



Establishment Committee

Date: THURSDAY, 30 JANUARY 2020
Time: 11.00 am
Venue: COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

Members:

Deputy Edward Lord (Chair)	Jeremy Mayhew
Deputy Kevin Everett (Deputy Chairman)	Sylvia Moys
Randall Anderson	Deputy Joyce Nash
Deputy Keith Bottomley	Barbara Newman
Alderman Sir Charles Bowman	Deputy Richard Regan
Tracey Graham	Deputy Elizabeth Rogula
Deputy the Revd Stephen Haines	Ruby Sayed
Sheriff Christopher Hayward	Deputy Philip Woodhouse
Deputy Jamie Ingham Clark	

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Lunch will be served in Guildhall Club at 1pm
N.B. Part of this meeting could be the subject of audio 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 of the meeting held on 10th December 2019.

For Decision
(Pages 1 - 6)

4. **OUTSTANDING ACTIONS REPORT**

Report of the Town Clerk.

For Information
(Pages 7 - 10)

Strategic Business

5. **BREXIT UPDATE**

The Director of Human Resources to be heard.

For Information

6. **2020/21 PAY POLICY**

Report of the Director of HR.

For Decision
(Pages 11 - 40)

For Formal Decision

7. **DEPARTMENTAL BUDGET ESTIMATES AND HIGH-LEVEL SUMMARY
BUSINESS PLAN 2020-21**

Joint Report of the Town Clerk, the Chamberlain, and the Comptroller & City Solicitor.

For Decision
(Pages 41 - 70)

8. **FUNDING FOR CITY OF LONDON CORPORATION STAFF SPORTS AND
ACTIVITIES CLUB (COLSSAC)**

Report of the Town Clerk.

For Decision
(Pages 71 - 76)

9. **PROPOSAL TO CHANGE THE NAME OF THE GRAND COMMITTEE**

Report of the Town Clerk.

For Decision
(Pages 77 - 78)

10. **ESTABLISHMENT COMMITTEE - TERMS OF REFERENCE REVIEW**

Report of the Town Clerk.

For Decision
(Pages 79 - 82)

For Information

11. **HR HELPDESK SOFTWARE**

Joint Report of the Chamberlain and the Director of HR.

For Information
(Pages 83 - 86)

12. **PUBLIC MINUTES OF THE JOINT CONSULTATIVE COMMITTEE (JCC)**

For Information

- a) Public Minutes of the Joint Consultative Committee - 10th December 2019
(Pages 87 - 88)

To note the minutes of the meeting held on 10th December 2019.

- b) Public Minutes of the Joint Consultative Committee (Employer Side only) - 15th
January 2020 (Pages 89 - 90)

To note the minutes of the meeting held on 15th January 2020.

13. **PUBLIC MINUTES OF THE SENIOR REMUNERATION SUB-COMMITTEE - 5TH
DECEMBER 2019**

To note the minutes of the meeting held on 5th December 2019.

For Information
(Pages 91 - 94)

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

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

16. **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

17. **NON-PUBLIC MINUTES**

To agree the non-public minutes of the meeting held on 10th December 2019.

For Decision
(Pages 95 - 96)

18. **OUTSTANDING ACTIONS REPORT**

Report of the Town Clerk.

For Information
(Pages 97 - 98)

For Information

19. **STAFF SURVEY ACTION PLANS**

Report of the Town Clerk.

For Information
(Pages 99 - 106)

20. **NON-PUBLIC MINUTES OF THE JOINT CONSULTATIVE COMMITTEE - 10TH DECEMBER 2019**

To note the non-public minutes of the meeting held on 10th December 2019.

For Information
(Pages 107 - 108)

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

22. **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

23. **CONFIDENTIAL MINUTES**

To agree the Confidential minutes of the last meeting held on 10th December 2020.

For Decision

24. **CONFIDENTIAL MINUTES OF THE JOINT CONSULTATIVE COMMITTEE (EMPLOYER SIDE ONLY) - 15TH JANUARY 2020**

To note the confidential minutes of the meeting held on 15th January 2020.

For Information

25. **CONFIDENTIAL MINUTES OF THE SENIOR REMUNERATION SUB-COMMITTEE
- 5TH DECEMBER 2019**
To note the confidential minutes of the meeting held on 5th December 2019.
- For Information**
- For Formal Decision**
26. **HONORARIUM REQUEST**
Report of the Chamberlain.
- For Decision**
- For Information**
27. **CHAIR'S APPRAISAL UPDATE**
The Deputy Chairman to be heard.
- For Information**
28. **TOWN CLERK'S UPDATE**
The Town Clerk to be heard.
- For Information**

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ESTABLISHMENT COMMITTEE Tuesday, 10 December 2019

Minutes of the meeting of the Establishment Committee held at Guildhall on
Tuesday, 10 December 2019 at 11.00 am

Present

Members:

Deputy Edward Lord (Chair)
Deputy Kevin Everett (Deputy Chairman)
Randall Anderson
Deputy Keith Bottomley
Alderman Sir Charles Bowman
Sheriff Christopher Hayward
Deputy Jamie Ingham Clark
Jeremy Mayhew
Barbara Newman
Deputy Richard Regan
Deputy Elizabeth Rogula
Ruby Sayed
Deputy Philip Woodhouse

Officers:

Angela Roach	- Assistant Town Clerk
Michael Cogher	- Comptroller and City Solicitor
Chrissie Morgan	- Director of Human Resources
Janet Fortune	- Human Resources
Tracey Jansen	- Human Resources
Marion Afoakwa	- Human Resources
Justin Tyas	- Human Resources
Adam Rout	- Mansion House and Central Criminal Court
Vic Annells	- Executive Director of Mansion House & Central Criminal Court
Kate Smith	- Town Clerk's Department
Michael Bennett	- Community and Children's Services
Sufina Ahmad	- Corporate Strategy Manager
Carol Simpson	- Human Resources
Caroline Al-Beyerty	- Deputy Chamberlain
Paul Murtagh	- Community and Children's Services

1. APOLOGIES

Apologies for absence were received from Tracey Graham, Stephen Haines, Sylvia Moyes and Joyce Nash.

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

There were no declarations of interest.

3. **MINUTES**

RESOLVED – That the public minutes and summary of the meeting held on 29 October 2019 be approved as an accurate record.

4. **OUTSTANDING ACTIONS REPORT**

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

Members noted items were either on the agenda or a date for completion was shown. The Deputy Chairman confirmed that a note would be going out to Members regarding the Chair's appraisal.

RESOLVED – That the Committee notes the report.

5. **BREXIT UPDATE**

Members agreed to await the outcome of the general election before receiving any further updates on Brexit.

6. **DRAFT OVERSEAS TRAVEL POLICY (HEALTH AND SAFETY)**

The Committee considered a report of the Director of Human Resources concerning the need for a corporate Overseas Travel Policy for Health and Safety.

A Member questioned the advice given to staff regarding inoculations and it was clarified that subordinate overseas travel guidance for health and safety had already been issued. The Occupational Health Team can advise on inoculations for overseas travel with costs met from local risk budgets.

RESOLVED – that approval be given to the Overseas Travel Policy.

7. **SOCIAL MOBILITY STRATEGY, 2018-28 - ANNUAL REPORT**

The Committee received a report of the Director of City Bridge Trust presenting the first annual report of the City of London Corporation's Social Mobility Strategy for 2018-28.

A Member referred to equality and inclusion and suggested the action points within the strategy appeared a little weak in this regard. The Chair confirmed that this issue would be picked up as part of the equalities and inclusion update later on the agenda.

RESOLVED - that the progress of the City Corporation's Social Mobility Strategy 2018-28 be noted.

8. **SOCIAL MOBILITY EMPLOYER INDEX 2019 - CITY OF LONDON CORPORATION RESULTS**

The Committee received a report updating on the Social Mobility Index and the City Corporation's position within it.

The Chair suggested there was a need for the City Corporation to improve its position. A better collection of data was needed to provide clear evidence on the areas where the City Corporation was improving.

Members noted the low level of recruitment and selection score and it was questioned whether the City Corporation was in the right index. The Corporate Strategy Manager explained that the City Corporation's new recruitment website had not been launched at the time of the assessment; it was stressed that there was no other index that looked at social mobility and it was recommended that the City Corporation remain in the group.

Members agreed on the need for a clear and robust action plan showing what was going to be done going forward. Officers were asked to report back in February / March with an action plan.

It was suggested the City Corporation needed to learn from others and a Member confirmed he would be happy to introduce Price Waterhouse Coopers to the organisation.

The Chair welcomed the report and confirmed they wanted to see a clear action plan by March 2020 on how the City Corporation can move forward. The Chair welcomed the opportunity of an introduction to Price Waterhouse Coopers.

RESOLVED, That the report be received and its content noted; that the Corporate Strategy Manager arrange a report back in March with a clear action plan showing how the organisation can move forward.

9. **HR HELPDESK SOFTWARE**

This item was withdrawn.

10. **EQUALITY AND INCLUSION UPDATE**

The Committee received a report of the Director of Human Resources providing an update on the City Corporation's Gender, Ethnicity and Disability Pays Gaps for the snapshot date of 31 March 2019.

The Chair asked that an action plan be brought back by March showing how the City Corporation was going to reduce the pay gap.

RESOLVED, that the report be noted and; that an action plan be brought back in March addressing how the City Corporation could reduce the pay gap.

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

There were no questions.

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

The Chair referred to the name of the Committee. They suggested that as the committee was responsible for all matters concerning the workforce and matters relating to inclusion, the name should reflect this e.g. Workforce and Inclusion Board.

It was agreed the name of the Committee could be considered more fully at the next meeting.

13. 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
14	3
15	3
16	3
17	3
18	3
19	3
20	2
21	3
22	1,5
23	1
24	3
25	3

14. NON-PUBLIC MINUTES

RESOLVED – that the non-public minutes of the meeting held on 29 October were approved.

15. PULSE STAFF SURVEY

The Town Clerk presented results of the recent Pulse Staff Survey. Members were talked through a summary of the results and proposed next steps.

Members highlighted a number of areas for consideration. It was explained that Chief Officers had been asked to work with their teams in developing action plans to move forward. Members agreed that it was important for this Committee to see an action plan and the Town Clerk agreed to bring this back in January for consideration.

RESOLVED, that the update be noted.

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

There were no questions.

17. 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.

18. CONFIDENTIAL MINUTES

The confidential minutes of the meeting held on 29th October 2019 were approved.

19. **JOINT PAY CLAIM 2020/21**

The Committee considered a report of the Director of HR relating to a joint pay claim for 2020/21

20. **CENTRAL CRIMINAL COURT**

The Committee considered a report of the Executive Director of Mansion House relating to the Central Criminal Court.

21. **BARBICAN ESTATE OFFICE TEAM**

The Committee considered a report of the Director of Community and Children's Services relating to the Barbican Estate Office Team.

22. **CITY OF LONDON POLICE HUMAN RESOURCES UPDATE - 31 OCTOBER 2019**

The Committee received a report of the Director of HR concerning a staff appeal at City of London Police.

23. **CITY OF LONDON POLICE HUMAN RESOURCES UPDATE - 25TH NOVEMBER 2019**

The Committee received a report of the Director of HR concerning a staff appeal at City of London Police.

24. **COMMITTEE AND MEMBERS SERVICES TEAM UPDATE**

The Committee received an update from the Assistant Town Clerk relating to the work of the Committee and Members Services Team.

25. **MEMBER OFFICER PROTOCOL**

The Committee received an update of the Assistant Town Clerk relating to the Member Officer protocol.

The meeting ended at 1.15pm.

Chairman

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Establishment Committee – Outstanding Actions

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
1.	10 July 2019	<p><u>AOB - Chair's appraisal process</u> The Chair proposed carrying out an appraisal for their performance – this would be conducted by Establishment Committee Members.</p>	Town Clerk to coordinate with the Deputy Chairman	January 2020	<p>29th October: The Deputy Chairman will contact Members of Establishment Committee Members in the next few weeks</p> <p>January 2020 – Members have been approached for feedback – an update will be provided at 30th January Committee meeting</p>
2.	5 September 2019	<p><u>Job Families</u> The Director of HR stressed that jobs families should not be seen in isolation, but it was an important component of HR's upcoming overarching review of pay scales and grading - issues which had not been examined in several years. The first part of the Report would be submitted to Members in 2020.</p> <p>The Chair added that a separate strategic session of the Committee focussed on Pay and Grading would be beneficial. The Director of HR would liaise with the Town Clerk in identifying an appropriate time for a session in 2020.</p>	Director of HR and the Town Clerk	March 2020	

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
3.	5 September 2019	<p><u>Special Leave Entitlement for Employee Volunteering</u></p> <p>Although content to approve the Report, it was apparent that many of those volunteering had failed to record this on the corporate system; Members requested that future iterations of this Report should seek to drill down and capture a more accurate picture of staff volunteering rates.</p>	Director of HR	September 2020	
4.	5 September 2019	<p><u>HR Dashboard – June 2019</u></p> <p>Members asked officers to return with more analysis concerning the following:</p> <ul style="list-style-type: none"> • Why do 36% of new starters leave within their first year. • How effective were the City's Mental Well-Being policies in helping to reduce absence? • How do the City's absences for stress compare with other similar organisations? 	Director of HR		To be picked up in the next iteration of the HR dashboard.

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
5.	10 December 2019	<p><u>Social Mobility Employer Index 2019 - City of London Corporation Results</u> Members agreed on the need for a clear and robust action plan showing what was going to be done going forward. Officers were asked to report back in March 2020 with an action plan.</p> <p>It was suggested the City Corporation needed to learn from others and a Member confirmed he would be happy to introduce Price Waterhouse Coopers to the organisation.</p> <p>The Chair welcomed the report and confirmed they wanted to see a clear action plan by March 2020 on how the City Corporation can move forward. The Chair welcomed the opportunity of an introduction to Price Waterhouse Coopers.</p>	Corporate Strategy Manager	March 2020	Action Plan to be submitted to 12 th March 2020 meeting

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
6.	10 December 2019	<p><u>Equality and Inclusion Update</u> The Committee received a report of the Director of Human Resources providing an update on the City Corporation's Gender, Ethnicity and Disability Pays Gaps for the snapshot date of 31 March 2019.</p> <p>The Chair asked that an action plan be brought back by March showing how the City Corporation was going to reduce the pay gap.</p> <p>RESOLVED, that the report be noted and; that an action plan be brought back in March addressing how the City Corporation could reduce the pay gap.</p>	Director of HR	March 2020	Action Plan to be submitted to the 12 th March 2020 meeting
7.	10 th December 2019	<p><u>Name of the Grand Committee</u> The Chair referred to the name of the Committee. They suggested that as the committee was responsible for all matters concerning the workforce and matters relating to inclusion, the name should reflect this e.g. Workforce and Inclusion Board.</p> <p>It was agreed the name of the Committee could be considered more fully at the next meeting.</p>	Town Clerk	January 2020	Report submitted to January meeting

Establishment Committee	Dated: 30th January 2020
Subject: 2020/21 Pay Policy	Public
Report of: Chrissie Morgan, Director of Human Resources	For Decision
Report author: 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 for the succeeding financial year. This must be agreed each year by the full Court of Common Council.

Statements have been produced each financial year since 2012/13. They are generally written to incorporate the requirements of the relevant legislation and its Government Guidance, but updated as City of London pay information or policies change.

The draft Statement and the main parts of this report were presented to the Senior Remuneration Committee for information on 5 December 2019. The Committee had some suggestions about the format of the Statement and asked for this to be reviewed in advance of next year's (2021/22's) Statement.

This report sets out the legislative requirements under which Pay Policy Statements are produced, and illustrates this against the draft Pay Policy Statement for the financial year 2020/21.

The draft 2020/21 Pay Policy Statement is attached as an Appendix, along with a further Appendix showing the tracked changes from the 2019/20 statement.

Recommendations

Members are asked to agree the Pay Policy Statement for 2020/21 and recommend it to Policy and Resources Committee for agreement and forwarding to the Court of Common Council.

Main Report

Background

1. The requirement for local authorities to produce Pay Policy Statements was introduced under the section 38(1) of the Localism Act 2011 (the Act). This stated that “*A relevant authority must prepare a pay policy statement for the financial year 2012-2013 and each subsequent financial year*”. In the City Corporation’s case, it is a “*relevant authority*” only in its capacity as a local authority. However, and in general, the City has not tried to distinguish in its Pay Policy Statements its local-authority capacities from any of its other undertakings, other than where these are specifically excluded from the remit of the 2011 Act.
2. The aim of the Act is that authorities should be open, transparent and accountable to local taxpayers. Pay Policy Statements should set out the authority’s approach to issues relating to the pay of its workforce, and in particular to the pay of its “Chief Officers” and the pay of its lowest paid employees.
3. Section 38 of the Act goes on to outline certain features which must be included within Pay Policy Statements.
 - Section 38(2) says that the Statements must set out the authority’s policies for the financial year relating to the remuneration of its chief officers, the remuneration of its lowest-paid employees and the relationship between the remuneration of its chief officers and the remuneration of any other employees.
 - Section 38(3) says that the Statements must state the definition of “lowest-paid” employee adopted by the authority and its reasons for adopting that definition.
 - Section 38(4) says that the Statements must include the authority’s policies relating to the level and elements of remuneration for each chief officer, remuneration of chief officers on recruitment, increases and additions to remuneration for each chief officer, the use of performance-related pay and bonuses for chief officers, the approach to the payment of chief officers when they cease to be employed and the publication of and access to information relating to chief officers’ remuneration.
4. Section 38(5) is less prescriptive, but allows authorities to set out in their Statements their policies for the financial year relating to other terms and conditions applying to chief officers.
5. The definition of “Chief Officers” given in the Localism Act (under section 43(2)) is that of the Local Government and Housing Act 1989, and incorporates the latter Act’s definitions of both “Chief Officers” and “Deputy Chief Officers”. This is a much wider definition than the conventional definition of “Chief Officer” used

in the City Corporation (generally denoting a head of department) and also wider than that which governs posts included in our Senior Management Group.

6. Under the Local Government and Housing Act, a “Chief Officer” is
- the authority’s head of the paid service (the Town Clerk & Chief Executive, in the City Corporation’s case),
 - any person who in general answers directly to the head of the paid service, and
 - any person (irrespective of whether they report directly to the head of the paid service) who in general is required to report directly to the authority itself or to any Committee or sub-Committee of the authority.

A “Deputy Chief Officer” under the Act is anyone who reports directly to any person defined as a Chief Officer.

7. The only employees who could be caught by any of these definitions who are excluded from them under the 1989 Act are those employees engaged principally in clerical or secretarial support, or who are responsible for other support services.
8. The 1989 Act divides “Chief Officers” between what are called “statutory Chief Officers” and “non-statutory Chief Officers”. However, this distinction is irrelevant for the Pay Policy Statement provisions of the Localism Act 2011.
9. The 1989 Act applies to the City only in its capacities as a local authority, police authority and port health authority. However, in keeping with the commitment to wider transparency in our Pay Policy Statements, the basic definitions of “Chief Officer” and “Deputy Chief Officer” given in the 1989 Act have been applied in our Pay Policy Statements to all relevant employees of the City Corporation, irrespective of the capacity or capacities they work under, other than where their duties are specifically excluded from the provisions of the Localism Act.
10. Section 41 of the Localism Act makes further provision relating to the remuneration of “Chief Officers”, which is that any determination made by the authority related to the remuneration or other terms and conditions applying to a Chief Officer of the authority within the financial year to which the Pay Policy Statement relates must comply with its Pay Policy Statement for that year.
11. The Localism Act makes supplementary provisions relating to Pay Policy Statements in its section 39. This says that the authority’s Pay Policy Statement must be approved by a resolution of the authority by the 31 March before the financial year to which it relates, that the Statement may (again by resolution of the authority) be subsequently amended after the beginning of the financial year, and that, as soon as is reasonably practicable after its approval or amendment, the Statement must be published on the authority’s website.

12. 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. Such Guidance has statutory effect under section 40 of the Act, and a relevant authority in performing any of its functions under sections 38 and 39 of the Act must have regard to the instructions of the Guidance.
13. The main Guidance (*“Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act”*) was published in February 2012. It sets out a number of key policy principles, i.e.
- The need to increase transparency in how taxpayers’ money is used in local authorities, particularly in the pay and reward of staff
 - The promotion of pay fairness by tackling disparities between the lowest and highest paid
 - The increase of accountability in pay decisions made by authorities.

The general notion is that *“the Act’s provisions will ensure that communities have access to the information they need to determine whether remuneration, particularly senior remuneration, is appropriate and commensurate with responsibility. In addition, the provisions will ensure that policies on the pay and reward of the most senior staff are set out clearly within the context of the pay of the wider workforce”*.

14. The 2012 Guidance in general reiterates the main provisions of the 2011 Act or makes suggestions about how these should be interpreted, but it also makes several prescriptive points for matters which it would be desirable for authorities to include within their Pay Policy Statements or otherwise within their pay policies or governance arrangements. These include:
- the non-applicability of the Localism Act to the staff of local authority schools (including teachers)
 - the opportunity for a full-council vote for new salary packages in excess of £100,000 per annum;
 - the publication of pay multiples, in particular between the highest-paid employee and median pay levels;
 - the payment or otherwise of separate fees for election duties for Chief Officers;
 - description of whether any payments to senior staff have to be earned each year or are all consolidated payments;
 - compliance in the award of severance pay to Chief Officers with the authority’s published policies on discretionary payments in such circumstances;

- circumstances in which pension payments can be made to employees still in local-authority work
 - policy on pay packages for senior appointments that limits the possibility of tax avoidance.
15. The government introduced Supplementary Guidance to the 2012 Guidance in February 2013. This in general served as a reminder for authorities of their existing duties in relation to their Pay Policy Statements, without giving further explicit instructions to them about additional requirements. However, it stated that authorities should present their Pay Policy Statements in a clear and accessible format, keeping jargon to a minimum and explaining any acronyms used, and that they should set out in their Statements clearly and separately their policies against each of the requirements of the Localism Act. The Supplementary Guidance also advised authorities that if they conclude that any particular parts of the existing Guidance do not apply to them then they explain this clearly in their Statements.

Current Position - City of London Pay Policy Statement 2020/21

16. Attached to this report is an updated draft Pay Policy Statement for 2020/21. This is required to be put before the Establishment and Policy & Resources Committees before being put to the full Court of Common Council. It was presented to Senior Remuneration Sub Committee (SRSC) on 5th December to provide Members with the template that the City uses in its Pay Policy Statements in order to explain why it is structured as it is and contains what it does, against the legislative framework under which the Statements are made.
17. At the 5 December meeting, members of the SRSC expressed views about the format and content of the Pay Policy Statement. They accepted that this was driven by legislation but asked that it be reviewed for the 2021/22 Statement. In the meantime, the Statement for 2020/21 retains its existing format.
18. Paragraphs 1-4 of the Statement provide a general introduction. They explain the general duty under section 38(1) of the 2011 Act to provide a Statement, and the basic principles which the Government Guidance suggests that Statements should embrace. They explain further how the legislation affects the City Corporation, and the general decision to follow the spirit of the legislation across wider areas of the City's functions, other than certain areas (Police Officers and Schoolteachers) which the legislation or Guidance specifically exclude.
19. Paragraphs 5-7 and 8-14 provide a general overview of the City's pay policies, its Grading structure and other payment mechanisms. These put in context later parts of the Statement. The required definition of lowest-paid staff is provided at paragraph 13.
20. Paragraphs 15 and 16 explain payments made to Graded staff, following the descriptions of the pay rates for the Grade and number of employees in them given in paragraphs 5 and 6. This is of relevance to the requirement to explain the remuneration of "Chief Officers" (many of whom by the Local Government

& Housing Act definition used in the 2011 Act are paid on the A-J Grades) and to the requirement to provide pay multiples, in particular the relationship of the pay of the highest-paid member of staff with the median employee in pay terms.

21. Paragraphs 17-25 explain payments made to employees on the Senior Management Grade. This is further relevant to explaining the organisation's remuneration policies in relation to "Chief Officers", as these are different for "SMG" "Chief Officers" and "A-J" "Chief Officers". This affects the requirements under sections 38(4) and 41 of the Act and some of the provisions relating to "Chief Officer" pay in the 2012 Government Guidance.
22. Paragraphs 26-31 then bring the preceding sections together to provide full details of our remuneration regime as it might affect all "Chief Officers" and "Deputy Chief Officers" as the Act would define them. Paragraph 31 also provides the pay multiples and general explanation of relationships required by section 38(2) of the Act and the 2012 Government Guidance to it.
23. Paragraphs 32-40 then give details on specific matters which the Government guidance requires to be set out in the Statement. Each subject area is clearly indicated.
24. Paragraphs 41-44 provide brief concluding statements in relation to the legislation.

Conclusion

25. To meet the requirements of the Localism Act, the City Corporation must agree and publish a Pay Policy Statement before each financial year. This report sets out why the City's Statement is set out in the way it is and contains the information it does.

Appendices

Appendix 1: Draft Pay Policy Statement 2020/21

Appendix 2: Draft Pay Policy Statement 2020/21 showing tracked changes from the 2019/20 Statement

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

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CITY OF LONDON CORPORATION

PAY POLICY STATEMENT 2020/21

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 in advance of each financial year. The Act requires local authorities to set out in their Statements their policies on a range of issues, particularly those relating to remuneration for their most senior and lowest-paid staff. This must include significant information on pay and reward for Chief Officers (as defined in the Local Government and Housing Act 1989). The Statement must be reviewed annually and agreed by “*a resolution of the authority*”, in the City of London Corporation’s case by the Court of Common Council. This document meets the requirements of the Act for the City of London Corporation for the financial year 2020/21.
2. 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.
3. The Act applies to the City of London Corporation only in its capacity as a local authority. It should be noted that not all of the pay and employment costs incurred by the City of London Corporation are carried out in this capacity, or even funded from public resources. As well as having statutory local authority functions, the Corporation undertakes other public functions, such as those of a police authority and of a port health authority. It also 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.
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Salary Scales effective from 1 October 2019:

Grade	Min Salary (£)	Max Salary (£)	No. of employees
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Grade E	£33,290	£38,570	566
Grade F	£42,150	£48,880	401
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Senior Management Grade (SMG)	£82,390	£252,370	15
<p>The figures given are for Base pay only. Employee numbers are those at the time of the November 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	£29,490	£60,250	
Senior Teacher Grades	£64,640	£147,490	
<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 was to be removed in each year and the top point of the scale would move up one point.

The two-year Pay Award did not cover Teachers and their pay scales were subject to the usual negotiations with their recognised Trade Union and staff representatives in 2019.

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. The Grades A-J and the Senior Management Grade retain incremental progression, but this is always determined by performance measured through appraisal over the year 1 April - 31 March. The Grades D-J and the Senior Management Grade also have access to "Contribution Payments" for employees at the top of the Grades. Achievement of these is also determined by appraisal over the same time period. All increments earned by appraisal are implemented from 1 October following the ending of the appraisal year, and Contribution Payments earned from appraisal are paid in the same October. A fundamental element of the strategy is that achievement of payments related to performance 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 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. 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 £6,390 for those based in inner London and £3,830 for those based in outer London.
12. 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. These, where used, can be applied to employees in Grades A-J. Any requests for a market supplement must be supported by independent market data and is considered by a panel of senior officers and, where appropriate depending on the amount proposed to be paid and the Grade of the post, by the Establishment Committee. All market supplement payments are kept under regular review, and regular reports on payments made are produced for the Establishment Committee. The City Corporation subscribes to Croner's salary benchmarking. While this provides information on both public and private sector comparator jobs, general practice is to use the median level of comparator public-sector jobs in central London for organisations which employ between 1001 and 4000 staff, with a turnover of £50m-£100m as basis for establishing appropriate market rates.
13. The London Living Wage (LLW) has been 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 were 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 2019 was on 11 November.
14. 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.

Employees below the Senior Management Grade

15. 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 restructured 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 £22,430, including a London Weighting allowance for working in Inner London. The current pay range for Grades A - J is £22,430 to £100,040 inclusive of Inner London Weighting of £6,390 for non-residential employees.
- Grades A-C are the lowest Grades in the City of London Corporation. Grade A has 3 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 6% of basic pay depending on the assessed level of contribution over the previous year. The appraisal system recognises four levels of performance - Improvement Required, Good, Very Good and Outstanding, and those employees at the top of Grades D-J who achieve either of the top two ratings can receive a Contribution Payment. In 2019, those in receipt of a "Very Good" rating could receive a payment of between 1 and 5% of Basic salary, and those earning an "Outstanding" rating would receive a payment of 6% of Basic salary. The variable payment for "Very Good" ratings was introduced in 2019 to recognise that there could be distinctions in performance of those so assessed, above the level of "Good" but not meriting an "Outstanding" assessment
16. For the appraisal year ending March 2019 (i.e. for payments awarded on 1 October 2019), 65.4% of eligible employees were allowed to move into the two higher contribution increments and 64.7% of eligible staff received a one-off non-consolidated contribution payment.

Senior Management Grade

17. The Senior Management Grade comprises the most senior roles in the organisation, as determined by Job Evaluation. Posts on the Senior Management Grade (SMG) are those which are the professional lead for a significant area of City Corporation business, with the nature of the professional responsibility held being that the postholders are not only directing the function for which they are responsible towards meeting corporate strategic goals but are required to determine from their professional point of view how these corporate goals should be constructed. As the SMG posts are distinct roles, they are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the Grade, which incorporates market factors as well as corporate importance. 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, based on the contribution of the individual to the success of the organisation. SMG posts are not necessarily the best-paid in the organisation, as other posts in Grades I and J may be better paid than some SMG posts, depending on the separate market supplements applied to the Graded posts.

18. The Senior Management Grade 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 Consumer Protection & Markets
- Director of Open Spaces
- Chief Grants Officer & Director of the City Bridge Trust

19. 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 Grade 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.

20. 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 £82,390 to £252,370, excluding London Weighting.

21. 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.
22. 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:

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

23. The average payment based on contribution alone has been 3.44% for the appraisal year ending in March 2019. The payments have been largely non-consolidated i.e. they have to be re-earned each year based on superior performance.
24. The Town Clerk & Chief Executive determines all salary matters for SMG posts (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 coordinates any such matters in relation to the Town Clerk & Chief Executive, in consultation with elected members and the Senior Remuneration Committee.
25. 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.

£82,390 - £117,430	(2)
£110,710 - £148,760	(7)
£148,760 - £194,110	(5)
£218,540 - £253,270	(1)

Chief Officers and Deputy Chief Officers

26. The Act specifies that information should be given in Pay Policy Statements about the determination of remuneration for Chief Officers and Deputy Chief Officers as defined under the Local Government & Housing Act 1989, including approaches to the award of other elements of remuneration including bonuses and performance-related pay as well as severance payments. This should include any policy to award additional fees paid to Chief Officers or Deputy Chief Officers for their local election duties. The 1989 Act applies to the City Corporation only in its capacities as a local authority, police authority and port health authority, but as with other parts of this Statement, details are given for all employees who would satisfy the basic definitions of Chief Officers and Deputy Chief Officers given in the 1989 Act, other than schoolteachers and those who work in general for the City Corporation in its capacity as a police authority.
27. According to the definitions given in the 1989 Act (but widened in their interpretation as described in the paragraph above), as of 20 November 2019, the City Corporation had 31 Chief Officer posts and 132 Deputy Chief Officer posts. The 31 Chief Officer posts comprised the 15 posts within the Senior Management Grade plus the following numbers of posts within the A-J Grades:

- Grade J 12
- Grade I 3
- Grade H 1.

The 132 Deputy Chief Officer posts were made up of posts at the following Grades:

- Grade J 9
- Grade I 19
- Grade H 52
- Grade G 27
- Grade F 23

plus two posts paid at spot salaries owing to the nature of their employment and/or funding.

28. The distinctions between SMG pay and payments made to employees on other Grades are outlined in the relevant sections of this Statement above. The most significant element of pay able to be received by employees in Grades A-J that is not available to SMG posts is market supplements. 13 Chief Officers in Grades H-J receive these payments as do 52 Deputy Chief Officers in Grades G-J. 4 of the Deputy Chief Officers in Grade F receive additional payments for working contractual hours in addition to the standard 35 per week on most City Corporation contracts. One Deputy Chief Officer on Grade F receives occasional additional payments for participating in electoral activities.

29. In cash terms, the payments per annum made to Chief Officers (including those in the SMG) and Deputy Chief Officers fall into the following broad pay bands:

<u>£ per annum</u>	<u>Chief Officers</u>	<u>Deputy Chief Officers</u>
40,000 – 50,000	-	21
51,000 – 60,000	-	27
61,000 – 70,000	-	28
71,000 – 80,000	4	24
81,000 – 90,000	1	13
91,000 – 100,000	2	5
101,000 – 110,000	5	5
111,000 – 120,000	6	1
121,000 – 140,000	3	3
141,000 – 150,000	4	-
151,000 – 195,000	5	-
200,000 – 255,00	1	1
<u>Total employees</u>	<u>31</u>	<u>132</u>

All payments outlined in the table above exclude London Weighting payments.

30. The schemes for incremental pay increases and Contribution Payments for employees in Grades D-J and the Senior Management Grade are set out in the relevant sections of this Statement above. These apply to Chief Officers and Deputy Chief Officers, depending on whether they are in one of the D-J Grades or the SMG. No Chief Officer or Deputy Chief Officer has an element of their basic pay “at risk” to be earned back each year. Progression through Grades is, however, subject to successful performance, assessed through the application of the performance-appraisal scheme. Contribution Payments for any Chief Officer or Deputy Chief Officer are only available to those at the top of their Grades. These must also be earned through performance appraisal, and all such payments are non-consolidated, meaning that any recurrence of the payment has again to be earned through performance in future years.

31. The Act requires authorities to set out 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 permanent 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.

Transparency

32. The Government guidance to the Act (which has statutory effect) 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, senior staff recruitment, and re-employment of senior postholders who have left the authority, particularly in

relation to arrangements which might be made in such an event that would appear to have the intention of minimising tax payments made by the re-engaged former employee.

Recruitment

33. 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

34. 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

35. 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 dismissal on redundancy or business efficiency grounds from age 55 onwards and on grounds of permanent ill-health at any age.
36. 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

37. 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 £525 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

38. 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

39. 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

40. 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. The City Corporation does not engage former staff on contracts that enable tax payments to be minimised.

Publication of information relating to remuneration

41. 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.
42. This Pay Policy Statement will be published on our public website. It may be amended at any time during 2019/20 by resolution of the Court of Common Council. Any amendments will also be published on our public website.
43. 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.
44. 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 most recent such report was published in March 2019, and showed a diminution in the mean and median hourly-rate gender pay gap and an increase in the proportion of women in the upper quartile of employees by pay rates.

January 2020

CITY OF LONDON CORPORATION
PAY POLICY STATEMENT 2019/20/21

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 in advance of each financial year. The Act requires local authorities to set out in their Statements their policies on a range of issues, particularly those relating to remuneration for their most senior and lowest-paid staff. This must include significant information on pay and reward for Chief Officers (as defined in the Local Government and Housing Act 1989). The Statement must be reviewed annually and agreed by “*a resolution of the authority*”, in the City of London Corporation’s case by the Court of Common Council. This document meets the requirements of the Act for the City of London Corporation for the financial year 2019/20/21.
2. 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.
3. The Act applies to the City of London Corporation only in its capacity as a local authority. It should be noted that not all of the pay and employment costs incurred by the City of London Corporation are carried out in this capacity, or even funded from public resources. As well as having statutory local authority functions, the Corporation undertakes other public functions, such as those of a police authority and of a port health authority. It also 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.
4. 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. Likewise, paragraph 7 of the Government Guidance for authorities on “*Openness and accountability in local pay*” (which has statutory effect under s40 of the Act for authorities in the preparation of their Pay Policy Statements) advises that “*The provisions in the Act do not apply to the staff of local authority schools and therefore teaching staff need not be brought within the scope of a pay policy statement*”. The City of London Corporation does not directly manage any local authority schools, but it does directly run three independent schools, and while some information about the remuneration of the teaching staff in these schools is provided in the Statement, in general the Statement follows the Government Guidance and leaves teaching staff outside of its scope.

5. 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 2019:

Grade	Min Salary (£)	Max Salary (£)	No. of employees
Grade A	£15,200	£16,150	174
Grade B	£17,510	£19,840	609
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Grade D	£28,700	£32,640	691
Grade E	£32,640	£37,810	566
Grade F	£41,320	£47,920	401
Grade G	£49,340	£57,240	178
Grade H	£57,240	£66,320	894
Grade I	£66,320	£76,870	225
Grade J	£79,190	£91,810	219
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 November 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	250
Senior Teacher Grades	£69,650	£146,7,030	490
<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 was to~~ be removed in each year and the top point of the scale ~~would~~ 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 (£)
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 ~~were~~ subject to the usual negotiations with their recognised Trade Union and staff representatives ~~in 2019~~ 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. The Grades A-J and the Senior Management Grade retain incremental progression, but this is always determined by performance measured through appraisal over the year 1 April - 31 March. The Grades D-J and the Senior Management Grade also have access to "Contribution Payments" for employees at the top of the Grades. Achievement of these is also determined by appraisal over the same time period. All increments ~~and Contribution Payments~~ earned by appraisal are implemented ~~on~~from 1 October following the ending of the appraisal year, and Contribution Payments earned from appraisal are paid in the same October. A fundamental element of the strategy is that achievement of payments related to performance 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. 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 £6,9390 for those based in inner London and £3,65830 for those based in outer London.
12. 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. These, where used, can be applied to employees in Grades A-J. Any requests for a market supplement must be supported by independent market data and is considered by a panel of senior officers and, where appropriate depending on the amount proposed to be paid and the Grade of the post, by the Establishment Committee. All market supplement payments are kept under regular review, and regular reports on payments made are produced for the Establishment Committee. The City Corporation subscribes to Croner's salary benchmarking. While this provides information on both public and private sector comparator jobs, general practice is to use the median level of comparator public-sector jobs in central London for organisations which employ between 1001 and 4000 staff, with a turnover of £50m-£100m as basis for establishing appropriate market rates.

13. The London Living Wage (LLW) has been 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 were 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 20198 was on 511 November.
14. 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.

Employees below the Senior Management Grade

15. 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 restructuresd 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 £22,4304,290, including a London Weighting allowance for working in Inner London. The current pay range for Grades A - J is £22,4304,290 to £100,04097,900 inclusive of Inner London Weighting of £6,0390 for non-residential employees.
 - Grades A-C are the lowest Grades in the City of London Corporation. Grade A has 43 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%~~ 6% of basic pay depending on the assessed level of contribution over the previous year. The appraisal system recognises four levels of performance - Improvement Required, Good, Very Good and Outstanding, and those employees at the top of Grades D-J who achieve either of the top two ratings can receive a Contribution Payment. In 2019, those in receipt of a "Very Good" rating could receive a payment of between 1 and 5% of Basic salary, and those earning an "Outstanding" rating would receive a payment of 6% of Basic salary. The variable payment for "Very Good" ratings was introduced in 2019 to recognise that there could be distinctions in performance of those so assessed, above the level of "Good" but not meriting an "Outstanding" assessment

16. For the appraisal year ending March 201~~9~~⁸ (i.e. for payments awarded on 1 October 201~~9~~⁸), ~~6265.4~~ 6265.4% of eligible employees were allowed to move into the two higher contribution increments and ~~6264.7~~ 6264.7% of eligible staff received a one-off non-consolidated contribution payment.

Senior Management Grade

17. The Senior Management Grade comprises the most senior roles in the organisation, as determined by Job Evaluation. Posts on the Senior Management Grade (SMG) are those which are the professional lead for a significant area of City Corporation business, with the nature of the professional responsibility held being that the postholders are not only directing the function for which they are responsible towards meeting corporate strategic goals but are required to determine from their professional point of view how these corporate goals should be constructed. As the SMG posts are distinct roles, they are individually evaluated and assessed independently against the external market allowing each post to be allocated an individual salary range within the Grade, which incorporates market factors as well as corporate importance. 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, based on the contribution of the individual to the success of the organisation. SMG posts are not necessarily the best-paid in the organisation, as other posts in Grades I and J may be better paid than some SMG posts, depending on the separate market supplements applied to the Graded posts.

18. The Senior Management Grade 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 & Markets
- Director of Open Spaces
- Chief Grants Officer & Director of the City Bridge Trust

19. 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 Grade 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.

20. 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 £82,390,770 to £252,370,48,300, excluding London Weighting.

21. 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.

22. 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:

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

23. The average payment based on contribution alone has been 3.4406% for the appraisal year ending in March 20198. The payments have been largely non-consolidated i.e. they have to be re-earned each year based on superior performance.
24. The Town Clerk & Chief Executive determines all salary matters for SMG posts (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 coordinates any such matters in relation to the Town Clerk & Chief Executive, in consultation with elected members and the Senior Remuneration Committee.
25. 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.

£82,3900,770 - £117,4305,130	(42)
£1140,710800 - £148,76050,220	(67)
£148,76054,710 - £194,1105,000	(45)
£218,5404,170 - £253,27048,300	(1)

Chief Officers and Deputy Chief Officers

26. The Act specifies that information should be given in Pay Policy Statements about the determination of remuneration for Chief Officers and Deputy Chief Officers as defined under the Local Government & Housing Act 1989, including approaches to the award of other elements of remuneration including bonuses and performance-related pay as well as severance payments. This should include any policy to award additional fees paid to Chief Officers or Deputy Chief Officers for their local election duties. The 1989 Act applies to the City Corporation only in its capacities as a local authority, police authority and port health authority, but as with other parts of this Statement, details are given for all employees who would satisfy the basic definitions of Chief Officers and Deputy Chief Officers given in the 1989 Act, other than schoolteachers and those who work in general for the City Corporation in its capacity as a police authority.
27. According to the definitions given in the 1989 Act (but widened in their interpretation as described in the paragraph above), as of ~~2520 November-February~~ 2019, the City Corporation had 31 Chief Officer posts and ~~13248~~ Deputy Chief Officer posts. The 31 Chief Officer posts comprised the 15 posts within the Senior Management Grade plus the following numbers of posts within the A-J Grades:

- Grade J 12
- Grade I 3
- Grade H 1.

The ~~132~~¹⁴⁸ Deputy Chief Officer posts were made up of posts at the following Grades:

- Grade J 89
- Grade I 2019
- Grade H 5452
- Grade G 4827
- Grade F 4523

plus ~~three~~^{two} posts paid at spot salaries owing to the nature of their employment and/or funding.

28. The distinctions between SMG pay and payments made to employees on other Grades are outlined in the relevant sections of this Statement above. The most significant element of pay able to be received by employees in Grades A-J that is not available to SMG posts is market supplements. ~~123~~¹²³ Chief Officers in Grades H-J receive these payments as do ~~4052~~⁴⁰⁵² Deputy Chief Officers in Grades G-J. 4 of the Deputy Chief Officers in Grade F receive additional payments for working contractual hours in addition to the standard 35 per week on most City Corporation contracts. ~~One Grade G Deputy Chief Officer receives additional payments for taking part in a Standby rota to provide a 24-hour on-call service.~~ One Deputy Chief Officer on Grade F receives occasional additional payments for participating in electoral activities.

29. In cash terms, the payments per annum made to Chief Officers (including those in the SMG) and Deputy Chief Officers fall into the following broad pay bands:

£ per annum	Chief Officers		Deputy Chief Officers	
40,000 – 50,000	-		42 ⁴²	21 ²¹
51,000 – 60,000	-		48 ⁴⁸	27 ²⁷
61,000 – 70,000	-		39 ³⁹	28 ²⁸
71,000 – 80,000	4		20 ²⁰	24 ²⁴
81,000 – 90,000	-1 ⁻¹		44 ⁴⁴	13 ¹³
91,000 – 100,000	32 ³²		5 ⁵	5 ⁵
101,000 – 110,000	5,130 ^{5,130}	44	5 ⁵	9 ⁹
111,000 – 120,000 ^{111,000 – 120,000}	6 ⁶		1 ¹	
121,000 – 140,000 ^{121,000 – 140,000}	3 ³		3 ³	
141,000 – 150,000 ^{141,000 – 150,000}	4 ⁴		-	
111,800 – 150,220 ^{111,800 – 150,220}	8 ⁸		3 ³	
151,000,4,710 – 195,000 ^{151,000,4,710 – 195,000}	5 ⁵	4	-	4 ⁴
214,000,4,700 – 255,004,8,300 ^{214,000,4,700 – 255,004,8,300}		1	1 ¹	-
Total employees	31		148 ¹⁴⁸	32 ³²

All payments outlined in the table above exclude London Weighting payments.

30. The schemes for incremental pay increases and Contribution Payments for employees in Grades D-J and the Senior Management Grade are set out in the relevant sections of this Statement above. These apply to Chief Officers and Deputy Chief Officers, depending on whether they are in one of the D-J Grades or the SMG. No Chief Officer or Deputy Chief Officer has an element of their basic pay “at risk” to be earned back each year. Progression through Grades is, however, subject to success performance, assessed through the application of the performance-appraisal scheme. Contribution Payments for any Chief Officer or Deputy Chief Officer are only available to those at the top of their Grades. These must also be earned through performance appraisal, and all such payments are non-consolidated, meaning that any recurrence of the payment has again to be earned through performance in future years.

31. The Act requires authorities to set out 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 permanent 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.

Transparency

32. The Government guidance to the The Act (which has statutory effect) 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, and re-employment of senior postholders who have left the authority, particularly in relation to arrangements which might be made in such an event that would appear to have the intention of minimising tax payments made by the re-engaged former employee.

Recruitment

33. 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

34. 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

35. 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 dismissal on redundancy or business efficiency grounds from age 55 onwards and on grounds of permanent ill-health at any age.
36. 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

37. 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 £5~~2508~~ 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

38. 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

39. 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

40. 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. The City Corporation does not engage former staff on contracts that enable tax payments to be minimised.

Publication of information relating to remuneration

41. 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.
42. This Pay Policy Statement will be published on our public website. It may be amended at any time during 2019/20 by resolution of the Court of Common Council. Any amendments will also be published on our public website.
43. 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.
44. 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 most recent first-such report was published in March 2019~~8~~, and showed a diminution in the mean and median hourly-rate gender pay gap and an increase in the proportion of women in the upper quartile of employees by pay rates.

~~February 2019~~ January 2020

Agenda Item 7

Committee:	Date:
Establishment Committee	30th January 2020
Subject: Departmental Budget Estimates and high-level summary Business Plan 2020-21 – Establishment Committee	Public
Report of: Town Clerk, Comptrollers and Chamberlains	For Approval
Report author: Laura Tuckey - Chamberlains Sarah Blogg – Town Clerks Nick Senior - Comptroller	

Summary

This report presents for approval the budget estimates and final high-level summary Business Plan for the departments within the Establishment Committee for 2020-21.

Recommendation

Members are asked to:

- i) review and approve the Town Clerks, and Comptrollers and City Solicitors Department's proposed revenue budget for 2020-21 for submission to Finance Committee,
- ii) review and approve the Town Clerks and Comptrollers and City Solicitors Department's proposed capital and supplementary revenue projects budgets for 2020-21 for submission to Finance Committee,
- iii) authorise the Chamberlain, in consultation with the Town Clerk and Comptroller and City Solicitors to revise these budgets to allow for any further implications arising from Corporate Projects, other reviews and changes to the Cyclical Works Programme;
- iv) agree that minor amendments for 2019-20 and 2020-21 budgets arising during budget setting be delegated to the Chamberlain,
- v) note the factors taken into consideration in compiling the Corporate & Members Services, Human Resources and Comptrollers and City Solicitors Department's Business Plan, including efficiency measures,
- vi) approve, subject to the incorporation of any changes sought by this Committee, the final high-level summary Business Plans for 2020-21.

Main Report

Background

1. As part of the new framework for corporate and business planning, departments were asked to produce standardised high-level, 2-side Business Plans for the first time in 2017 for the 2018-19 year. Members generally welcomed these high-level plans for being brief, concise, focused and consistent statements of the key ambitions and objectives for every department.

2. For 2020-21, the high-level summary Business Plan has been further evolved to make use of the information now available and give a better overview of how the department's work contributes to the Corporate Plan. It provides an overview of departmental activity and resources, mainly but not limited to the forthcoming 12 months, including capital and revenue projects. As a high-level summary, this document does not capture the granularity of departmental work but gives the overall picture of departmental activity, customer feedback, trends where applicable and direction of travel.
3. For the first time in 2020-21, high-level summary Business Plans are being brought forward alongside budget estimates, pending full integration of the processes for 2021-22, to inform medium-term financial planning and the development of spending priorities. This report therefore presents the budget estimates and draft final high-level summary Business Plan together as appendices.

Departmental budget estimates for 2020-21

4. This report presents, in Appendix 1, the revised budget estimates for 2019-20 and the original budget estimates for 2020-21 for the Establishment Committee. A breakdown per service is shown in the table below.

	Original Budget 2019-20 £000	Latest Approved Budget 2019-20 £000	Original Budget 2020-21 £000	Movement from 2019-20 Original to 2020-21 £000
Town Clerk				
Local Risk				
Expenditure	(7,541)	(7,563)	(7,196)	345
Income	593	761	660	67
Total Local Risk	(6,948)	(6,802)	(6,536)	412
Central Risk				
Expenditure	(483)	(1,726)	(552)	(69)
Income	(0)	26	26	26
Total Central Risk	(483)	(1,700)	(526)	(43)
Support Charges	(1,303)	(245)	(1,454)	(151)
Total Town Clerks	(8,734)	(8,747)	(8,516)	218
Comptroller and City Solicitor				
Local Risk				
Expenditure	(4,409)	(4,862)	(4,717)	(308)
Income	862	4,181	4,072	3,210
Total Local Risk	(3,547)	(681)	(645)	2,902
Central Risk				
Expenditure	(0)	(0)	(0)	(0)
Income	200	200	200	(0)
Total Central Risk	200	200	200	(0)
Support Charges	(575)	(618)	(604)	(29)
Total Comptroller and City Solicitor	(3,922)	(1,099)	(1,049)	2,873
Total Net Expenditure (recharged as support services across the City Corporations activities)	(12,656)	(9,846)	(9,565)	3,091

Proposed Revenue budget for 2020-21

5. The Establishment Committee's Summary Budget, which will be published as part of the City of London Corporations Budget Book, can be found in Appendix 2.
6. Overall there is a decrease of £2.810m between the Committee's original and latest budget for 2019-20, a full breakdown of which can be found in Appendix 3. The main reasons for this movement are explained by the variances set out below with any balances relating to changes in recharges for central services:
 - a. The Comptrollers and City Solicitors Department has a net decrease of £2,866k due to the implementation of the trial internal legal trading account. Within this net decrease is an increase of £84k which relates to one off provisions for contribution pay and centrally funded apprenticeship budgets.
 - b. The Town Clerks Central Risk budget has increased by £1,217k due to one off Transformation Fund bids to implement the cross cutting changes needed for service transformation (there is corresponding income from other funds within the support services as this expenditure is recharged to all funds, see paragraph 6d below).
 - c. The Town Clerks Local Risk budget have a net decrease of £146k budget resource. This is mainly due to the budget of £570k for the Contact Centre being moved to the City of London Police to manage. Offsetting this is an increase in budget of £151k relating to centrally funded apprenticeships budgets. In addition, agreed carry forwards funded from 2018-19 underspends of £77k have been added in. Finally, there have been an additional 2 new posts amounting to £105k and 50k uplift to an existing post to cover a shortfall in salary costs, all of which was agreed at RASC in March 2019.
 - d. The net support costs have decreased by £1,015k due to more income received for the Transformation Fund bids as well as an increase of in central support services costs (Building costs, capital costs, insurance, IT and general support services).
7. There are currently £455k of unidentified savings within the 2019-20 budget (Town Clerks £269k and Comptrollers Department £186k). There is currently a recruitment freeze which with existing vacancies means that this unidentified saving should be managed within staffing underspends arising from vacancies within Town Clerks budgets. It is proposed that Comptrollers will deliver the 2019-20 unidentified savings through over recovery of external income over and above the Local Risk income target of £832k.
8. The 2020-21 proposed revenue budget totals £9.765m, a decrease of £3.091m compared with the Committee's original 2019-20 budget. A full breakdown of the changes between the original 2019-20 and original 2020-21 budget can be found in Appendix 4. The main reasons for the variances are set out below with any balances relating to changes in recharges for central services:
 - a. The Comptrollers and City Solicitors Department has a net decrease of £2,902k due to the implementation of the trial internal legal trading account. Within this net decrease there is an increase of £48k which relates to centrally funded apprenticeship budgets.

- b. The Town Clerks Local Risk budget has a net decrease of £412k budget requirement. This is mainly due to the budget of £570k for the Contact Centre being moved to the City of London Police to manage. Fundamental Review savings and expansions totalling a net of £160k has been removed from the budget. There is an increase of £148k relating to centrally funded apprenticeships budgets. The additional 3 new posts approved by Finance Committee/Resource Allocation Sub-Committee amount to an increase of £155k.
 - c. The Town Clerks Central Risk budget has increased by £43k which is due to successful one off Transformation Fund bids to implement the cross cutting changes needed for service transformation (there is corresponding income from other funds within the support services as this expenditure is recharged to all funds, see paragraph 8d below).
 - d. The net support costs have increased by £180k due to less income to fund transformation fund bids being received for 2020-21 due to fewer bids being received and slight increases in costs for central support services (Building costs, capital costs, insurance, IT and general support services).
9. There are currently £1,350k of unidentified savings within the 2020-21 budget, Town Clerks holding £826k and Comptrollers with £524k. This increase is due to increasing salary costs for existing staff with spinal point progression and estimated pay award increases. Departments will be looking at how to meet these throughout the year either through increasing income; reducing expenditure; recharging staff time to projects; and changes to service delivery in accordance with the Fundamental Review.
10. The C&CS legal function operates a trading account whereby client departments are charged directly for the legal work commissioned. The service currently operates at capacity evidenced by the over achievement by 15% against annual chargeable hours targets this has been driven by an 11% increase in the volume of instructions year on year. The service has striven since 2016 to reduce controllable costs, the number of support staff reduced from 9 to 5 FTE's.

C&CS is expected to represent the Corporation on equal terms with heavyweight national and international law firms particularly in the areas of property, planning, procurement and dispute resolution. The alternative to an in-house service is to outsource legal support to external firms, this is not a cost-effective option. The Department's charge out rates compare very favourably with the lowest rates offered by the London Boroughs Legal Alliance (LBLA) panel of external solicitors. It should be noted that the LBLA panel rates are heavily discounted and much lower than commercial rates. The in-house team delivers additional value via in depth knowledge of the City's unique legal and governance status, its constitution and structure which adds significant value and has developed effective collaborative relationships with clients as reflected in the client satisfaction survey responses.

The alternative to outsourcing legal advice and support work is to cease activities in some legal functional areas however this would expose the City to the risk of legal challenge. In this context delivering local risk budget savings will be a challenge and would in any case result in increased legal costs to client departments.

In the wider corporate context of the fundamental review outside the C&CS Local Risk Budget, C&CS embarked in 2019 on a new insourcing initiative involving the – recruitment of fixed-term lawyers with specific expertise to support and advise on major projects e.g. Barking Power Station where the recruitment of a fixed term lawyer (0.6 fte) at a charge of £87 per hour compares with £500 per hour external costs previously charged on this project, over a 12 month period this will deliver an estimated £570k in savings in legal support on this project.

11. The Town Clerks Department have agreed to meet fundamental review target savings that amount to £160k in 2020-21 as agreed by RASC in October 2019.

Staffing Statement

12. A summary of the employee related costs and FTEs by department are shown in the table below.

Staffing statement	Latest Approved Budget 2019-20		Proposed Original Budget 2020-21	
	Full-time equivalent	Estimated cost £000	Full-time equivalent	Estimated cost £000
Town Clerk	138	7,319	131.4	7,663
Comptroller and City Solicitor	58.4	4,711	57.4	4,951
TOTAL	196.4	12,030	188.8	12,614

13. The decrease of FTEs in Town Clerks is due to a vacant post being surrendered for Fundamental review purposes with the additional changes in FTEs being attributable to vacancy allowances.

Draft final high-level summary Business Plan for 2020-21

14. This report presents the draft final high-level summary Business Plan for 2020-21 for the Town Clerks – Corporate and Members Services (Appendix 5), Town Clerks – Human Resources (Appendix 6) and Comptroller and City Solicitor Department (Appendix 7).
15. The Community Safety Team will have three key priorities: to help reduce and prevent crime; improve responses to Anti-Social Behaviour and delivery of the Prevent strand of the Counter Terrorism strategy.
16. Corporate Strategy and Performance Team’s (CSPT) top priority is building and populating the Corporate Performance Framework so that we can assess and compare the impact of all our work on the outcomes in the Corporate Plan and better inform resource allocation decisions over time.

17. The Committee and Member Services Team promotes high standards of governance throughout the organisation by supporting the decision-making process and providing democratic and Member related services.
18. Innovation and Growth (IG) will be looking to accelerate growth through FPS innovation and use of technology, boosting UK competitiveness through an attractive business environment, maximising UK FPS firms' global access to markets, promoting the UK's world-leading FPS offer in key markets and cultivating strong relationships with key stakeholders.
19. This is because London's position as a global centre for financial and professional services is challenged as never before. Be it Brexit, technological change, the pivot East or new expectations of business, Britain will need to adapt and innovate to succeed. The City Corporation sees these challenges as opportunities to be embraced in a rapidly changing global environment. Innovation and Growth plays a pivotal role in supporting a thriving economy as we anticipate and lead change to maintain London's and the UK's status as a global leader.
20. IG will be reducing some of its activity on work such as the international promotion programme and work with non-priority markets. CSPT will be doing less in the way of developing and implementing strategies and instead focus on providing expert advice.
21. The Committee and Member Services Team no longer provides dedicated policy support to the Livery Committee. For 2020, other activities will depend on the outcome of a review of the organisation's governance arrangements.
22. The Corporate Programme Office is producing central guidance on project management, developing corporate programme reporting and working on the formation of the Project Management Academy. The Corporate Programme Office is not stopping anything but looking to digitise services where possible, i.e. programme reporting, so officers can access self-service dashboards online. It will seek to integrate Oracle with the new project management software for consistent financial reporting and with the new Azure data integration platform for BI and analytics.
23. Any changes proposed through the Fundamental Review will have implications for governance, therefore a comprehensive review of the City Corporation's governance arrangements is being undertaken in parallel. The aim of the review will be to incorporate best practice and ensure that the organisation's decision-making function is efficient, effective and fit for purpose. In addition, the proposed smarter working IT project being managed by the Chamberlain's Office will enable Members and officers to save time by allowing some meetings to be accessed remotely. There should also be scope to record committee meetings, creating even greater efficiencies.

24. CSPT has streamlined its activities to achieve efficiencies and, as well as providing Business Intelligence expertise and advice, is now providing expert advice on stakeholder research and consultation so that the impacts on stakeholders of changing our services can be monitored, predicted and used to inform resource allocation decisions.

25. A departmental restructure has allowed IG to evolve its approach from corporate social responsibility to Environment, Social and Governance (ESG), focusing on investment metrics that channel finance to businesses pursuing sustainable growth strategies.

IG's 20/21 budget has changed in two ways, members identified a 3% saving following the initial Fundamental Review outcomes. An additional 4% of funds being "ringfenced" to support the City Corporation's public affairs engagement.

As mentioned above, Members asked for Innovation and Growth budget to be uplifted last year by £1.8m to strengthen work on global competitiveness. This uplift has been reduced by £295k - £250k of fundamental review savings and the removal of £45k Priority Investment Pot (PIP) funding from base budget as the relevant project concluded

26. As outlined in the two page high level business plan, the Communications Team coordinate and oversee all print, broadcast and digital communications of the City Corporation. We implement and oversee our corporate affairs programme. We publish a wide range of material. We act as a point of contact for filming in the City.

We have reduced overall think tank engagement and private roundtables for budgetary reasons. We are looking at developing an email database for residents that could reduce costs on City Resident magazine.

By working with an established Film Location Agency we aim to standardise procedures, market our locations and increase income from filming into the Corporation. Our new website launches in Summer.

27. CSPT has delivered savings for 2020/21 through reducing its headcount. Expertise in stakeholder research and consultation will help ensure that the City Corporation complies with the Public Sector Equality Duty.

28. In terms of PSED, the recording and possible live streaming of meetings could make the decision-making process more accessible to people with protected characteristics, more transparent and, in so doing, foster better relations with the City's resident community.

29. The priorities for HR within Town Clerks are to support the organisation through the changes which result from the fundamental review. This support is both direct

to departments, in their specific changes and in pan-organisational change. We have established a change team, supplemented by an organisational development panel which supports restructures, and implemented revised policies and guidance. The HR Roadmap to change includes the development of a service desk facility to track requests, reduce response times and ultimately review the resources required. Other priorities include trialling Service Level Agreements, a pay and reward review; specifically, contribution pay, and the continued support from the Learning and Organisational development team in the 'fit for the future' programme.

30. In 2020/21 there are no plans to stop any current service but to seek more and more efficiencies in the operating model, by exploring further use of self service and automation and through greater collaboration with other services. With a view to this the current Midland system (iTrent) will be reviewed in the first part of 2020 to assess the viability and possible efficiencies of a joint Finance and HR/Payroll system (ERP) or other options. We will be forging closer day to day working practices with our institutions' HR teams. We plan to address certain key issues which have emerged from the Staff and Pulse Surveys and which can be analysed from the HR dashboard. Turnover in the first year is a concern as is the level of stress related sick absence. The pay gaps and our targets for senior women in management roles also need to be addressed and we will progress delivery of the Equality & Inclusion Action Plan in relation to employment.
31. Comptroller and City Solicitors (C&CS) service delivery priorities are largely determined by corporate priorities and by client department demand for legal advice on major corporate projects and programmes and on more routine transactional work. Additionally, there are internal service improvement projects that are a continuation of projects that commenced in 2019 namely the introduction of a hard charged trading account and the further development of the DPS case management system.
32. C&CS measures service performance in several ways. C&CS undertakes an annual client satisfaction survey the results are analysed by the Senior Management Team who investigate any client satisfaction issues that require redress and put in place an action plan. C&CS has developed a number of KPI's that measure the effectiveness of the service linked to client satisfaction, efficiency and effectiveness. Performance is benchmarked against other London local authority legal teams via the London Boroughs Legal Alliance annual benchmark.
33. C&CS senior managers identified three areas from the 2019 Pulse staff survey where C&CS scored lower than we would have hoped – Physical Environment, Keeping staff informed, Open and honest communication - these three areas were discussed using group sessions and feedback at the C&CS staff conference in November 2019 to elicit further detail. The outputs from these sessions were used to formulate a 2020 Staff Survey Action Plan. It is proposed to form a task & finish group with the aim of resolving these issues this will be staff led with an anticipated completion of all activities by 31.03.2020.

Corporate & Strategic Implications

34. There are currently no Corporate & Strategic Implications identified as a result of the business plans and budgets.

Security implications

35. There are currently no Security Implications identified as a result of the business plans and budgets.

Financial implications

36. Finance Committee and the Court of Common Council agreed that a 2% savings target based on the Original 2019/20 net local risk budgets should be made by all departments in their 2020/21 local risk budgets. This amounts to £131,000 for the Town Clerk's Department and £71,000 for the Comptroller and City Solicitor's Department. However, this is offset by a 2% inflationary increase of the original 2018/19 net local risk budget of £131,000 for the Town Clerk's Department and £71,000 for the Comptroller and City Solicitor's Department.

37. The Town Clerk's Department and Comptroller and City Solicitor's Department budgets have been prepared in accordance with guidelines agreed by the Policy & Resources and Finance Committees. The Town Clerk's budget is within the 2019/20 resource base allocated but with unidentified savings of £269k. While the Comptroller and City Solicitor's budget is within the 2019/20 local risk resource base allocation with unidentified savings of £208k. As a result, there is a total of £477k of unidentified savings within the 2019/20 budget.

38. The Town Clerk's budget is within the 2020/21 resource base allocated but with unidentified savings of £826k. The Comptroller and City Solicitor's budget is within the 2020/21 local risk resource base allocation with unidentified savings of £553k. As a result, there is a total of £1,379k of unidentified savings within the 2019/20 budget.

Public sector equality duty

39. There are currently no Public Sector Equality Duty Implications identified as a result of the business plans and budgets.

Resourcing implications

40. There are currently no Resourcing Implications identified as a result of the business plans and budgets.

Conclusion

41. This report presents the budget estimates and final high-level summary Business Plan for 2020/21 for the Town Clerks – Committee & Member Services, Town

Clerks – Human Resources and Comptrollers & City Solicitors Department for Members to consider and approve.

Appendices

- Appendix 1 – Budget estimates 2020-21 summary
- Appendix 2 – Committee Summary Budget – by risk, Fund and Chief Officer
- Appendix 3 – Original 2019-20 budget to Latest Approved 2019-20 budget
- Appendix 4- Original 2019-20 budget to Original 2020-21 budget
- Appendix 5 – Final high-level summary Business Plan 2020-21 – Town Clerks – Corporate and Member Services
- Appendix 6 – Final high-level summary Business Plan 2020-21 – Town Clerks – Human Resources
- Appendix 7 – Final high-level summary Business Plan 2020-21 – Comptrollers ad City Solicitors

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Appendix 1

ESTABLISHMENT COMMITTEE SUMMARY							
Analysis of Service Expenditure	Local or Central Risk	Actual 2018-19 £'000	Original Budget 2019-20	Latest Approved Budget 2019-20 £'000	Original Budget 2020-21 £'000	Movement 2019-20 to 2020-21 £'000	Paragraph Reference
LOCAL RISK - EXPENDITURE							
Employees	L	11,232	11,839	11,815	12,400	585	
Transport Related Expenses	L	28	20	62	20	(42)	
Supplies & Services (see note ii)	L	911	756	925	837	(88)	
Private Contractors (mainly dental service - see note iii)	L	17	6	6	6	0	
Transfer to Reserve	L	0	0	72	0	(72)	
Unidentified Savings	L	0	(671)	(455)	(1,350)	(895)	
TOTAL LOCAL RISK - EXPENDITURE		12,203	11,950	12,425	11,913	(512)	
TOTAL LOCAL RISK - INCOME							
Charges for specific services (see note iii)	L	(1,619)	(1,455)	(4,942)	(4,732)	210	
TOTAL LOCAL RISK - INCOME		(1,619)	(1,455)	(4,942)	(4,732)	210	
NET LOCAL RISK		10,584	10,495	7,483	7,181	(302)	
CENTRAL RISK - EXPENDITURE							
Employees (see note i)	C	728	214	215	214	(1)	
Premises Related Expenses	C	39	40	40	42	2	
Supplies & Services	C	202	168	1,410	235	(1,175)	
Capital Costs	C	0	0	0	0	0	
Childcare vouchers	C	35	45	45	45	0	
Committee Contingency	C	0	16	16	16	0	
TOTAL CENTRAL RISK - EXPENDITURE		1,004	483	1,726	552	(1,174)	
CENTRAL RISK - INCOME							
Charges for specific services (mainly commercial property fee income)	C	(67)	(200)	(200)	(200)	0	
Other Contributions		(29)	0	(26)	(26)	0	
TOTAL CENTRAL RISK - INCOME		(96)	(200)	(226)	(226)	0	
NET CENTRAL RISK		908	283	1,500	326	(1,174)	
TOTAL EXPENDITURE BEFORE SUPPORT SERVICES		11,492	10,778	8,983	7,507	(1,476)	
SUPPORT SERVICES (see note iv)		2,181	2,047	2,080	2,099	19	
SUPPORT SERVICES CHARGED BY THIS COMMITTEE (see note v)		(489)	(169)	(1,217)	(41)	1,176	
TOTAL NET EXPENDITURE RECHARGED AS SUPPORT SERVICES		13,184	12,656	9,846	9,565	(281)	
BY DEPARTMENT:							
Town Clerk		8,947	8,734	8,747	8,516	(231)	
Comptroller and City Solicitor		4,237	3,922	1,099	1,049	(50)	
		13,184	12,656	9,846	9,565	(281)	

Notes - Examples of types of service expenditure:-

(i) Employees (central risk) – includes union representatives, Chief Officers recruitment advertising, long service mementoes.

(ii) Supplies and Services – equipment, furniture, materials, uniforms, printing, stationery, professional fees, grants & subscriptions.

(iii) Charges for specific services – printing & stationery charges, commercial property fee income, corporate recruitment, HR services to London Councils, dental charges recovered from employees.

(iv) Support services reflect the share of the Guildhall complex costs and IS charges.

(v) Transformation Fund expenditure reallocated across all funds

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ESTABLISHMENT COMMITTEE - GUILDHALL ADMINISTRATION

<i>Actual</i> <i>2018-19</i> <i>£'000</i>	ESTABLISHMENT COMMITTEE SUMMARY <i>Analysis of Service Expenditure</i>		<i>Original</i> <i>Budget</i> <i>2019-20</i> <i>£'000</i>	<i>Latest Approved</i> <i>Budget</i> <i>2019-20</i> <i>£'000</i>	<i>Original</i> <i>Budget</i> <i>2020-21</i> <i>£'000</i>
	LOCAL RISK				
	Expenditure				
11,233	Employees		11,839	11,815	12,430
16	Premises Related Expenses		0	0	0
27	Transport Related Expenses		20	62	20
911	Supplies and Services		756	925	837
17	Third Party Payments		6	6	6
0	Contingencies		0	0	0
0	Unidentified Savings		(671)	(455)	(1,350)
0	Transfer to Reserve		0	72	0
12,204	TOTAL Expenditure		11,950	12,353	11,943
	Income				
(7)	Other Grants, Reimbursements and Contributions		(6)	(3,377)	(3,267)
(1,547)	Customer, Client Receipts		(1,449)	(1,565)	(1,423)
(66)	Transfers from Reserves		0	0	0
(1,620)	TOTAL Income		(1,455)	(4,942)	(4,690)
10,584	TOTAL LOCAL RISK	A	10,495	7,411	7,253
	CENTRAL RISK				
727	Employee Expenses		214	215	214
39	Premises Related Expenses		40	40	42
202	Supplies and Services		147	1,410	235
35	Third Party Payments		45	45	45
0	Capital Charges		47	0	0
0	Contingencies		16	16	16
1,003	Total Expenditure		509	1,726	552
(29)	Other Grants, Reimbursements and Contributions		(26)	(26)	(26)
(67)	Customer, Client Receipts		(200)	(200)	(200)
(96)	Total Income		(226)	(226)	(226)
907	TOTAL CENTRAL RISK	B	283	1,500	326
	RECHARGES				
2,181	Central Recharges		2,047	2,080	2,099
(37)	Recharges Within Fund		(30)	(34)	(33)
(628)	Recharges Across Funds		(156)	(1,336)	(174)
1,516	TOTAL RECHARGES	C	1,861	710	1,892
(13,007)	RECOVERY OF CENTRAL SUPPORT COSTS	D	(12,639)	(9,621)	(9,471)
0	TOTAL NET EXPENDITURE	A+B+C+D	0	0	0

<i>Actual</i> <i>2018-19</i> <i>£'000</i>	SERVICES MANAGED		<i>Original</i> <i>Budget</i> <i>2019-20</i> <i>£'000</i>	<i>Latest Approved</i> <i>Budget</i> <i>2019-20</i> <i>£'000</i>	<i>Original</i> <i>Budget</i> <i>2020-21</i> <i>£'000</i>
7,572	Town Clerk's Office		7,599	7,426	7,149
4,237	Comptroller and City Solicitor		3,922	1,099	1,049

ESTABLISHMENT COMMITTEE - GUILDHALL ADMINISTRATION

1,198	Corporate Services		1,118	1,168	1,201
13,007			12,639	9,693	9,399
(13,007)	Recovery of Central Support Costs		(12,639)	(9,693)	(9,399)
0	TOTAL		0	0	0

ESTABLISHMENT COMMITTEE - GUILDHALL ADMINISTRATION

<i>Actual</i> 2018-19 £'000	TOWN CLERK'S OFFICE <i>Town Clerk</i>	<i>Original</i> <i>Budget</i> 2019-20 £'000	<i>Latest Approved</i> <i>Budget</i> 2019-20 £'000	<i>Original</i> <i>Budget</i> 2020-21 £'000
	LOCAL RISK			
	Expenditure			
6,378	Direct Employee Expenses	6,650	6,485	6,812
40	Indirect Employee Expenses	39	38	38
6,418	TOTAL Employees	6,689	6,523	6,850
3	Repairs and Maintenance	0	0	0
3	TOTAL Premises Related Expenses	0	0	0
18	Direct Transport Costs	0	11	11
4	Contract Hire and Operational Leases	0	46	4
3	Public Transport	14	3	3
1	Car Allowances	5	1	1
26	TOTAL Transport Related Expenses	19	61	19
20	Equipment, Furniture and Materials	17	17	17
1	Books	0	0	0
10	Catering	4	4	4
2	Clothes, Uniform and Laundry	1	1	1
35	Printing, Stationery	39	27	39
(2)	Fees and Services	41	40	40
46	Communications and Computing	35	31	31
7	Expenses	4	4	4
20	Grants and Subscriptions	35	34	39
0	Contributions to Provisions	0	0	0
139	TOTAL Supplies and Services	176	158	175
0	Contingencies	0		
0	TOTAL Contingencies	0	0	0
0	Unidentified Savings	(311)	(269)	(826)
0	TOTAL Unidentified Savings	(311)	(269)	(826)
0	Transfer to Reserve	0	72	0
0	TOTAL Transfer to Reserve	0	72	0
6,586	TOTAL Expenditure	6,573	6,545	6,218
	Income			
0	Other Contributions	0	(171)	0
0	TOTAL Other Grants, Reimbursements and Contributions	0	(171)	0
(336)	Fees and Charges for Services, Use of Facilities	(333)	(318)	(318)
(336)	TOTAL Customer, Client Receipts	(333)	(318)	(318)
(66)	Transfers from Reserves	0	0	0
(66)	TOTAL Transfers from Reserves	0	0	0
0	Transfer from Reserves	0	0	(72)
0	TOTAL Transfer from Reserves	0	0	(72)
(402)	TOTAL Income	(333)	(489)	(390)
6,184	TOTAL LOCAL RISK	6,240	6,056	5,828
	CENTRAL RISK			
479	Direct Employee Expenses	110	111	110
98	Indirect Employee Expenses	21	21	21

ESTABLISHMENT COMMITTEE - GUILDHALL ADMINISTRATION

<i>Actual</i> 2018-19	TOWN CLERK'S OFFICE <i>Town Clerk</i>	<i>Original</i> <i>Budget</i> 2019-20	<i>Latest Approved</i> <i>Budget</i> 2019-20	<i>Original</i> <i>Budget</i> 2020-21
577	TOTAL Employee Expenses	131	132	131
37	Rent	37	37	39
2	Council Tax	2	2	2
0	Water	1	1	1
39	TOTAL Premises	40	40	42
25	Fees and Services - Transformation Fund	0	1,216	41
30	Communication and Computing	0	47	47
93	Grants and Subscriptions	98	98	98
148	TOTAL Supplies and Services	98	1,361	186
0	Amortisation	47	0	0
0	Capital Charges	47	0	0
764	Total Expenditure	316	1,533	359
(29)	Other Contributions	(26)	(26)	(26)
(29)	Total Income	(26)	(26)	(26)
735	TOTAL CENTRAL RISK	290	1,507	333
	RECHARGES			
	Central Recharges			
27	Liability insurance	32	27	28
540	Admin Buildings	528	559	587
25	Support Services	27	24	24
726	IS Recharge	668	623	556
1,318	TOTAL Central Recharges	1,255	1,233	1,195
(37)	Recharges Within Fund Chauffeur Recharge - Finance	(30)	(34)	(33)
(139)	Recharges Across Funds Electorial Registration - Finance - City's Fund	(156)	(119)	(133)
(489)	Transformation Fund	0	(1,217)	(41)
653	TOTAL RECHARGES	1,069	(137)	988
(7,572)	RECOVERY OF CENTRAL SUPPORT COSTS	(7,599)	(7,426)	(7,149)
0	TOTAL NET EXPENDITURE	0	0	0

ESTABLISHMENT COMMITTEE - GUILDHALL ADMINISTRATION

<i>Actual</i> 2018-19 £'000	COMPTROLLER AND CITY SOLICITOR'S OFFICE <i>Comptroller and City Solicitor</i>	<i>Original</i> <i>Budget</i> 2019-20 £'000	<i>Latest Approved</i> <i>Budget</i> 2019-20 £'000	<i>Original</i> <i>Budget</i> 2020-21 £'000
	LOCAL RISK			
	Expenditure			
4,264	Direct Employee Expenses	4,559	4,680	4,951
33	Indirect Employee Expenses	31	31	30
4,297	TOTAL Employees	4,590	4,711	4,981
1	Public Transport	1	1	1
1	TOTAL Transport Related Expenses	1	1	1
3	Equipment, Furniture and Materials	2	7	2
80	Books	75	75	40
1	Catering	1	1	1
0	Clothes, Uniform and Laundry	1	2	1
30	Printing, Stationery	23	15	15
59	Fees and Services	30	185	185
116	Communications and Computing	36	42	36
2	Expenses	2	1	1
12	Grants and Subscriptions	8	8	8
(4)	Contributions to Provisions	0	0	0
299	TOTAL Supplies and Services	178	336	289
0	Contingencies	0	0	0
0	TOTAL Contingencies	0	0	0
0	Unidentified Savings	(360)	(186)	(524)
0	TOTAL Unidentified Savings	(360)	(186)	(524)
4,597	TOTAL Expenditure	4,409	4,862	4,747
	Income			
0	Other Contributions	0	(3,200)	(3,261)
0	TOTAL Other Grants, Reimbursements and Contributions	0	(3,200)	(3,261)
(888)	Fees and Charges for Services, Use of Facilities	(862)	(981)	(841)
(888)	TOTAL Customer, Client Receipts	(862)	(981)	(841)
(888)	TOTAL Income	(862)	(4,181)	(4,102)
3,709	TOTAL LOCAL RISK	3,547	681	645
	CENTRAL RISK			
0	Fees and Services	0	0	0
0	TOTAL Supplies and Services	0	0	0
(67)	Fees and Charges for Services, Use of Facilities	(200)	(200)	(200)
(67)	TOTAL Customer, Client Receipts	(200)	(200)	(200)
(67)	TOTAL CENTRAL RISK	(200)	(200)	(200)
	RECHARGES			
	Central Recharges			
12	Liability insurance	14	14	15
284	Admin Buildings	278	315	331
36	Support Services	46	40	40
263	IS Recharge	237	249	218
595	TOTAL Central Recharges	575	618	604
	Recharges Across Funds			
0	Departmental Admin	0	0	0
595	TOTAL RECHARGES	575	618	604
(4,237)	RECOVERY OF CENTRAL SUPPORT COSTS	(3,922)	(1,099)	(1,049)

ESTABLISHMENT COMMITTEE - GUILDHALL ADMINISTRATION

<i>Actual 2018-19</i>	COMPTROLLER AND CITY SOLICITOR'S OFFICE <i>Comptroller and City Solicitor</i>	<i>Original Budget 2019-20</i>	<i>Latest Approved Budget 2019-20</i>	<i>Original Budget 2020-21</i>
0	TOTAL NET EXPENDITURE	0	0	0

ESTABLISHMENT COMMITTEE - GUILDHALL ADMINISTRATION

<i>Actual</i> 2018-19 £'000	CORPORATE SERVICES <i>Town Clerk</i>	<i>Original</i> <i>Budget</i> 2019-20 £'000	<i>Latest Approved</i> <i>Budget</i> 2019-20 £'000	<i>Original</i> <i>Budget</i> 2020-21 £'000
	LOCAL RISK			
	Expenditure			
484	Direct Employee Expenses	545	568	586
34	Indirect Employee Expenses	15	13	13
518	TOTAL Employees	560	581	599
13	Repairs and Maintenance	0	0	0
13	TOTAL Premises Related Expenses	0	0	0
0	Direct Transport Costs	0	0	0
0	Public Transport	0	0	0
0	TOTAL Transport Related Expenses	0	0	0
34	Equipment, Furniture and Materials	27	27	27
1	Books	0	0	0
19	Catering	24	24	24
47	Printing, Stationery	55	47	41
347	Fees and Services	280	245	230
8	Communications and Computing	2	74	37
1	Expenses	1	1	1
16	Grants and Subscriptions	13	13	13
473	TOTAL Supplies and Services	402	431	373
17	Private Contractors	6	6	6
17	TOTAL Third Party Payments	6	6	6
1,021	TOTAL Expenditure	968	1,018	978
	Income			
(7)	Other Contributions	(6)	(6)	(6)
(7)	TOTAL Other Grants, Reimbursements and Contributions	(6)	(6)	(6)
(323)	Fees and Charges for Services, Use of Facilities	(254)	(266)	(264)
(323)	TOTAL Customer, Client Receipts	(254)	(266)	(264)
(330)	TOTAL Income	(260)	(272)	(270)
691	TOTAL LOCAL RISK	708	746	708
	CENTRAL RISK			
123	Direct Employee Expenses	83	83	83
27	Indirect Employee Expenses	0	0	0
150	TOTAL Employee Expenses	83	83	83
0	Rents	0	0	0
0	TOTAL Premises Related Expenses	0	0	0
0	Fees and Services	0	0	0
54	Communications and Computing	49	49	49
0	Expenses	0	0	0
0	Grants and Subscriptions	0	0	0
54	TOTAL Supplies and Services	49	49	49
35	Other Establishments	45	45	45
35	TOTAL Third Party Payments	45	45	45
0	Contingencies	16	16	16
0	TOTAL Contingencies	16	16	16
239	TOTAL CENTRAL RISK	193	193	193
	RECHARGES			
	Central Recharges			
3	Liability insurance	3	2	3
201	Admin Buildings	153	163	238
21	Support Services	23	23	23

ESTABLISHMENT COMMITTEE - GUILDHALL ADMINISTRATION

<i>Actual</i> 2018-19	CORPORATE SERVICES <i>Town Clerk</i>	<i>Original</i> <i>Budget</i> 2019-20	<i>Latest Approved</i> <i>Budget</i> 2019-20	<i>Original</i> <i>Budget</i> 2020-21
43	IS Recharge	38	41	36
268	TOTAL Central Recharges	217	229	300
268	TOTAL RECHARGES	217	229	300
(1,198)	RECOVERY OF CENTRAL SUPPORT COSTS	(1,118)	(1,168)	(1,201)
0	TOTAL NET EXPENDITURE	0	0	0

Appendix 3

Analysis of movements from 2019-20 Original Budget to 2019-20 Latest Approved Budget	£000
2019-20 Original Local Risk Budget (Town Clerk)	6,948
Contact Centre moved to City of London Police Budgets	-570
Centrally funded Apprentice Budgets	151
Local Risk carry forward from Town Clerk's underspend in 2018/19	77
Police Authority Town Clerk Post	55
Corporate Programme Office	50
Strategic Security Advisor	50
Contribution Pay & Pension Increases	26
Reduction in income due to open spaces moving budget over to cover recruitment recharge	15
2019-20 Latest Approved Local Risk Budget (Town Clerk)	6,802
2019-20 Original Local Risk Budget (Comptroller and City Solicitor)	3,547
Internal Legal Fee Trading Account Expenditure	204
Internal Legal Fee Trading Account Income	-2869
Move budget from Comptrollers Internal Legal Fee Trading Account Corporate Expenditure to City Procurement	-85
Contribution Pay & Pension Increases	40
Centrally funded Apprentice Budgets	44
2019-20 Latest Approved Local Risk Budget (Comptroller and City Solicitor)	681
2019-20 Original Central Risk Budget (Town Clerk)	483
Transformation Fund carry forward from Town Clerk's underspend in 2018/19	315
New Transformation Fund Bids	901
Contribution Pay & Pension Increases	1
2019-20 Latest Approved Central Risk Budget (Town Clerk)	1,700
2019-20 Original Central Risk Budget (Comptroller and City Solicitor)	-200
No change to budget	0
2019-20 Latest Approved Central Risk Budget (Comptroller and City Solicitor)	-200
2019-20 Original Support Services and Capital Charges Budget	1,878
Net movements	-1,015
2019-20 Latest Approved Support Services and Capital Charges Budget	863
2019-20 Total Original Budget	12,656
Total increase	-2,810
Total 2019-20 Latest Approved Budget	9,846

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Analysis of movements from 2019-20 Original Budget to 2020-21 Original Budget	£000
2019-20 Original Local Risk Budget (Town Clerk)	6,948
Contact Centre moved to City of London Police Budgets	-570
Net Fundamental review savings/expansions	-160
Centrally funded Apprentice Budgets	148
2% Savings	-131
2% Inflation	131
Police Authority Town Clerk Post	55
Corporate Programme Office	50
Strategic Security Advisor	50
Reduction in income due to open spaces moving budget over to cover recruitment recharge	15
2020-21 Original Local Risk Budget (Town Clerk)	6,536
2019-20 Original Local Risk Budget (Comptroller and City Solicitor)	3,547
Internal Legal Fee Trading Account Income	-2869
Internal Legal Fee Trading Account Expenditure	204
2% Savings	-71
2% Inflation	71
Move budget from Comptrollers Internal Legal Fee Trading Account Corporate Expenditure to City Procurement	-85
Centrally funded Apprentice Budgets	48
2020-21 Original Local Risk Budget (Comptroller and City Solicitor)	645
2019-20 Original Central Risk Budget (Town Clerk)	483
New Transformation Fund Bids	41
Accommodation costs increase	2
2020-21 Original Central Risk Budget (Town Clerk)	526
2019-20 Original Central Risk Budget (Comptroller and City Solicitor)	-200
No change to budget	0
2020-21 Original Central Risk Budget (Comptroller and City Solicitor)	-200
2019-20 Original Support Services and Capital Charges Budget	1,878
Net movements	180
2020-21 Original Support Services and Capital Charges Budget	2,058
2019-20 Total Original Budget	12,656
Total increase	-3,091
Total 2020-21 Original Approved Budget	9,565

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Our aims and objectives are...

- To optimise delivery against the Corporate Plan.
- To promote high, efficient, standards of governance throughout the organisation.
- To deliver democratic services, which meet the needs of elected Members and the electorate.
- Ensure major projects are co-ordinated, managed and governed in a consistent manner.
- To contribute to changing perceptions of the City to ensure that it is recognised as a global leader in culture, creativity and learning as well as commerce.
- To develop Culture Mile as a vibrant and welcoming cultural, creative and learning destination for all.

Our five major workstreams this year will be...

In order of priority

1. Build, link all work to and populate the Corporate Performance Framework.
2. Implement the approved recommendations of the Governance Review.
3. Oversee the delivery of the Fundamental Review, including a new Targeted Operating Model
4. Develop programme reporting infrastructure, make performance reporting more robust and easier to use and upskill project managers.
5. Support the City of London Police, particularly its National Lead Force responsibilities, through the work of the Police Authority and Community Safety teams.

Our Impact

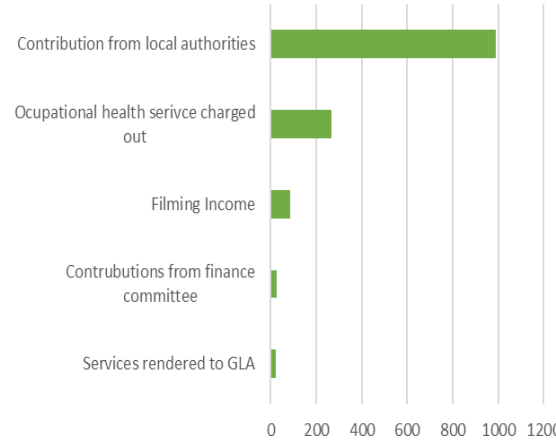
Co-delivered fundamental review to balance budget

Corporate strategies are being picked up externally as exemplars

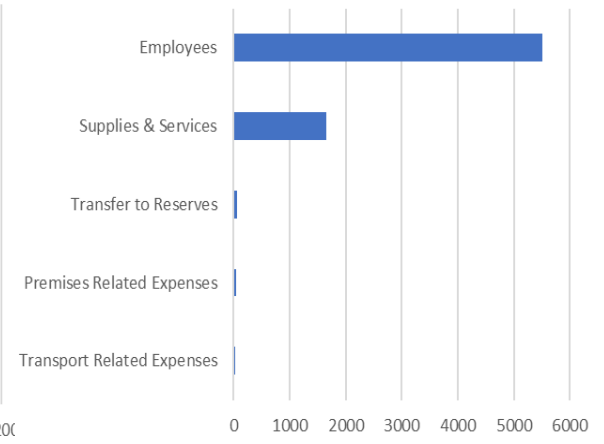
Promoted high standards of governance through delivery of Committees and Elections

Raised project and programme management standards

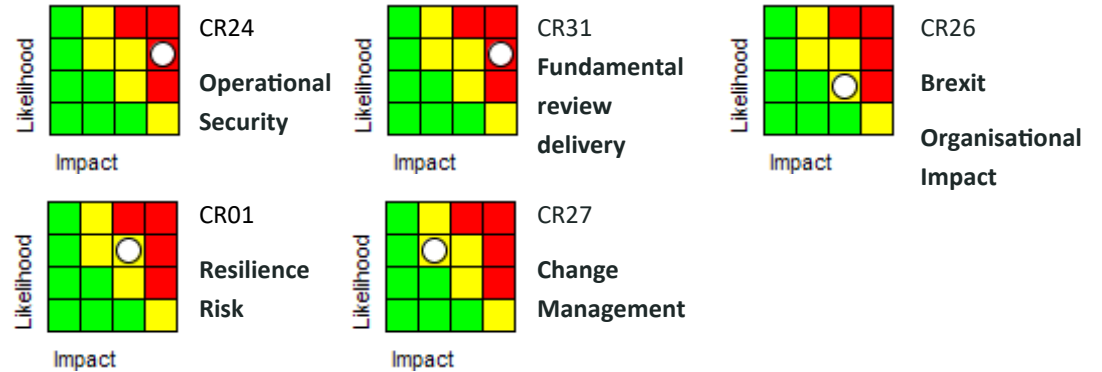
Where our money comes from



Where our money is spent



Key Risks

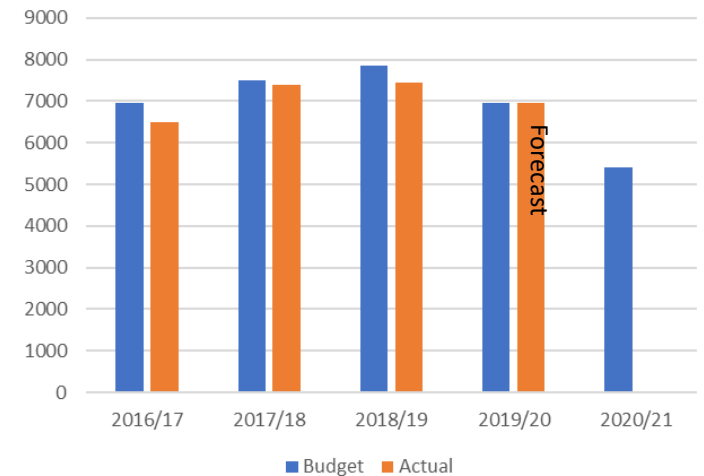


Spend by Outcome 2019-20



- Outcome 1
- Outcome 2
- Outcome 3
- Outcome 4
- Outcome 5
- Outcome 6
- Outcome 7
- Outcome 8
- Outcome 9
- Outcome 10
- Outcome 11
- Outcome 12

Budget vs Actual and Forecast



What's changed since last year...

Initiated a fundamental review of the allocation of the City Corporation's resources and a comprehensive review of the organisation's governance arrangements.

Introduced new governance arrangements such as the Police Authority Strategy Board, enabled greater oversight and scrutiny of the Force's national lead role on economic crime and enhanced Police Authority support for Members.

Improved project governance and procedures, established a new risk process and improved standardisation.

Integrated budget-setting and business planning processes, included corporate performance indicators in all Business Plans and tested them at Committees.

Supported the commissioning and development of the Climate Action Strategy and a Sport and Physical Activity Strategy and implemented corporate strategies relating to Responsible Business, Social Mobility and Digital Skills.

Started offering expertise and advice corporately on Business Intelligence and analytics and stakeholder research and consultation to support service design, drive performance and optimise resource allocation.

Procured electoral management software.

Plans under consideration...

Change Action	Time Scales
Implement approved recommendations of the Education Funding Review	2020/21
Introduction of live streaming of meetings and audio/visual recordings	2020/21
Integrating more systems to enable broader and deeper analytics and insights; advising on customer feedback mechanisms to support the review of support services; sharing services with the City of London Police; and enhancing performance reporting for the police and the Safer City Partnership.	Ongoing

Key Customer Feedback

The 2019 all staff Pulse survey provided the following baseline satisfaction levels:

Committee and Member Services 31% positive

64% neutral

5% negative

CSPT 30% positive

62% neutral

8% negative

The Community Safety Team and CSPT led the 2019 pan-London Christmas alcohol campaign (funded by the GLA) – this was utilised by all London blue light services alongside borough and NHS partners. Feedback from partners has been overwhelmingly positive.

Our delivery partners and key stakeholders

Officers from across the whole of the City of London Corporation

All Members

Businesses

Residents—through delivery of the annual Residents meetings, elections and through our corporate strategies

Students—through our corporate strategies

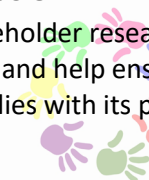
Corporate Performance Framework

KPIs we have chosen

crimes (inc. categories) reported
repeat incidents by crime reported
of people (internally & externally) engaged through Prevent awareness training
% projects delivered to time and budget
learners enrolled in training and courses
% processes completed on time
% improvement made on relevant processes or projects as a result of review
reviews of relevant processes or projects
% savings targets achieved
% customer satisfaction
Performance against Standards and assurance for London Resilience requirements.
staff completing training interventions
Performance against minimum standards for London Resilience requirements
% people who report increased quality of life after relevant interventions
% improvement in diversity in organisational and institutional activities
people volunteering or involved in community activities
Employment in creative industries, sport and academia
audience members attending CoL hosted performances
% visitor satisfaction level with different aspects of our offer – public realm, signage, information and overall experience

Equalities & Inclusion

Expertise in stakeholder research and consultation will provide data and help ensure that the City Corporation complies with its public sector equalities duty.



Our aims and objectives are...

To provide an HR service that supports the employment and retention of staff, delivering excellence in management practice in order to deliver the organisation's key priorities vision and values.

To ensure the provision of our HR service continues to adapt to deliver the changing needs of the organisation making best use of technology, maximizing efficiencies and delivering best professional practice.

To support the organisation in successful change for all parties minimising the risk to the organisation in its compliance with employment and related legislation.

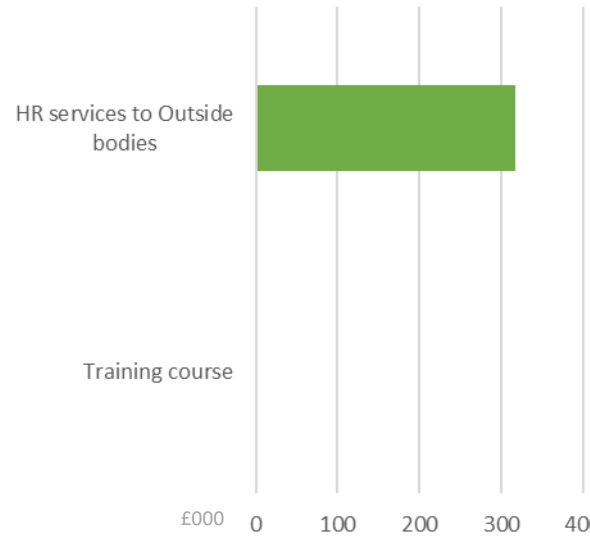
Our five major workstreams this year will be...

1. Deliver the HR Roadmap – including the HR service desk and achieving efficiencies through collaboration with other services
2. Pay and Reward review – including contribution pay, pay award, additional payments (stand by and call out) working with payroll to improve GPG reporting
3. Attracting and Retaining Talent – including Maximising the Apprenticeship levy, branding, WE, delivering the E&I Action plan activities
4. Delivering the L&D strategy including the Project Management Academy
5. Maintaining a safe and healthy work environment

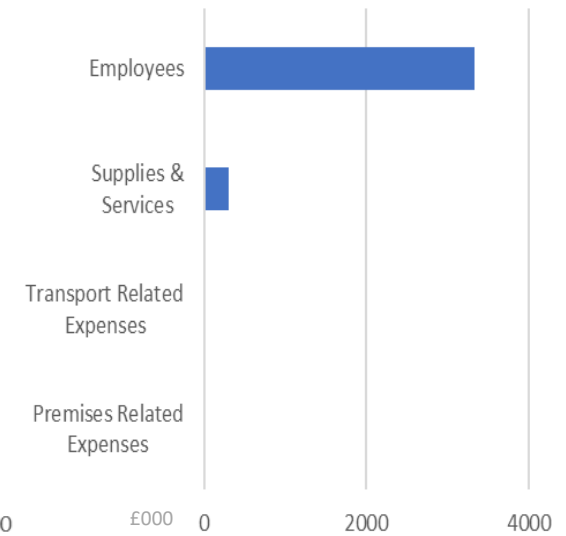
Spend by Corporate Plan Outcome



Where our money comes from



Where our money is spent

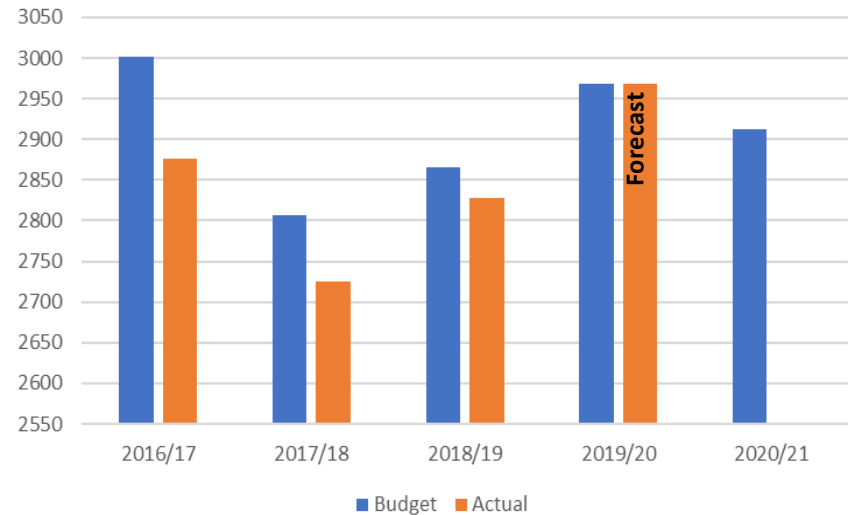


Our Impact

Reduced sick absence even a small amount can save £345,794

Increased use of internal resources for development saved £190,000 in 2019

Budget vs Actual



What's changed since last year...

- Change in the organisation has increased
- Job evaluation has successfully reduced the time taken
- Development has increased expediential
- Improved data reporting on Workforce Profile and Pay Gaps
- Improved Mental Health awareness and skills for managers and staff
- New appraisal system and contribution pay curve was removed allowing managers greater control over awards
- CityPeople “electric” implemented
- New organisation branding and recruitment microsite now available
- Delivered enhanced security measures through the People Security Board

Plans under consideration...

Change Action	Time Scales
Getting customer feedback and looking at trialling SLAs	2020/21
Collaborations with colleagues to procure a new HRMI system	2020/21
Income generation—external training and HR advice	2020/21
Improve use of technology, e.g. Service Desk model	2020/21

Key Customer Feedback

Attendance at learning events increased from average of 6.1 to 16.6 with excellent feedback

Equalities & Inclusion

Champion Equalities & Inclusion in all our policies and practices

Continue to contribute and support the E & I Board

100% Training for E&I mandatory training

All HR Business Partners regularly update their respective departments on their workforce profile via the HR Dashboard

Support and facilitate colleagues across the six diversity networks

Our delivery partners and key stakeholders

All City of London Corporation Departments

London Council's

Stonewall

Business in the Community

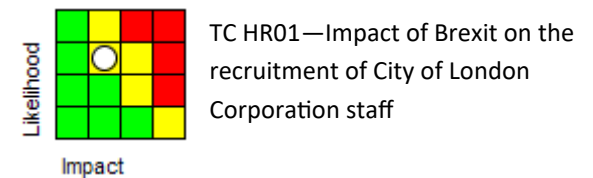
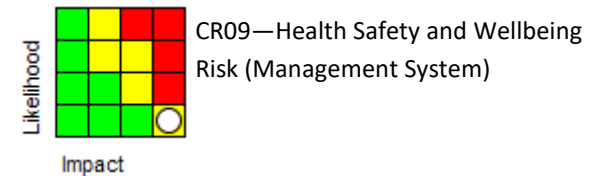
Various Health & Safety bodies, e.g. Irata, Mental Health First Aid England and MAYBO

Corporate Performance Framework

KPIs

H&S near misses
of employees completing mental health training
FTE lost due to mental health related sickness absence
FTE lost due to physical health related sickness absence
% of staff reporting good work life balance
Gender pay gap
Disability pay gap
Ethnicity pay gap
% of workforce from excluded or protected groups who progress within 5 years
attending showcasing events/recruitment drives
completing training interventions
% apprentices securing employment

Key Risks



Our aims and objectives are...

C&CS contribute to corporate outcomes by providing legal advice and support to facilitate the delivery of these outcomes.

C&CS priorities in relation to corporate outcomes are determined largely by client department priorities, projects and programmes.

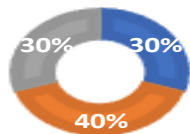
Our five major workstreams this year will be...

1. Deliver efficient, high quality, cost effective legal advice that meets client requirements and contributes to the achievement of the twelve outcomes of the Corporate Plan.
2. To provide governance and legal advice to support the major corporate projects and programmes.
3. Provide legal and rent accounting support, advice and transactional work to assist the City Surveyor in the management and development of the City's Investment portfolio to achieve increased rental income.
4. Progress the transformational departmental information management project and internal trading account.
5. Manage the governance of and provide guidance and advice to departments on GDPR compliance.

Our Impact

CONTRIBUTION TO THE TWELVE OUTCOMES BY LEGAL HOURS DELIVERED

- Contribute to a flourishing society
- Support a thriving economy
- Shape outstanding environments



Where our money comes from

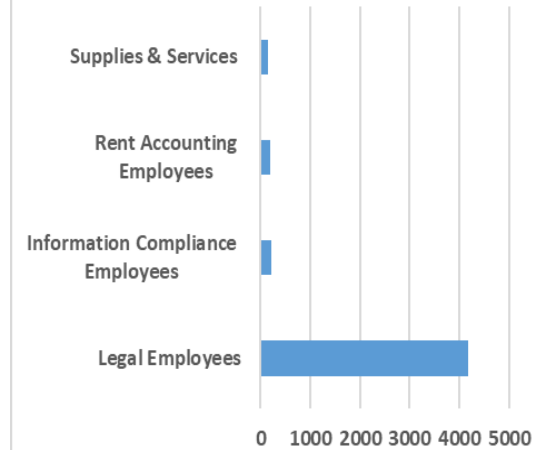
Legal Fee income (£3.7m)



- Internal fee income £'000
- External fee income £'000

Legal Fee Income

C&CS Budget £'000



Customer Satisfaction

Customer Satisfaction Ratings 2019 Target 80% agree



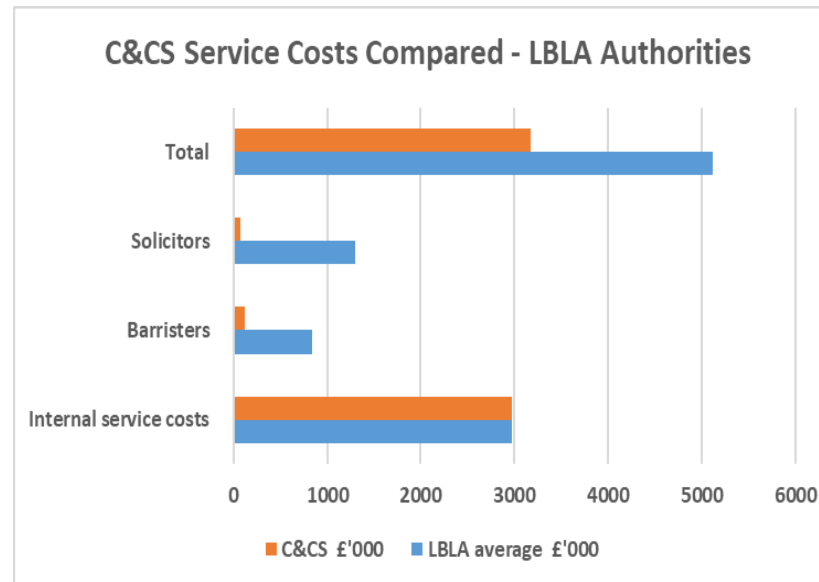
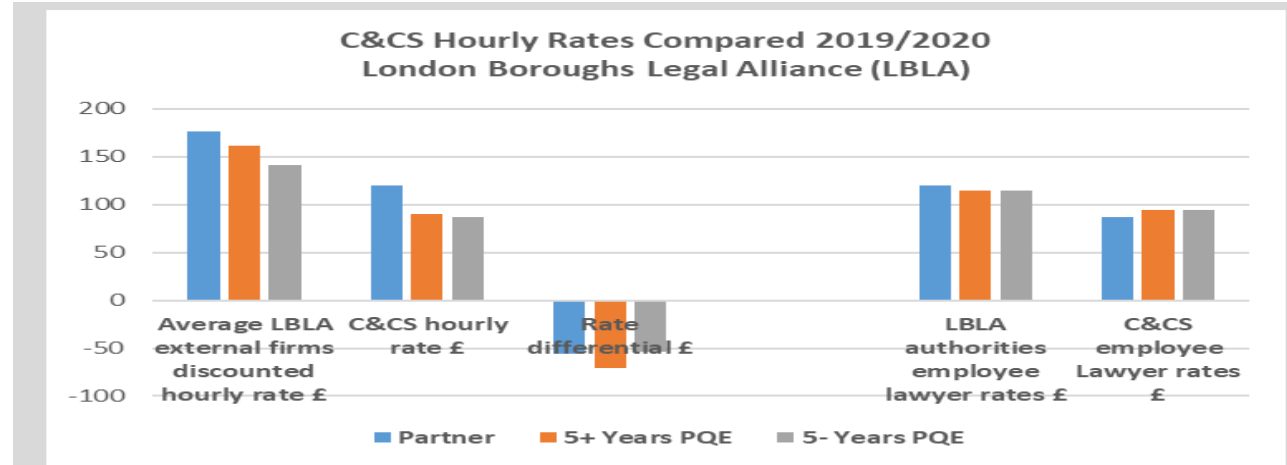
What's changed since last year...

1. Increased focus and resource requirements on major corporate projects—markets re-location/Barking Power Station, Museum of London re-location, Centre for Music.
2. Increased level of instructions to assist the City Surveyor in the management and development of the City's investment portfolio.
3. Key objective to insource to minimise reliance on external legal support to reduce risk and minimise corporate legal costs.
4. GDPR project successfully completed in March 2019 now business as usual.
5. Deployment DPS Spitfire case management system in July 2019 and the transition to paper light working .
6. Successful transition to hard charging trading account business model commenced 01.04.2019.

Key KPI's

1. % total C&CS chargeable hours achieved against 100% target. 2018/19 115%
2. LEXCEL (Law Society Quality Standard) Achieved May 2019 .
3. % of FoI requests responded to within 20 days. October 2019 97.4%
4. Complaints against caseload under 5% pa. 2018/19 zero complaints
5. C&CS Customer Satisfaction respondents rating the service as high quality . 2019 87%

London Boroughs Legal Alliance Benchmark



Equalities

We aim to support three apprenticeships across the division there are currently three apprenticeships in place

Key Risks

Departmental:

- Loss of key staff and expertise
- Data breach

Staffing

Turnover 12% due largely to retirements

Apprentices & Trainees

- 1 Trainee Solicitor
- 1 Apprentice Solicitor
- 1 Apprentice has progressed from level 2 to level 3
- 1 Apprentice level 2

Committee(s): Establishment Committee – For Decision	Date: 30 January 2020
Subject: City of London Corporation Staff Sports and Activities Club (COLSSAC)	Public
Report of: Town Clerks	For Decision
Report author: Ken Harrison	

Summary

In January 2017 your Committee granted the City of London Corporation Staff Sports and Activities Club (COLSSAC) a grant of £11,225 for 2017-18 to 2019-20 from City's Cash Grants with the agreement that funding for 2020-21 onwards should be agreed after this date.

This report is requesting funding for COLSSAC's next three years of funding from 2020-21 to 2022-23.

Recommendation(s)

Members are asked to:

- To continue to provide funding to the COLSSAC, at an increased cost of £17,208 per year, for the next three years (2020/21 to 2022/23) and a one off provision of £800 for CoL branded sports T-shirts for sponsored/charity events funded from City's Cash Grants totalling £52,424.
- To agree that the next review of the funding take place after three years.

Main Report

Background

1. COLSSAC is a staff members' club, consisting of a wide range of sports and activities clubs. The club is managed by a Committee that is elected annually by its members at the AGM.
2. The predominant objective of the COLSSAC committee is to encourage employees to engage in group sports and social activities. The COLSSAC therefore provides the resources and guidance to support members undertaking such activities, whilst also promoting the formation of new sports and activity clubs.
3. The club currently offers fifteen activities which are open to all employees: Badminton, Body Conditioning, Cycling, Football, Golf, Karate, Keep Fit, Middle Eastern Dance, Netball, Pilates, Running Club, Table Tennis and Yoga. Unfortunately, due to lack of members Ladies Football is no longer running however there are two new clubs which started in 2018/19: Arts & Crafts and Boardgames.

4. As well as sports, COLSSAC also organises various events that give staff opportunities to socialise, such as an Open Table Tennis Championship (40 participants over 2 events), Annual Children's Party (150 guests) and two Charity quiz nights (80 guests per night).
5. The list of societies and clubs which currently benefit from the funding and their membership attendance information and frequency is shown in Appendix 1. Each club can, in addition, charge membership fees or other contributions from their members to help cover cost. The 2020/21 planned expenditure by club is provided in Appendix 2.
6. The distribution of the funding by COLSSAC is subject to approval by representatives of all of the various clubs, who receive statements at their annual general meetings. The level of allocation to each club is determined by the resources required to perform the sporting activities which they promote. In general, the allocation contributes towards venue hire costs, equipment and fees for competitions. The diverse nature of sporting disciplines implies that there is some level of disparity of funding between clubs, e.g. venue hire for tennis is far cheaper than, say, for golf.
7. Club co-ordinators have confirmed that allocations are always subject to scrutiny and challenge by counterparts; however, they have undertaken to ensure the criteria for distribution of monies are set out clearly in published policy as a matter of best practice and to ensure that fairness is demonstrable in this process. This is to be presented and agreed at the next AGM.
8. In respect of new clubs, the club co-ordinators assess individual cases to ensure that associations that apply have got appropriate qualifications to engage in the activities (e.g. in the case of martial arts) or insurance, where appropriate.
9. In discussions, it has been pointed out to the club co-ordinators that it will be necessary to review the Committee funding on a more regular basis to ensure best practice, in this instance every three years. The intention is that during reviews, Members satisfy themselves that the objectives of the grants are being met and that as many staff benefit from this support.
10. Your Committee agreed in January 2017 to approve grant funding to COLSSAC of £11,225 per year for the years 2017-18 to 2019-20 funded from City' Cash Grants.

Current Position

11. The COLSSAC currently has a balance of £80.75 on account due start-up costs of new clubs as well as the prudent management of the grant over recent years.

Proposals

12. It is recommended that the annual sum of £17,235 for the financial years 2020/21 to 2022/23, totalling £51,624 after the reduction of the current uncommitted balance is approved to be funded from City's Cash Grants. This increase in costs from the previous grant is due to the general increase in inflation and additional

clubs being started as well as miscellaneous costs that COLSAAC activities incur. It is also requested that a one-off funding of £800 is provided for the purchase of CoL branded sports T-shirts for any member of staff to be able to use regardless if they are a COLSAAC member or not for charity/sponsored sporting events.

Corporate & Strategic Implications

13. Continuing funding the COLSAAC clubs is linked to the Corporate Plan's aim of Contributing to a Flourishing Society as well supporting the Health and Wellbeing policies currently in place as sports and social activities contribute positively to individuals mental and physical health.

Financial Implications

14. It is recommended that the sum of £52,424 for the next three years, 2020-21 to 2022-23 be approved for the running of the clubs as well as a one off sum of £800 for City of London branded Sports T-shirts for use in sponsored/charity events by all CoL staff, regardless if they are a COLSAAC member or not. This equates to an average grant of £17,208 per year and a one off cost of £800.

Conclusion

15. The City of London Corporation staff have an excellent resource in the COLSSAC; staff volunteer a great amount of their personal time and resources to manage the scheme which would be lost should this grant not be approved.

16. The COLSSAC encourages interaction across teams and departments throughout the City of London Corporation and its objectives align closely with the objectives of Corporate HR's employee health and wellbeing strategy CityWell; which aims to establish a resilient health and wellbeing programme focusing on; Mental Health, Physical Activity and Social Wellbeing.

Appendices

- Appendix 1 – Membership of Clubs and attendance
- Appendix 2 – COLSSAC Annual Grants

Ken Harrison

Principal Building Control Officer

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Appendix 1

Club	Total Membership	Average attendance on average per lesson	Lessons per week
Arts and Crafts	28	4 – 6	1
Badminton	11	7 – 8	1
Board Games	28	4 – 6	1
Body Conditioning	50	10 – 12	1
Cycling	100		
Football	44	6	1
Golf	41	15 – 20	
Karate	27	8 – 16	3
Keep Fit	75	12 – 16	1
Middle Eastern Dance	7	6 – 7	1
Netball	28	6	1
Pilates	70	10 – 14	3
Running	50		
Table Tennis	8	6 – 8	1
Yoga	80	10 – 15	3
Total Membership	647		

Appendix 2

Club	Amount (£)	Notes
Annual cost of running clubs		
AGM Staff Sandwich/drinks	65	Annual lunchtime AGM meeting
Annual Music Licence	230	PRS Music License
Badminton	1,220	Court hire, and replacement shuttles & rackets
Board Games	100	New games/replacements when damaged.
Charity Raffle and shield engraving	35	Staff charity quiz night - Two events a year
Children's Party	7,000	City of London's contribution to Children's annual party
Football	2,400	Two league payments
Golf	2,500	Fees and charges
Karate	250	Replacement Kick bags and other miscellaneous equipment
Keep Fit	300	Training and replacement equipment
Middle Eastern Dance	725	Workshops, CDs/DVDs, JWAAD certification, Training and Equipment
Netball	1,590	Two summer leagues and one winter league
Table Tennis	620	Replacement equipment such as tables, bats and balls
Yoga	200	Teaching Insurance cover, replacement mats, blocks and belts
Total Annual Cost of Clubs	17,235	
Total 3 years cost for club	51,705	
Less Balance in COLSSAC Account	81	
Grant request for 2020-21 to 2022-23	51,624	
Average grant per year	17,208	
One off cost		
T-shirts for charity events	800	One off request for funding for T-Shirts available to all staff who participate in charity events.
Total request over three years	52,424	

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Committee(s): Establishment Committee – For Decision	Date: 30 January 2020
Subject: Proposal to change the name of the Grand Committee	Public
Report of: Town Clerk	For Decision
Report author: John Cater	

Summary

In December 2019, the Chair raised a proposal to rename the Establishment Committee so as to more accurately reflect the Committee's workload, aims and responsibilities in today's environment.

The Chair pointed out that as the Committee was specifically responsible for all matters concerning the workforce and matters relating to inclusion, its name should reflect this, and suggested the **Workforce and Inclusion Committee**.

Subsequently, the Deputy Chairman suggested that the **Corporate Services Committee** would be an appropriate name, given the Grand Committee's remit as the chief reporting committee for Corporate Services.

To note any agreed change to the name of the Committee would need to receive additional approval from the Policy and Resources Committee and the Court of Common Council.

It was agreed that the name of the Committee could be considered more fully as a standalone item at the next meeting in January 2020.

Recommendation(s)

Members are asked to:

- a) approve, in principle a change to the name of the Establishment Committee
- b) approve and recommend to Policy and Resources Committee and the Court of Common Council that the name of the Establishment Committee changes to either the Workforce and Inclusion Committee or the Corporate Services Committee (or, indeed, an alternative name agreed at the 30th January meeting)

John Cater

Senior Committee and Member Services Officer

T: 020 7332 1407

E: john.cater@cityoflondon.gov.uk

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Committee(s) Establishment Committee	Dated: 30 January 2020
Subject: Terms of Reference Review	Public
Report of: Town Clerk	For Decision
Report author: John Cater, 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 2020 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 2020;
- 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

John Cater

Senior Committee and Member Services Officer

Town Clerk's Department

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E: john.cater@cityoflondon.gov.uk

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

Committee(s): Establishment Committee – For information	Date:
Subject: HR Helpdesk Software	Public
Report of: Chamberlain's and the Director of HR	For Information
Report author: Sam Collins Marion Afoakwa	

Summary

This report provides a brief summary of proposals to implement a suitable solution for managing HR service enquiries and cases. This paper outlines progress with exploring the use of the existing Firmstep software, which provides a digital toolkit for the creation of structured forms, workflow and automation and case management. The work will be undertaken using internal HR staff resource, with project management and technical resources from the IT Division.

Recommendation(s)

Members are asked to:

- Note the report.

Main Report

Background

1. The HR Service aims to deliver a timely and consistent service to its customers. Historically, this has been difficult given the demands placed upon the service, and the limitations of underpinning software on its working practices. The HR service receives many telephone calls, e-mails and face to face enquires and holds information in many different locations, which has made it very difficult to perform to the levels expected by its customers.

Current Position

2. Requests for an HR service can be made by e-mail, over the phone or in person. These are managed manually and using a series of inboxes, and there are instances where requests can be put into the wrong folder and there is no audit trail. Similarly, for more complex requests (cases) staff are reliant upon spreadsheets to track team and individual caseloads. There is no method for service transparency/tracking requests, or for access to performance information and statistics.

3. A detailed piece of work was conducted between the HR service and the IT Division in 2017, which sought to evaluate options for Helpdesk software. A potential Sharepoint solution was identified, however the cost was considered prohibitive and this was not progressed.
4. Discussions began in 2018 on the use of Firmstep software as an alternative, specifically “Service”, to manage all online and staff assisted channels on the same platform and “Forms”, for the creation of digital forms with automation and workflow.
5. It became apparent in 2019 that the available version of “Service” would not be a suitable solution for HR as employee data could not be separated from other users’ data.
6. Work has however continued with using “Forms” to facilitate greater automation in HR processes and is progressing towards developing and piloting use of a digital form as an alternative to “Service”.
7. A review of the pilot will be conducted in April 2020, as well as scoping and costing options to determine a longer-term solution for a HR Service Desk facility. If the review determines that Forms does not meet the services’ needs, another solution will be explored.

Recommendation

8. The IT Division’s recommendation is to utilise the existing Corporate Firmstep platform to configure a series of structured online forms, to raise, manage and resolve enquiries and cases, pending a longer-term solution being determined.

Proposal

6. Firmstep can be made available at no extra cost to the HR Service but will require resource to be made available to create the online forms and associated workflow. The IT Division has funded training for 4 members of staff within HR service, to help self-build simple forms and processes, with project management and technical support from the IT Division.
7. The next step for this work is to clearly define the scope of the work, document the HR processes and develop a project plan with agreed timescales and resourcing commitments.

Corporate & Strategic Implications

8. The use of the existing Firmstep product, is aligned to a key principle of the IT Strategy, which is to use fewer systems, more effectively.

Implications

9. This piece of work is dependent upon the use of internal staff resource, the greatest risk is therefore the availability of the appropriate level of IT skills in HR and time to commit to the delivery of this work.

Conclusion

10. The HR Service will progress with the exploring implementation of the HR Service Desk software, using the Firmstep platform and work with IT to scope and cost options to determine a longer-term solution for the HR Service Desk system. The IT Division will continue to work with the HR service to scope the project, define the project plan and support the delivery of this key piece of work.

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JOINT CONSULTATIVE COMMITTEE Tuesday, 10 December 2019

Minutes of the meeting of the Joint Consultative Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Tuesday, 10 December 2019 at 10.00 am

Present

Members:

Deputy Edward Lord (Chairman)
Deputy Kevin Everett (Deputy Chairman)
Randall Anderson
Deputy Keith Bottomley
Deputy Jamie Ingham Clark
Ruby Sayed

Union Members:

Danny Byrne GMB
Kevin Bedford GMB
Anna Lee GMB
Barrington Sinclair GMB
Sean Jordan Unite
Teresa Pugsley Unite
Mercedes Sanchez Unite
Margaret Rennie Unite

Officers:

Chrissie Morgan - Director of Human Resources
Peter Kane - Chamberlain
Janet Fortune - Human Resources
Tracey Jansen - Human Resources
Marion Afoakwa - Human Resources
John Cater - Town Clerk's Department

1. APOLOGIES

Apologies for absence were received from Deputy Joyce Nash.

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

No declarations of interest were received.

3. MINUTES

RESOLVED – That the public minutes of the meeting held on 12th July 2018 are approved as an accurate record.

4. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

5. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no items of urgent business.

6. EXCLUSION OF THE PUBLIC

RESOLVED – 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.

7. **NON-PUBLIC MINUTES**

RESOLVED – That the non-public minutes of the meeting held on 12th July 2018 are approved as an accurate record.

8. **JOINT PAY CLAIM 2020/21**

The Committee considered and reviewed joint correspondence from the GMB and Unite unions which outlined their joint pay claim for FY 2020/21.

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

There were no questions.

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

There was no other business.

The meeting ended at 10.30 am

Chairman

Contact
tel. no.: 020 7332 1407
John.Cater@cityoflondon.gov.uk

Officer:

John

Cater

JOINT CONSULTATIVE COMMITTEE Wednesday, 15 January 2020

Minutes of the meeting of the Joint Consultative Committee held at Committee Rooms, 2nd Floor, West Wing, Guildhall on Wednesday, 15 January 2020 at 9.30 am

Present

Members:

Deputy Edward Lord (Chair)
Deputy Kevin Everett (Deputy Chairman)
Randall Anderson
Deputy Keith Bottomley
Deputy Jamie Ingham Clark
Deputy Joyce Nash

Officers:

Chrissie Morgan	- Director of Human Resources
Janet Fortune	- Town Clerk's Department
Tracey Jansen	- Human Resources
Marion Afoakwa	- Human Resources
John Cater	- Town Clerk's Department

1. APOLOGIES

Apologies for absence were received from Ruby Sayed.

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

No declarations of interest were received.

3. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

4. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no items of urgent business.

5. EXCLUSION OF THE PUBLIC

RESOLVED – 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.

6. 2020 PAY CLAIM

The meeting was attended by Common Councillors and senior officers from the HR department (the "Employer side"). Members received a Report of the Director of HR which presented some costings of different options that

Members might consider in response to the pay claim submitted by the recognised Trade Unions.

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

There were no questions.

8. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED

There were no questions.

The meeting ended at 10.30 am

Chair

**Contact Officer: John Cater
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John.Cater@cityoflondon.gov.uk**

SENIOR REMUNERATION SUB-COMMITTEE

Thursday, 5 December 2019

Minutes of the meeting of the Senior Remuneration Sub-Committee held at the Guildhall EC2 at 9.45 am

Present

Members:

Deputy Edward Lord (Chairman)
Sheriff Christopher Hayward
Tracey Graham
Deputy Jamie Ingham Clark
Jeremy Mayhew
Ruby Sayed
Alderman Sir David Wootton

Officers:

John Barradell	- Town Clerk and Chief Executive
Angela Roach	- Town Clerk's Department
Chrissie Morgan	- Director of Human Resources

1. APOLOGIES

Apologies were received from Keith Bottomley, Simon Duckworth, Kevin Everett and Catherine McGuinness.

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

There were no declarations.

3. MINUTES

The public minutes of the meeting held on 6 November 2019 were approved.

4. CITY OF LONDON PAY POLICY STATEMENT

The Sub-Committee considered a report of the Director of Human Resources concerning the City Corporation's Pay Policy Statement (PPS).

Members were advised that the proposed 2020/21 PPS was an updated version of the statement approved by the Establishment and Policy and Resources Committees and the Court of Common Council earlier in the year.

During more detailed discussion, amongst other things the following points were made:-

- It was suggested that the Sub-Committee be provided with a tracked changed version of the Pay Policy Statement proposed for 2020/21 (i.e. the

Statement showing the proposed changes from that agreed previously) to assist Members in making more informed comments;

- reference was made to the City Corporation's private and charitable functions which did not fall within the Localism Act. It was suggested that for the sake of clarity, the words "*and are outside the scope of the Act*" should be added at the end of the last sentence of paragraph 3 of the Statement;
- Members questioned whether it was possible to strengthen the Statement from a corporate governance perspective; whether it was necessary to include paragraph 16 as it did not relate to policy specifically and whether there ought to be a separate document that dealt with how the policy was implemented. The Town Clerk advised that corporate governance and charitable activities tended to be very prescriptive and therefore any reference to them would need to be considered carefully. Similarly, officers would need to check whether the creation of two separate documents would accord with the requirements of Localism Act;
- In response to questions relating to contribution pay, the application of Market Forces Supplements (MFS) and whether the current pay system was sufficiently flexible, the Director of HR explained the contribution pay process and eligibility for it. In relation to MFS payments, she referred to the purpose of such payments and the time limits associated with them once approved. She concluded by reminding Members that the City Corporation's pay negotiations fell outside the local government pay settlement and that it was instead based on local bargaining.

RESOLVED – That the report be noted and that:-

1. a tracked changed version of the proposed changes to the Pay Policy Statement for 2020 be circulated to Members for further comment; and
 2. it be recommended to the Establishment Committee that the words "*and are outside the scope of the Act*" should be added at the end of the last sentence of paragraph 3 of the Statement.
5. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE SUB-COMMITTEE**
There were no questions.
6. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**
There were no urgent items.
7. **EXCLUSION OF THE PUBLIC**
MOTION – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following item on the grounds that it involves the likely disclosure of exempt information as defined in Part 1 of the Schedule 12 A of the Local Government Act:-

Item Nos.

Paragraph(s) in Schedule 12A

8 - 11

1, 2 and 4

8. MINUTES

The non-public confidential minutes of the meeting held on 6 November 2019 were approved.

9. SENIOR MANAGEMENT GROUP REMUNERATION

The Sub-Committee considered and agreed a report of the Director of HR concerning Senior Management Group Remuneration.

10. MARKET COMPARISON FOR THE SENIOR MANAGEMENT GROUP

The Sub-Committee noted a report of the Director of HR concerning the benchmarking process for the Senior Management Group.

The Town Clerk withdrew from the meeting whilst the following item was considered.

11. APPRAISAL ARRANGEMENTS FOR THE SENIOR MANAGEMENT GROUP

The Sub-Committee considered a report of the Director of Human Resources concerning the appraisal arrangements for a member of the Senior Management Group.

The content of the report was noted, and it was agreed that the final version of the arrangements should be submitted to the Sub-Committee in the new year for information.

The meeting closed at 11am

Chairman

Contact Officer: Angela Roach
Angela.roach@cityoflondon.gov.uk

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