



Corporate Services Committee Agenda

Date: TUESDAY, 6 SEPTEMBER 2022
Time: 1.45 pm
Venue: COMMITTEE ROOM 2 - 2ND FLOOR WEST WING, GUILDHALL

Members:

Deputy Alastair Moss (Chair)	Gregory Lawrence
Florence Keelson-Anfu (Deputy Chairman)	Deputy Edward Lord
Deputy Randall Anderson	Catherine McGuinness
Deputy Keith Bottomley	Timothy James McNally
Alderman Sir Charles Bowman	Ruby Sayed
Deputy Henry Colthurst	Tom Sleigh
Steve Goodman OBE	Mandeep Thandi
Deputy Christopher Hayward	James Tumbridge
Alderwoman Susan Langley	Deputy Philip Woodhouse

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<https://youtu.be/1yw6hYD-584>

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John Barradell
Town Clerk and Chief Executive

AGENDA

Part 1 - Public Agenda

1. **APOLOGIES**

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

3. **MINUTES**

To agree the public minutes and summary of the meeting held on 30th June 2022.

For Decision
(Pages 5 - 10)

For Formal Decision

4. **HR GREATER LOCAL DELEGATIONS - REVIEW OF PILOT**

Report of the Chief Operating Officer.

For Decision
(Pages 11 - 20)

5. **CHRISTMAS LUNCH FUNDING AND SUMMER RECEPTIONS REVIEW**

Report of the Town Clerk.

For Decision
(Pages 21 - 24)

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

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

8. **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

9. NON-PUBLIC MINUTES

To agree the non-public minutes of the meeting held on 30th June 2022.

For Decision
(Pages 25 - 26)

10. RECRUITMENT OF THE TOWN CLERK & CHIEF EXECUTIVE

Report of the Chief People Officer.

For Decision
(Pages 27 - 38)

11. ORAL UPDATE - INFORMAL MEETING REGARDING THE CORPORATION'S POSTURE IN RETURN TO WORKPLACE ATTENDANCE (22ND AUGUST)

The Chief Operating Officer to be heard.

For Discussion

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

13. **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

14. **CONFIDENTIAL MINUTES**

To agree the Confidential minutes of the last meeting held on 30th June 2022.

For Decision
(Pages 3 - 4)

15. **RESOLUTION FROM THE CULTURE, HERITAGE AND LIBRARIES COMMITTEE**

For Discussion
(Pages 5 - 8)

16. **CITY SURVEYOR'S DEPARTMENTAL TOM RESTRUCTURING**

Report of the City Surveyor.

For Decision
(Pages 9 - 70)

17. **FROS LITIGATION STRATEGY**

Report of the Comptroller & City Solicitor.

For Decision
(Pages 71 - 78)

18. **STAFF HONORARIUM - CITY OPERATIONS DIVISION**

Report of the Executive Director of Human Resources & Chief People Officer.

For Decision
(Pages 79 - 82)

19. **JUDGES' PAY AWARD**

Report of the Town Clerk.

For Decision
(Pages 83 - 88)

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20. **ORAL UPDATE - PAY 2022/23**

The Chief Operating Officer to be heard.

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CORPORATE SERVICES COMMITTEE **Thursday, 30 June 2022**

Minutes of the meeting of the Corporate Services Committee held at Guildhall on
Thursday, 30 June 2022 at 1.45 pm

Present

Members:

Deputy Alastair Moss (Chair)
Florence Keelson-Anfu (Deputy Chair)
Deputy Randall Anderson
Deputy Keith Bottomley
Alderman Sir Charles Bowman
Steve Goodman
Deputy Christopher Hayward
Deputy Edward Lord
Catherine McGuinness
Timothy James McNally
Mandeep Thandi
James Tumbridge
Deputy Philip Woodhouse

Observer

Henry Colthurst

Officers:

Bob Roberts	- Director of Communications
Michael Cogher	- Comptroller and City Solicitor
Caroline Al-Beyerty	- The Chamberlain
Emma Moore	- Chief Operating Officer
Marcelle Moncrieffe	- Chief People Officer
Claire Spencer	- CEO, Barbican
Marion Afoakwa	- Human Resources
Tracey Jansen	- Human Resources
John Cater	- Committee Clerk
Lisa Hughes	- People Insight
Anna McInnes	- People Insight

1. APOLOGIES

Apologies for absence were received from Henry Colthurst and Alderwoman Susan Langley.

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 30th May be approved as an accurate record.

4. **STAFF SURVEY**

The Committee received a Report of the Chief Operating Officer concerning the findings of the 2022 'Your Voice Matters' Staff Survey.

Representatives of the Corporation's partner organisation, People Insight, opened the discussion by providing an overview of the findings of the Staff Survey and set out several recommendations. The Chief Operating Officer and the Chief People Officer provided some comments in response.

The Chair and Deputy Chair thanked officers for their work on the Survey and commended the breadth of data and insight captured. The Chair spoke for the Committee when highlighting that the Corporation's staff was its most important asset.

Several Members noted the poor feedback when it came to views on the performance and visibility of the senior leadership, emphasising the vital need for improvements in this area; One Member stressed that the findings could not be dismissed, they presented an unfettered and honest appraisal of the organisation and should be carefully considered and acted upon; it was up to senior managers to now step up and display the leadership that was required. The Deputy Chair added that the organisation should provide support to and investment in leaders in the form of training and coaching; leaders were not born but developed, and it was incumbent upon Members to nurture managers, as well as helping to create a more positive working environment for all staff members. A recent example in this regard, was the gratitude shown to staff members who had worked to deliver the City's contribution to the Platinum Jubilee celebrations.

A Member stressed that, in his view, the impact of the pandemic would have had a significant effect on the results of the Survey. In addition, whilst recognising that the medium-to-long term future of working patterns (both in the City Corporation and elsewhere) was still uncertain, concerns around poor morale would, he suggested, be mitigated by bringing more people back into the workplace on a more frequent basis.

Several Members expressed doubts about whether the pandemic had made as big an impact on staff sentiment as suggested, it was pointed out the concerns around the visibility of the senior leadership had been raised in the last Staff Survey, which was carried out before the pandemic. It was also apparent that the uncertainty created by the Target Operating Model and, before that, the Fundamental Review, had made a significant impact on staff morale. Another Member expressed shock at some of the results and suggested that Members and senior officers had to consider, as a matter of priority, what sort of organisation the Corporation needed to develop into to ensure that staff sentiment could be improved. Several Members agreed that a cultural shift was required, particularly in relation to giving officers greater freedoms to get on

with their day-to-day operational work, where currently, it was felt that too much bureaucracy hindered effective delivery.

A Member noted that, whilst the results recorded a positive narrative around staff being engaged with their areas of work, many believed that what they said could be improved won't be acted upon, and, that they had little or no idea about how the organisation as a whole was performing; whilst he recognised that work was now being developed, he was disappointed that, hitherto, the organisation had never reported against the aims in the Corporate Plan; when it came to measuring delivery, this should be a key focus, alongside focusing on finding out why people hold the views they have.

In response to a query, it was confirmed that benchmarking in the Survey was against other public sector organisations; it was also pointed out that over the Covid period, significantly more investment had been made by all types of organisations in both the public and private sectors in carrying out Staff Surveys, so the data to draw upon was richer than in previous years. Whilst recognising the unique role of the Corporation, a Member queried whether, in future, more consideration could be given to ways in which we can benchmark against organisations with similar facets to the Corporation's non-local authority functions.

In terms of engagement, officers confirmed that a programme of roadshows, involving all Chief officers going out to different operational sites, would be rolled out in July; crucially, as well as being a chance for officers to provide information to staff, these events would serve as an opportunity to listen to direct feedback which would then form the basis of meaningful action.

In response to a separate query, officers responded that they would share the broken-down departmental data with the relevant service committees.

Given the disruption and unique challenges caused by the pandemic, a Member queried whether any consideration had gone into thinking about the ideal timing of the next Staff Survey. Officers urged caution about going out with the next survey too quickly, it was firstly important to show to staff members that their concerns had been responded to with meaningful action. It was suggested that pulse surveys which drilled down on specific issues or similar types of analysis (e.g., spot surveys of two or three questions carried out on a frequent basis which collected "live" data) would be preferable to undertaking a full survey in the short-term. Whilst accepting the rationale outlined by officers, the Chair asked them to think about a medium-term timeframe for the next Staff Survey.

A new Member commented that, whilst some of the results were concerning, he was encouraged by the real enthusiasm and keenness of officers he had observed since being elected in March; this was something positive to build upon. He was also keen to see if the Corporation could draw upon best practice from elsewhere.

In response, officers cautioned that, whilst there were lots of nuance when comparing to other public sector bodies; we do have benchmarking with other local authorities, and whatever good practice we can use from elsewhere is to be welcomed.

Speaking on behalf of her department, the Chamberlain informed Members that she had found that an effective way to encourage a listening culture was the rollout of workshops which were led by a facilitator; whilst delivering these sessions was resource heavy, they were welcomed by staff members in her team and had produced some very useful feedback, particularly around frustrations about the level of bureaucracy in the organisation; on this point, she asked for Member support in encouraging the removal of unnecessary controls which delayed effective delivery – we needed to empower people to get on with the job in hand and move to a culture where sensible controls were present by exception and not ubiquitous, this shift needed full Member and officer buy in. Several Members expressed their support, suggesting that revisions to the Officer Scheme of Delegations should be reviewed on a much more regular basis, with the impetus being moving towards a more permissive regime. The Chair added that it was vital to encourage a climate of trust between Members and officers at all levels of the organisation, one recent example was the Planning Away Day where more junior officers were asked to set the agenda.

The Director of Communications cautioned that this should not just be seen as an internal communication issue; staff members had to be shown that meaningful changes were being delivered in response to their concerns – without this, any communications strategy would struggle to gain traction.

The Comptroller and City Solicitor remarked that whilst morale wasn't specifically low in his department, there was unhappiness about the level of rewards and remuneration which was beginning to resonate in the findings of recent Staff Surveys. A Member commented that it was apparent that the overall salary offer from the Corporation had declined in recent years compared to our peers.

RESOLVED – that the Committee noted the Report.

5. SECURITY POLICY - PEOPLE

The Committee considered a Report of the Chief Operating Officer concerning the Review of the Security Policy - People.

In response to a query, the Comptroller & City Solicitor confirmed that departments had discretion about whether non-ICO (Information Commissioner's Office) data breaches should be reported to the Digital Services Committee. If a breach met the ICO reporting threshold, then the Comptroller would brief the Chairman of Digital Services Committee.

In response to a query, officers informed Members that there was not a consensus amongst the relevant officer groups as to whether the City Corporation's logo should be displayed on ID passes. There were potential security implications if the logo was made visible again but the benefits in terms

of allowing people easier access to different Corporation sites should also be borne in mind. The Chair proposed that the Committee approve the current policy to ensure good governance, but with the expectation that this specific element will come back to the Committee in due course for further consideration.

A Member pointed out that officers who have a regulatory function (e.g., being required to enter licensed premises) would possess a separate ID with the City Corporation logo visible. In a similar vein, they added, newly elected Members had not yet been provided with their alternative ID cards which did include the City Corporation logo; these were very helpful for Members when going about their duties across the City; the Member noted that the Civic Affairs Sub-Committee would be looking at rectifying this.

A Member asked that the penultimate bullet point on paragraph 15 was removed as this merely duplicated the final bullet point in this paragraph so was superfluous.

A Member asked that the term 'trademarks' on page 3 of the Policy was restored to the correct British English 'trade marks'.

RESOLVED – that the Committee approved the proposed changes to the Security Policy - People highlighted in (the track changed) Appendix 1 of the Report.

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

There were no questions.

7. ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT

There were no urgent items.

8. 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.

9. NON-PUBLIC MINUTES

RESOLVED – That the non-public minutes of the meeting held on 30th May be approved as an accurate record.

10. CITY SCHOOLS STAFFING MATTERS

The Committee received a Report of the Town Clerk concerning pay at the City of London School and City of London School for Girls.

11. MARKETS CO-LOCATION PROGRAMME: RECRUITMENT OF PROGRAMME DIRECTOR

The Committee considered a Report of the Chief Operating Officer concerning the recruitment of a Programme Director for the Markets-Co Location Programme.

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

There were no questions.

13. 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.

14. CONFIDENTIAL MINUTES

The confidential minutes of the meeting held on 30th May were approved.

15. ROLE UPDATE FOR ARTISTIC DIRECTOR TO SUPPORT HEAD OF PROFESSION UPLIFT AND SUPPORT FOR DESTINATION CITY PROGRAMME. MFS CHANGE RESULTING.

The Committee considered a Report of the CEO Barbican; Chief Operating Officer & Acting Deputy Chief Executive; and Director for Innovation and Growth concerning the creation of a Head of Profession for the Arts for the Corporation.

16. PAY 2022/23

The Committee received an oral update of the Chief Operating Officer concerning the Pay Award in 2022/23.

17. TOWN CLERK'S UPDATE

The Town Clerk was absent for the meeting; however, the Comptroller & City Solicitor did provide a brief update regarding an employment matter.

The meeting ended at 3.05 pm

Chair

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Officer: John Cater

Committee: Corporate Services Committee	Dated: 06/09/2022
Subject: HR Greater Local Delegations – Review of Pilot	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	3a, 5a, 8d
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	N/A
What is the source of Funding?	N/A
Has this Funding Source been agreed with the Chamberlain’s Department?	N/A
Report of: Chief Operating Officer	For Decision
Report author: Tracey Jansen - Human Resources	

Summary

This report was requested by the Committee at its meeting in October 2021 to present an evaluation of the pilot to achieve greater local HR delegations to Chief Officers, and to make any recommendations arising from the pilot. Monitoring has taken place and some minor adjustments made to guidance for managers during the pilot. All of the delegations have been welcomed by Chief Officers, and the report recommends confirming the delegations as permanent. Reducing the level of authority required to implement decisions has reduced bureaucracy and the end-to-end process time. The opportunity has also been taken to review the approval process for Market Forces Supplements (MFS) and recommendations made accordingly.

To address the potential for inconsistency in application of these HR processes, managers are expected to record the rationale for starting spinal points. In addition, business case templates for Honoraria and MFS requests capture key information including protected characteristics data to identify any areas of concern which need to be addressed.

Recommendations

Members are asked to approve:

- Starting spinal point for internal and external appointments and acting ups should be a matter for recruiting managers;
- Increment progression - additional awards are devolved to Chief Officer Tier 1 in consultation with their HR Business Partner/HR Contact;
- Honoraria payments are devolved to Tier 1 Chief Officers in consultation with their HR Business Partner/HR Contact;
- MFS payments up to the value of 10% of contractual pay can be approved by the Tier 1 Chief Officers;

- The MFS Board to approve MFS payments more than 10% of contractual pay up to £25000 depending on grade (see paragraph 22);
- MFS payments above these limits to be considered by the MFS Board and referred to the Chair and Deputy Chair of Corporate Services Committee for approval under delegated authority by the Committee;
- Reduced length of time an MFS can be agreed for from 5 to 3 years;
- Reduced MFS pay protection period from 3 years to 1 year;
- Revisions to the Employee Handbook provisions included in Appendix 1;
- Changes to be reflected in the Scheme of Delegation as necessary.

Members are asked to note:

- The monitoring and auditing of these delegations and periodic reports to Committee to review application of these delegations including any emerging concerns from an equality perspective and actions planned to address these;
- Note that the City of London School and City of London School for Girls will undertake the end-to-end recruitment process for their non-teaching staff. Further the City of London Freeman's school will undertake a pilot of non-teaching recruitment in due course;
- There will be a review of the Terms of Reference for the Committee's consideration at a future meeting. The aim will be to underpin the theme of greater delegation and reducing bureaucracy and to better reflect the Operation's Department activities.

Main Report

Background

1. The Committee endorsed a pilot, including all City Corporation Institutions and Departments, of several local delegations concerning HR processes and decisions. The pilot has run from 1 November 2021 until end of July 2022. The Committee agreed to receive a report back with a full evaluation of the pilot with any resulting recommendations. The pilot delegated to Chief Officers the following areas of HR decision making:
 - Starting spinal point for external appointments;
 - Starting spinal point for internal appointments and acting ups into higher level positions;
 - Increment progression - additional awards where there is a justified business case, e.g, as a recognition of examination success related to the post and agreed as a development requirement;
 - Honoraria payments up to the value of £2500; with a temporary amendment to the delegations of the MFS Board to approve all requests for honoraria payments between £2501 and £7500 regardless of grade; and all requests for honoraria payments proposed by Chief Officers over £7500 to be considered by the MFS Board and recommended to the Corporate Services Committee for its agreement.

2. The wider review of Pay and Reward is due to commence in the Autumn and will include a review of the current MFS policy. It will not however review the Terms of Reference for the MFS Board for use in the interim. It is expected that full implementation of any approved recommendations from the Reward Review will not be completed before the end of 2023/24.
3. In addition, the City of London School and City of London School for Girls have been piloting their non-teaching end to end recruitment process since April 2021.

Current Position

Starting spinal point for external appointments, internal appointments and acting up into higher level positions

4. The current provision requires the Chief People Officer and Executive Director of HR (CPO) to be consulted about external appointments at scale points 5 and 6. In addition, there are further restrictions in relation to internal promotions and acting ups. These decisions have been delegated to Chief Officers for the purposes of the pilot. There has been a total of 140 new starters during the pilot period. Of these 37 or 26.5% were appointed on the top 2 points of the scale. Analysis by gender, ethnicity and disability indicator compared to all new starters and the workforce¹ profile is as follows - Whilst these are relatively small numbers, there are no indications giving cause for concern – i.e. that are out of line with our broader workforce profile.

Gender	F	M	
New Starters point 5 or 6	59.5%	40.5%	
All new starters	61.5%	38.5%	
Workforce	49.9%	50.1%	
Ethnicity	White	BAME	Not known
New Starters point 5 or 6	62%	24.5%	13.5%
All new starters	59.2%	17.9%	22.9%
Workforce	65%	17%	18%
Disability indicator	Y	N	Not Known
New Starters point 5 or 6	2.7%	78.3%	19%
All new starters	3.6%	68.5%	27.9%
Workforce	4%	74%	22%

5. Regarding internal promotions, these have been more difficult to identify as there has been a number of internal changes resulting from the TOM. However, no business cases have been submitted to the CPO, rather discussions dealt with where applicable in the TOM process. In addition, there have been no requests to pay accelerated increments for acting ups.

¹ This figure excludes police staff who are included in the City of London Police workforce data. However, police staff are subject to the provisions that are being piloted.

6. The pilot has been welcomed by recruiting managers and it is recommended that the starting spinal point for internal and external appointments and acting up should be a matter for recruiting managers, seeking guidance from their HR Business Partner/HR Contact so that a broadly consistent approach is being taken across the organisation. The involvement of the Chief Officer and CPO is not considered necessary or an appropriate use of their time. However, monitoring and auditing should be conducted and reported periodically to the Committee. This will be key to ensuring due diligence, fairness and equity and to identify appropriate interventions to address any concerns about approvals and/or emerging concerns from an equality perspective. The suggested revisions to the Employee Handbook provisions are included in Appendix 1.

Increment progression - additional awards

7. This is not a provision that is operated very frequently as most additional awards will be captured as honoraria payments or as part of progression under a career grade. There have been 4 accelerated increments awarded under this provision during the pilot.
8. Whilst these can be delegated to departments, additional awards should be made by exception and have the potential for favouritism/lack of consistency in application. It is therefore recommended that these should be devolved to departments, but approval should be retained at the Tier 1 Chief Officer level in consultation with their HR Business Partner/HR Contact. Amending the Employee Handbook provision will ensure that the provision is more clearly defined so that it is used appropriately. The amended wording is set out in Appendix 1. As above it is recommended that these awards are monitored and reported periodically to the Committee.

Honoraria

9. An honorarium is usually a one-off additional payment given to an employee, which either recognises that an employee has carried out significant additional duties, at the same level or at a higher level; or could be given for doing a piece of work or involvement in a specific project. The Pilot has given Tier 1 Chief Officers the authority to approve honoraria requests awards to staff up to the value of £2500.
10. There were a total of 125 honoraria agreed during the reporting period. 20 honoraria above £2500 were approved by the MFS Board or Committee ranging between £2985 and £12000 in value. There have been 105 honoraria up to £2500 approved by Tier 1 Chief Officers during the pilot as set out below. The business case template ensures that full consideration is given to fairness and equity in relation to awards made. The breakdown of these is as follows:

Dept	% of Total
Barbican	13.3
Bridge House Estate	2.9
COLP	11.4

DCCS	2.9
DTC	4.8
Environment	11.4
Financial Services	8.6
IG	19.0
Legal	2.9
Operations	2.9
City Surveyors	1.9
CLS	7.6
CLSG	2.9
CLFS	7.6

11. Analysis by gender, ethnicity and disability indicator compared to workforce profile:

Gender	F	M	
Honoraria £2500 or less	52%	48%	
Workforce	49.9%	50.1%	
Ethnicity	White	BAME	Not known
Honoraria £2500 or less	69%	19%	12%
Workforce	65%	17%	18%
Disability indicator	Y	N	Not Known
Honoraria £2500 or less	3%	76%	21%
Workforce	4%	74%	22%

12. All Chief Officers have welcomed the ability to make awards swiftly and closer to the time the work is undertaken.

13. It is therefore recommended that further streamlining could be achieved by all honoraria payments being devolved to Chief Officer Tier 1 in consultation with their HR Business Partner/HR Contact. The honoraria policy will be updated to reflect the revised decision making. As with the delegations above, there should be monitoring and auditing to identify any concerns about the application of the provision with reports to be made to the Committee periodically.

Recruitment

14. The pilot has also included delegating the end-to-end non-teaching staff recruitment process to the City of London School and City of London School for Girls. The schools already undertake their own Teacher recruitment. The schools are currently charged for the recruitment service provided by Corporate HR, and they are keen to now continue with their own recruitment on a permanent basis, with a modest financial saving for each school.

15. As part of the pilot, the CLS and CLSG local HR staff received training on the City People recruitment module. For the schools, it gives them control over their own recruitment and as most school activity revolves around the school academic year, it gives the schools greater ability to prioritise recruitment to suit their

business needs. The schools' HR contacts will be included in the wider City People User Groups so that their business requirement can be factored into the development of the new HR/Payroll system.

16. The City of London Freeman's school was not part of the pilot but would also welcome a pilot with a view to undertaking the whole recruitment process for non-teaching staff. Currently the school is already preparing the employment contracts for their non-teaching staff so are already partially undertaking the recruitment process. There are some technical and operational details that will need to be worked through, but it is suggested that the school commences a full pilot as soon as the preparatory work can be completed.

Market Forces Supplements

17. Across the City Corporation there are around 260 MFS. Currently 41% of MFS in place on the main grade spine, are for more than 10% of contractual pay. Contractual pay is usually base salary with London Weighting but could include other contractual allowances in a few cases. 59% of MFS are less than 10% of contractual pay. All posts with an MFS can be reviewed at any time and can be withdrawn or amended should the market change.

18. Analysis of all MFS by gender, ethnicity and disability indicator compared to the workforce profile is:

Gender	F	M	
All MFS	38%	62%	
Workforce	49.9%	50.1%	
Ethnicity	White	BAME	Not known
All MFS	68%	20%	31%
Workforce	65%	17%	18%
Disability indicator	Y	N	Not Known
All MFS	3.5%	81%	15.5%
Workforce	4%	74%	22%

19. Whilst the Pay and Reward Review will examine in detail the current policy provisions including the review mechanism and will include a full equality impact assessment, this will take some time to complete. However, as part of the HR delegations outlined in this report, the approval process in relation to MFS can also be streamlined. It is recommended that requests for MFS that are less than 10% of contractual pay can be approved by Tier 1 Chief Officers in consultation with their HR Business Partners/HR Contacts.

20. Request for MFS that are more than 10% of contractual pay will continue to be considered by the MFS Board and, as appropriate, Corporate Services Committee. However, further streamlining could be achieved by Committee delegating authority to the Chair and Deputy Chair to approve the requests for MFS on behalf of the Committee and this is recommended. This will remove full

Committee involvement and avoid delays in waiting for Committee meetings.
There will be reporting of data to Committee for monitoring purposes.

21. All MFS are subject to review, and this will continue to be made clear for any new MFS agreed. The MFS Submission Form includes all relevant considerations and can be amended to reflect the delegated authority if this is agreed.

22. Further to the above, we propose that, as the approval thresholds by the MFS Board have not been reviewed for a number of years, these are uplifted by £5000. MFS above these thresholds to be to be considered by the MFS Board and referred to the Chair and Deputy Chair of Corporate Services Committee for approval under delegated authority by the Committee:

£15,000 for posts Grade F and below
£20,000 for Grades G & H
£25,000 for Grades I & J

23. Given the Pay and Reward Review is likely to touch on all elements of pay, it is recommended that the current policy provision set out in Appendix 1 should be amended to reduce the length of time an MFS can be agreed for from 5 to 3 years. In addition, the revised pay protection period in cases of redeployment into a post one grade lower than their substantive grade as an alternative to redundancy, ill health or disability dismissals was reduced from 3 years to 1 year when the policy was last reviewed. It is therefore recommended to align the MFS pay protection period accordingly to 1 year from 3 years. These amendments are included in Appendix 1.

Proposals

24. The pilot has worked well so far and has contributed to the TOM aim to *eliminating non-value adding activity and remove barriers*. The pilot delegations have been welcomed by Chief Officers and reduce administration and the end-to-end processes. As such the delegations that have been piloted should be confirmed as outlined in this report.

25. As part of the TOM overarching aims, consideration has been given to delegating some standard HR processes to either Tier 1 Chief Officers or line managers. The risks associated with doing so have been addressed through amended policies and guidance and new business case templates which include not only financial and resource implications, but importantly equity and fairness in application of these provisions. As such monitoring and reporting to Committee is an important element of due diligence as well as periodic deep dives and/or auditing.

Key Data

Included in the report.

Corporate & Strategic

Strategic implications: The recommendations in this report support the wider Target Operating Model programme aim to eliminate non-value adding activity and remove barriers, to make space for and encourage collaboration, innovation and synergy building. The TOM underpins delivery of all aspects of the Corporate Plan.

Financial implications: Any cost arising will be met from local risk. The schools are currently charged for a recruitment service provided by Corporate HR which can cease however this will free up resources in Corporate HR to undertake other work.

Resource implications: if the pilot is successful there are potential resource efficiencies through the streamlining of processes for all departments, Human Resources, the MFS Board and the Committee.

Legal implications: none direct but it is important that monitoring takes place to ensure there is consistency in approach and to identify and avoid any unfairness in application.

Risk implications: included above.

Equalities implications: A test of relevance has been undertaken for this pilot and was reviewed throughout the life of the pilot. The data on gender, ethnicity and disability is included in the report and business case templates and guidance for managers requesting Honoraria and MFS include consideration of equalities implication measures. As noted in the report monitoring will be undertaken on a periodic basis including an equality analysis.

Conclusion

The pilot of a number of HR activities has been welcomed by Chief Officers. However, monitoring and auditing are a key to ensuring due diligence, fairness and equity and to identify appropriate interventions to address any concerns about approvals and/or emerging concern from an equality perspective. Given the forthcoming Pay and Reward review it may well be that these provisions do not exist in their current form going forward. In the meantime, these delegations reduce time to approve and implement decisions and reduce administration and work of the MFS Board.

Appendices

- Appendix 1 – Current Employee Handbook provisions with proposed amendments.

Background Papers

TOM review, pilot project at the 3 City of London Schools – People management – Greater Local Delegation – Establishment Committee March 2021

TOM CLS Pilot – HR Proposal to achieve Greater Local Delegations Establishment Committee - October 2021

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Current Employee Handbook provisions with proposed amendments

Acting Up Policy

11. In normal circumstances, employees acting up should be placed on the greater of:

- the bottom point of the acting grade; or
- one point above their current salary.

12. Where there is a justifiable and documented business case, recruiting managers, in consultation with their HR Business Partner/ HR contact may offer any point on the acting up scale.

Partial Acting Up

20. Payments will in general be based on the lowest point of the grade of the post being acted up into or one increment higher than the employee's existing spine point. However, where there is a justifiable and documented business case, recruiting managers, in consultation with their HR Business Partner/HR Contact, may offer any point on the acting up scale.

27. Line managers of the post being acted up into will need to:

- Document the rationale for offering a starting salary above the bottom of the acting up scale point above their current salary

Pay Progression Policy

Appointments

5. In normal circumstances new appointees including internally promoted employees should be placed on the bottom point of their pay scale. However, where there is a justifiable and documented business case, recruiting managers, in consultation with their HR Business Partner/HR Contact, may offer any point on the scale.

Accelerated Increments - Additional Awards

31. Tier 1 Chief Officers, in consultation with their HR Business Partner /HR Contact, may award additional increments, where there is a justified business case:

- as a recognition of examination success related to the post and agreed as a development requirement (but not linked to a recognised career grade scheme);

or in exceptional circumstances:

- consistently high level of performance which can be expected of a worker with significantly more years' experience in the role
- any other exceptional circumstance which cannot be addressed through the existing performance appraisal process or by awarding of an honorarium.

Application of Market Forces Supplements

Market Forces Supplements can be awarded to City of London Corporation posts.

A Market Forces Supplement (MFS) is an additional payment applied to a post, which recognises that the external market for that post demands a higher salary than the maximum contractual pay which would be the norm of the post.

Once awarded, the MFS applies to the post, not an individual, so it may be transferable to a new postholder, but does not transfer with an individual to a new post.

MFS Conditions

The application of an MFS to a post is temporary while the market conditions prevail. Where the review of the market supports an award, the MFS can be agreed to be paid for up to 3 years.

All posts with an MFS can be reviewed at any time and can be withdrawn or amended at any time should the market change.

Where the market changes and a decision is made to withdraw the MFS, it will be protected and fixed for 1 year at the current rate.

The MFS rate will usually be set as the difference between the agreed "market" rate for the job and the contractual pay that would be made at the top of the Grade for that job. It follows that appointments to posts which have an MFS, particularly if these are external appointments, may be made at the top point of the grade.

Evidencing the market

Tier 1 Chief Officers may request that an MFS is awarded where:

- There is independently verified market data, using valid comparators.
- The submission includes what has been done to make the job and the department more attractive to candidates or to retain existing staff.
- The submission includes what terms and conditions have been considered to widen the field of candidates including increasing diversity.

Approval process

An MFS can be awarded by:

Tier 1 Chief Officers in conjunction with their HR Business Partner/HR Contact where the value of the MFS is equal to or less than 10% of the total contractual pay. All other MFS must be referred to the MFS Board

The MFS Board is an officer panel comprising the Chamberlain, the Comptroller and City Solicitor and the Chief People Officer and Executive Director of Human Resources. The Board can award MFS that are more than 10% of the total contractual pay up to the following limits:

£15,000 for posts Grade F and below
£20,000 for Grades G & H
£25,000 for Grades I & J

If there is a proposal to increase the amount of an existing MFS, then a new submission will be required for the new total amount.

Agenda Item 5

Committee(s)	Dated:
Corporate Services Committee	23 August 2022
Subject: Staff Christmas Lunch costs and Review of Staff Summer Receptions	Public
Report of: Emma Moore, Chief Operating Officer	For Approval
Report author: Claire Holdgate, Events Manager	

Summary - Staff Christmas Lunch costs

The Staff Christmas Lunches are held annually over three days in December. All Corporation staff on the payroll (including Barbican Centre, Museum of London, civilian Police) are invited to apply for a place. They are served a three-course meal, side dishes, wine, soft drinks and tea/coffee.

Capacity is limited by both budget and venue restrictions – as such, the maximum number of staff that could attend would be 2,100 in total (700 per day).

Payment of the lunches is subsidised by the Corporate Services Committee – staff pay a contribution which is deducted from their January pay. Members of the Corporate Services Committee are invited to attend across the three days.

Below are the increases in both staff contributions and catering costs since 2013 (listed where there was a price adjustment).

Staff Christmas Lunch catering costs		
Year	Cost to staff (pp)	Overall cost (pp)
2013	£10.00	£33.00
2015	£11.00	£34.00
2017	£15.00	£35.00
2018	£18.00	£40.00
2019	£18.00	£40.00
2022	£20.00 (proposed)	£65.00

Due to increasing food prices, staffing costs, and other related price increases associated with Covid, cost of living and Brexit, the cost of the Lunches has increased from £40pp in 2019 to £65pp in 2022.

The caterers honoured with the 2022 lunches (following the Covid cancellation of the Lunches in 2021) recently proposed a substantial increase in their costs for 2022. Despite negotiation, they were unable to reduce the per head cost to a satisfactory price. This percentage increase was also not indicative of more wider price rises for other Guildhall events. Therefore another Guildhall caterer has been engaged to supply the Lunches for 2022 at £65pp.

Recommendation

Members are asked to approve:

- That in consideration of the increasing food and drink prices, staff contribution increases from £18pp to £20pp
- Members may wish to consider a greater staff contribution, as catering costs are expected to rise further in 2023 and beyond. Members are advised that the budget for any increase in the overall costs of the Christmas Lunches is subject to approval from other committees.
- The committee considers whether (subject to Chief Officer approval) Chief Officers could make provision for locally based hospitality, for those staff based offsite who are unable to attend the Christmas Lunches

Staff Summer Receptions

In December 2021, the increased Covid-19 infection rate prompted the cancellation of the annual Staff Christmas Lunches. In response to suggestions from Members and Officers, it was proposed that a free staff reception could be held later in 2022. These one-off events would also serve as a thank you to staff for their work during the Covid-19 pandemic.

The carry forward request for the unspent Lunch 2021 budget of £45,000 was granted. This allowed provision for a series of four summer receptions in Guildhall Yard for staff on the Corporation payroll. Capacity was limited by budget, allowing for a maximum of 300pp per day. Staff again were invited to apply on a first come, first served basis.

The StreetFoods Market provided the food and drink; staff were provided with tokens to make their 'purchases'; music was provided by the Guildhall School; and Members of the Corporate Services Committee were invited to attend.

Anecdotal feedback from staff attending was positive: staff were appreciative of the gesture; and grateful for the opportunity to freely network with colleagues. Both the Policy Chairman and the Town Clerk have proposed this to be an annual event to compliment the Staff Christmas Lunches.

If the Summer Receptions were to be held on an annual basis, it is suggested that staff could make a modest contribution to the catering costs. A budget for the receptions going forward needs to be considered and funding secured through appropriate channels.

Recommendation

Members are asked to approve:

- That Staff Summer Receptions are recommended to be held annually, on behalf of this Committee, subject to funding being available.
- Members are reminded that any budget considerations will need to be sought from the relevant committee, so this proposal is subject to a detailed costing report for assessment and agreement by the Finance Committee.

Implications

There is no current budget allocated to cover the cost of an annual Staff Summer Reception and for any proposal to go forward will require a fully costed plan to be agreed by the relevant spending Committee.

Conclusion

1. Members are asked to approve the increase to staff contributions for the Christmas Lunches 2022 and beyond, from £18pp to £20pp.
2. The committee considers whether (subject to Chief Officer approval) Chief Officers could make provision for locally based hospitality, for those staff based offsite who are unable to attend the Christmas Lunches.
3. Members are asked to approve the Staff Summer Receptions to be held on an annual basis from 2023, subject to funding

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