% increase on all Graded salaries in Grades D and above, including the SMG, and a 5% increase on London Weighting allowance rates for all staff. These increases would be applied in each of the two years of the agreement, from 1 July 2018 in the first year and from 1 July 2019 in the second. The Pay Award also provided for restructures of Grade A (the City of London Corporation's lowest pay Grade) from 1 October in each of the years covered by the Award. The bottom point of the scale will be removed in each year and the top point of the scale will move up one point. The Base pay scales for employees in Grades A-J and the SMG that will apply from 1 July 2019 are as given below:

Grade	Min Salary (£)	Max Salary (£)
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Grade A (from 1 July 2019)	£15,570	£16,550
Grade A (from 1 Oct 2019)	£16,040	£17,020
Grade B	£17,510	£20,330
Grade C	£22,860	£26,520
Grade D	£28,700	£33,290
Grade E	£33,290	£38,570
Grade F	£42,150	£48,880
Grade G	£50,330	£58,380
Grade H	£58,380	£67,650
Grade I	£67,650	£78,410
Grade J	£80,770	£93,650
Senior Management Grade (SMG)	£82,390	£253,270
<p>The figures given are again for Base pay only. Employees on Grades A-J who manage or supervise another employee on the same Grade will continue to have a separate pay scale paying up to 6.1% greater than the salary on the substantive Grade, and employees on Grades A-J in residential posts will continue to have a separate pay scale paying 12.5% less than the salary on the substantive Grade. All employees in Grades A-J and in the SMG will continue to receive a separate London Weighting allowance, not differing between Grades of staff.</p>		

The two-year Pay Award does not cover Teachers and their pay scales will be subject to the usual negotiations with their recognised Trade Union and staff representatives next year.

7. The Act's provisions do not supersede the City Corporation's autonomy to make decisions on pay which are appropriate to local circumstances and deliver value for money for local taxpayers. We seek to be a fair employer and an employer of choice - recognising and rewarding the contributions of staff in an appropriate way. We set pay fairly within published scales and, in doing so, have regard to changing conditions in differing occupational and geographic labour markets.

### **Background**

8. All pay and terms and conditions of service are locally negotiated with our recognised trade unions or staff representatives. In 2006/07 extensive work was undertaken on a review of our pay and grading structures. As a result, the principles set out in the guidance to the Act have already generally been addressed although the Act set out some additional requirements which are covered by this statement.
9. In 2007 we implemented a number of core principles, via collective agreement, to form the City Corporation's pay strategy. This moved the pay and reward strategy from one based entirely on time-served increments to one which focusses on a balance between incremental progression, individual performance and contribution to the success of the organisation. A fundamental element of the strategy is that achievement of contribution payments is more onerous and exacting the more senior the member of staff.

10. All non-teaching staff employed by the City Corporation below the Senior Management Grade are allocated to one of the 10 Grades (Grades A-J), other than in a very small number of exceptional cases, such as Apprentices. All such posts were reviewed under Job Evaluation, ranked in order and allocated to a Grade following the 2007 Review. The evaluation scheme was independently equalities-impact assessed to ensure that it was inherently fair and unbiased. New posts and any existing posts that change their levels of responsibility etc. continue to be evaluated and ranked under the scheme. The scheme, how it is applied, the scoring mechanism and how scores relate to Grades are published on our Intranet, so staff can be assured that the process is fair and transparent. In addition, there is an appeal mechanism agreed with the recognised trade unions and staff representatives.
11. The London Living Wage (LLW) is applied as a minimum rate for all directly employed staff, including Apprentices since April 2017. Casual staff and agency workers have also been paid the London Living Wage since 2014. Until 2018, LLW increases have been applied from 1 April each year in line with the most recently announced LLW increase. However, in October 2018, the City Corporation's Policy & Resources Committee agreed that LLW increases should be applied in this and future years to affected employees and other staff from the date of the increase's announcement, which in 2018 was on 5 November.
12. It should be noted that not all of the pay and employment costs incurred by the City of London Corporation are funded from public resources. As well as having statutory local authority functions, the Corporation has private and charitable functions which receive funding through income from endowment and trust funds, and the pay and employment costs of these functions are met from these funds.

### **Staff below Senior Management**

13. The lowest Graded employees are in Grade A as determined by the outcomes of the Job Evaluation process. In 2016 the bottom two incremental points of this Grade were removed and an additional point was added to the top of it, and the two-year Pay Award for 2018-20 further restructures Grade A to give it additional points at the top while removing points from the bottom. The current lowest point on Grade A is now £21,290, including a London Weighting allowance for working in Inner London. The current pay range for Grades A - J is £21,290 to £97,900 inclusive of Inner London Weighting of £6,090 for non-residential employees.
  - Grades A-C are the lowest grades in the City Corporation. Grade A has 4 increments and Grades B and C have 6 increments, and progression through each Grade can be achieved by annual incremental progression subject to satisfactory performance. There is no Contribution Pay assessment. However, employees at the top of these Grades have the opportunity if they have undertaken exceptional work to be considered for a Recognition Award up to a maximum level set corporately each year (this has been £500 in each year since 2010).

- Grades D-J have 4 'core' increments and 2 'contribution' increments. Progression through the 4 'core' increments is subject to satisfactory performance. Progression into and through the 2 'contribution' increments requires performance to be at a higher than satisfactory level. Once at the top of the scale, for those who achieve the highest standards of performance and contribution, it is possible to earn a one-off non-consolidated Contribution Payment of up to 3% or 6% of basic pay depending on the assessed level of contribution over the previous year.

14. The City of London operates a distribution curve to advise on a fair and consistent distribution of Contribution Payments for staff in Grades D-J. This helps to place limits on the number of eligible employees who, in any one year, progress to the two highest increments on the relevant Grades or receive a Contribution Payment. For the appraisal year ending March 2018, 62% of eligible employees were allowed to move into the two higher contribution increments and 62% of eligible staff received a one-off non-consolidated contribution payment.

### **Senior Management**

15. The Senior Management Grade comprises the most senior roles in the organisation. As these are distinct roles, posts are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the Grade. Any increase in salary (whether through incremental progression or a cost-of-living award) is entirely dependent on each individual being subject to a rigorous process of assessment and evaluation, and is based on their contribution to the success of the organisation.

16. The term Senior Management incorporates the following posts:

- Town Clerk & Chief Executive
- Chamberlain
- Comptroller & City Solicitor
- Remembrancer
- City Surveyor
- Director of the Built Environment
- Managing Director of the Barbican Centre
- Principal of the Guildhall School of Music & Drama
- Director of Community & Children's Services
- Director of the Economic Development Office
- Executive Director of Mansion House and the Central Criminal Court
- Director of HR
- Director of Markets & Consumer Protection
- Director of Open Spaces
- Chief Grants Officer & Director of the City Bridge Trust

17. The Head Teachers of the City of London School, City of London School for Girls and City of London Freeman's School are not part of the Senior Management Group for the purposes of pay (their pay is governed by a separate senior teaching pay scale, as outlined in paragraph 5). The pay of the post of Remembrancer is aligned to Senior Civil Service pay scales.

18. Following the principles outlined above, the pay ranges for the Senior Management Grade were set with reference to both job evaluation and an independent external market assessment. The principles of this were agreed by the Court of Common Council in 2007 and, subsequently, the specific unique range for each senior management post was agreed by the Establishment Committee in October 2007, subject to alteration thereafter when the duties or responsibilities of posts or other external factors relevant to their pay and reward change. Current Senior Management salary scales are from £80,770 to £248,300, excluding London Weighting.
19. Each Senior Management Grade post is allocated a range around a datum point. There is a maximum and minimum (datum plus 9% and datum minus 6% respectively) above and below which no individual salary can fall. Where a pay increase for a member of staff would take them above the maximum in a given year, the excess amount above the maximum may be paid as a non-consolidated payment in that year. This does not form part of basic salary for the following year and will, therefore, have to be earned again by superior performance for it to be paid.
20. Each year the datum point advances by a percentage equivalent to any 'cost of living' pay award. Individual salaries would move according to the table below:

<b>Contribution Level</b>	<b>Salary Change</b>
A Outstanding	Datum % change + up to 6%
B Very Good	Datum % change + up to 4%
C Good	Datum % change
D Improvement Required	0.0%

21. The average payment based on contribution alone has been 3.06% for the appraisal year ending in March 2018. The payments have been largely non-consolidated i.e. they have to be re-earned each year based on superior performance.
22. The Establishment Committee has specific authority to deal with or make recommendations to the Court of Common Council where appropriate on all matters relating to the employment of City of London Corporation employees where such matters are not specifically delegated to another Committee. These matters include the remuneration of senior officers. The Establishment Committee has delegated this to the Senior Remuneration Committee
23. The Town Clerk & Chief Executive determines all salary matters for senior staff (other than in relation to himself) within the existing individual Grades and reward policies in consultation with elected members and the Senior Remuneration Committee. The Director of HR, co-ordinates any such matters in relation to the Town Clerk & Chief Executive in consultation with elected members and the Senior Remuneration Committee.

24. The Act specifies that in addition to senior salaries, authorities must also make clear what approach they take to the award of other elements of senior remuneration including bonuses and performance-related pay as well as severance payments. This should include any policy to award additional fees for Chief Officers for their local election duties.
25. The scheme for pay increases and contribution pay for the Senior Management Grade is set out above. Staff in the Senior Management Grade do not have an element of their basic pay “at risk” to be earned back each year. Progression is, however, subject to successful performance assessed through the application of the performance-appraisal scheme. No one in the Senior Management Grade receives any additional payments or fees for City of London Corporation electoral duties.
26. Set out below are the broad pay ranges for the Senior Management Grade, with the numbers in each band, excluding London Weighting. Each member of staff will have an individual salary scale within these broad ranges.

£80,770 - £115,130	(4)
£111,800 - £150,220	(6)
£154,710 - £190,330	(4)
£214,170 - £248,300	(1)

27. The Act requires authorities to set their policies on remuneration for their highest-paid staff alongside their policies towards their lowest-paid staff, and to explain what they think the relationship should be between the remuneration of their highest-paid staff and other staff. The City Corporation’s pay multiple - the ratio between the highest paid and lowest paid staff - is approximately 1:12. The ratio between the pay of the highest paid member of staff and the median earnings figure for all staff in the authority is 1:7.

### **Other Payments**

28. In addition to basic salary, all Graded staff are paid a London Weighting allowance which varies depending on where they are based and whether they are supplied by the employer with residential accommodation. This is to assist staff with the higher cost of living and working in London. Current levels of London Weighting for non-residential staff are £6,090 for those based in inner London and £3,650 for those based in outer London.
29. As most of the work of the organisation is undertaken in the City of London, there are some types of posts which are difficult to recruit to e.g. lawyers, IT staff etc. Accordingly, there is often the need to use market supplements to attract, recruit and retain highly sought-after skills. Any request for a market supplement must be supported by independent market data and is considered by a panel of senior officers and the Establishment Committee where appropriate.

30. All market supplement payments are kept under regular review and reported to Members. No member of staff in the Senior Management Grade receives a market supplement.

### Transparency

31. The Act requires the pay policy statement to make reference to policies in relation to staff leaving the authority, senior staff moving posts within the public sector, and senior staff recruitment.

### Recruitment

32. New staff, including those in the Senior Management Grade, are normally appointed to the bottom of the particular pay scale applicable for the post. If the existing salary falls within the pay scale for the post, the new employee is normally appointed to the lowest point on the scale which is higher than their existing salary provided this gives them a pay increase commensurate with the additional higher-level duties. In cases where the existing salary is higher than all points on the pay scale for the new role, the member of staff is normally appointed to the top of the pay scale for the role.

For posts where the salary is £100,000 or more, the following approvals will be required:

- (i) in respect of all new posts, the Court of Common Council;
- (ii) in respect of all existing posts, the establishment Committee.

### Payments on Ceasing Office

33. Staff who leave the City Corporation, including the Town Clerk & Chief Executive and staff on the Senior Management Grade, are not entitled to receive any payments from the authority, except in the case of redundancy or retirement as indicated below.

### Retirement

34. Staff who contribute to the Local Government Pension Scheme who retire from age 55 onwards may elect to receive immediate payment of their pension benefits on a reduced basis in accordance with the Scheme. Unreduced benefits are payable if retirement is from Normal Pension Age, with normal pension age linked to the State Pension Age from 1 April 2014, unless protections in the Pension Scheme allow for an earlier date. Early retirement, with immediate payment of pension benefits, is also possible under the Pension Scheme following redundancy or business efficiency grounds from age 55 onwards and on grounds of permanent ill-health at any age.

35. Whilst the Local Government Pension Scheme allows applications for flexible retirement from staff aged 55 or over, where staff reduce their hours or Grade, it is the City Corporation's policy to agree to these only where there are clear financial or operational advantages to the organisation. Benefits are payable in accordance with Regulation 27 of the Local Government Pension Scheme Regulations 2013. Unless there are exceptional circumstances, the City does not make use of the discretion allowed by the LGPS Regulations to waive any actuarial reduction in pensions awarded under the flexible-retirement provisions.

### Redundancy

36. Staff who are made redundant are entitled to receive statutory redundancy pay as set out in legislation calculated on a week's pay (currently a maximum of £508 per week). The City Corporation currently bases the calculation on 1.5 x actual salary. This scheme may be amended from time to time subject to Member approval, and has most recently been so amended for staff made redundant on or after 25 October 2017. The authority's policy on discretionary compensation for relevant staff under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 is published on our website.

### Settlement of potential claims

37. Where a member of staff leaves the City Corporation's service in circumstances which would, or would be likely to, give rise to an action seeking redress through the courts from the organisation about the nature of the member of staff's departure from our employment, such claims may be settled by way of a settlement agreement where it is in the City Corporation's interests to do so based on advice from the Comptroller & City Solicitor. The amount to be paid in any such instance may include an amount of compensation, which is appropriate in all the circumstances of the individual case. Should such a matter involve the departure of a member of staff in the Senior Management Grade or the Town Clerk & Chief Executive, any such compensation payment will only be made following consultation with the Chairmen of Policy & Resources and Establishment Committees and legal advice that it would be legal, proper and reasonable to pay it.

### Payment in lieu of notice

38. In exceptional circumstances, where it suits service needs, payments in lieu of notice are made to staff on the termination of their contracts.

### Re-employment

39. Applications for employment from staff who have retired or been made redundant from the City Corporation or another authority will be considered in accordance with our normal recruitment policy.

### **Publication of information relating to remuneration**

40. The City Corporation will seek to publish details of positions with remuneration of £50,000 or above in accordance with the Accounts and Audit Regulations 2015 and the Local Government Transparency Code issued by the Secretary of State for Communities and Local Government.
41. This Pay Policy Statement will be published on our public website. It may be amended at any time during 2018/19 by the resolution of the Court of Common Council. Any amendments will also be published on our public website.
42. This statement meets the requirements of the: Localism Act 2011; the Department for Communities and Local Government (DCLG) guidance on "Openness and accountability in local pay: Guidance under section 40 of the Localism Act" (including any supplementary Guidance issued); "The Local Government Transparency Code 2015"; and the Accounts and Audit Regulations 2015.

43. From 2018, the City of London Corporation is required under the Equality Act 2010 to publish information every year showing the pay gap between male and female employees. The organisation's first such report was published in March 2018.

January 2018

By virtue of paragraph(s) 1, 2, 3, 4, 5 of Part 1 of Schedule 12A of the Local Government Act 1972.

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