



## Corporate Services Committee

**Date:** WEDNESDAY, 21 JANUARY 2026

**Time:** 1.45 pm

**Venue:** COMMITTEE ROOM - 2ND FLOOR WEST WING, GUILDHALL

**Members:**

Florence Keelson-Anfu (Chair)	Sandra Jenner
Anthony David Fitzpatrick (Deputy Chair)	Gregory Lawrence
Alderman Sir Charles Bowman	Charles Edward Lord, OBE JP
Simon Burrows	Alderman Professor Michael Mainelli
Deputy Henry Colthurst	Deputy Alastair Moss
Steve Goodman OBE	David Sales
Deputy Christopher Hayward	Mandeep Thandi
Stephen Hodgson	James Tumbridge
Adam Hogg	Philip Woodhouse

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**Ian Thomas CBE**  
**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 Corporate Service Committee meeting held on 3 December 2025.

**For Decision**  
(Pages 5 - 8)

4. **2026/27 PAY POLICY STATEMENT**

Report of the Executive Director of HR and Chief People Officer.

**For Decision**  
(Pages 9 - 28)

5. **DEPARTMENTAL BUDGET ESTIMATES 2026-27 - CORPORATE SERVICES COMMITTEE**

Joint report of the Town Clerk, Deputy Town Clerk, Comptroller and City Solicitor, Chief People Officer and Chamberlain.

**For Decision**  
(Pages 29 - 36)

6. **ANNUAL TERMS OF REFERENCE REVIEW**

Report of the Deputy Town Clerk.

**For Information**  
(Pages 37 - 42)

7. **PEOPLE & HR RISK MANAGEMENT UPDATE**

Report of the Executive Director of HR and Chief People Officer.

**For Information**  
(Pages 43 - 80)

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

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

10. **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**

11. **RISK APPETITE AGREEMENT CR09 HEALTH, SAFETY AND FIRE RISK MANAGEMENT SYSTEM**

Report of the Deputy Town Clerk.

**For Decision**  
(Pages 81 - 86)

12. **PROGRAMME SAPPHIRE (ERP) UPDATE REPORT - JANUARY 2026**

Report of the Chamberlain.

**For Information**  
(Pages 87 - 98)

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

14. **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**

15. **CONFIDENTIAL MINUTES**

To agree the Confidential minutes of the last Corporate Services Committee meeting held on 3 December 2025.

**For Decision**

16. **AMBITION 25**

Executive Director of HR and Chief People Officer to be heard.

17. **TOWN CLERK'S UPDATE**

Town Clerk to be heard.

## **CORPORATE SERVICES COMMITTEE** **Wednesday, 3 December 2025**

Minutes of the meeting of the Corporate Services Committee held at Guildhall on  
Wednesday, 3 December 2025 at 1.45 pm

### **Present**

#### **Members:**

Florence Keelson-Anfu (Chair)  
Anthony David Fitzpatrick (Deputy Chairman)  
Alderman Sir Charles Bowman  
Simon Burrows  
Deputy Henry Colthurst  
Steve Goodman OBE  
Deputy Christopher Hayward  
Stephen Hodgson  
Adam Hogg  
Sandra Jenner  
Charles Edward Lord, OBE JP  
Deputy Alastair Moss  
Mandeep Thandi  
Philip Woodhouse

#### **In Attendance**

James Tumbridge (online)  
Deputy Henry Pollard, Chief Commoner (in Guildhall)

#### **Officers:**

Ian Thomas, CBE	- Town Clerk and Chief Executive
Greg Moore	- Deputy Town Clerk
Polly Dunn	- Assistant Town Clerk and Executive Director of Governance and Member Services
Chris Rumbles	- Town Clerk's Department
Michael Cogher	- Comptroller and City Solicitor
Dionne Corradine	- Chief Strategy Officer
Cliff Morton	- Interim Chief People Officer
Janet Campbell	- People and HR Department
Tom Kennedy	- People and HR Department
Rachel Mackay	- People and HR Department
Sarah Martin	- People and HR Department
Simon Gray	- Chamberlain's Department
Sonia Virdee	- Chamberlain's Department
Genine Whitehorn	- Chamberlain's Department
Richard Muscat (For item 12)	- Korn Ferry
Claire Muscat (For item 12)	- Korn Ferry
Theresa Grant (for item 12)	- Ambition 25 Assistant SRO

1. **APOLOGIES**

Apologies for absence were received from David Sales and James Tumbridge.

The Chair had given her apologies for her late arrival at the meeting.

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

There were no declarations of interest.

3. **MINUTES**

Minutes were considered as follows: -

- a. The public minutes and non-public summary of the Corporate Services Committee meeting held on 22 October 2025 were approved as an accurate record.

**Matters arising**

**Action Tracker** - A question was raised as to the value of an action tracker. It was noted that this would form part of wider considerations on resourcing for committee administration, due to come in the New Year.

**Corporate Services Committee Vacancy on Member Development and Standards Sub-Committee** – The Town Clerk referred to there being one Corporate Services Committee vacancy that remained outstanding for representation on Member Development and Standards Sub-Committee.

Sandra Jenner, already a Member on Member Development and Standards Sub-Committee as a Court of Common Council appointee, had expressed an interest in representing Corporate Services Committee also.

RESOLVED: That Members: -

- Agreed to the appointment of Sandra Jenner as a Corporate Services Committee representative on Member Development and Standards Sub-Committee.
- b. The public minutes and non-public summary of the Senior Remuneration Sub-Committee meeting held on 24 September 2025 were noted.
4. **PROGRAMME SAPPHIRE (ERP) UPDATE REPORT – NOVEMBER 2025**  
The Committee received a report of the Chamberlain providing an update on Programme Sapphire.

RESOLVED: That Members: -

- Received the report and noted its content.
5. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**  
There were no questions.

6. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT**  
The Town Clerk confirmed that there was one additional item of business from the Chair relating to the Strategy Day agenda. Owing to the Chair's late arrival, it was agreed that the matter would be dealt with later in the agenda.
7. **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.
8. **NON-PUBLIC MINUTES**  
**RESOLVED:** That, the non-public minutes of the Corporate Services Committee meeting held on 22 October were approved as an accurate record.
9. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**  
There were no questions.
10. **ANY OTHER BUSINESS THAT THE CHAIR CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**  
With the Chair in attendance, there was one additional item of business to consider as follows: -

#### **Corporate Services Committee Strategy Day**

The Chair took the opportunity to provide an update on several items of business that had been received from Members for inclusion on the agenda for the forthcoming Committee Strategy Day. The Chair invited any further proposals to be provided by Friday 12 December 2025. Items already received, with additional items raised during discussion were as follows: -

- Dashboards and key metrics relating to establishment, HR performance data, and periodic reporting cycles.
- Departmental overviews covering Human Resources, Comptroller & City Solicitor's Department, and the Town Clerk's Department.
- A session on current major programmes, including Programme Sapphire, Ambition 25, and HR Transformation, with a request for a Programme Sapphire system demonstration and presentation of the business case.
- An overview of the contingent workforce, including consultants, approval processes, costing, and governance.
- Consideration of threshold levels for officer approvals and related governance issues.
- Review of the Committee's terms of reference, workplan, and priorities for 2026.
- A strategic discussion on defining a "world-class people offer" and what this looks like for the organisation.

Members noted the importance of framing the Away Day around both operational understanding and forward strategic planning, with there being agreement on the value of clarifying the Committee's role and function as part of the session.

**11. CONFIDENTIAL MINUTES**

Minutes were considered as follows: -

- a) The Confidential minutes of the Corporate Services Committee meeting held on 22 October 2025 were approved as an accurate record.
- b) The confidential minutes of the Senior Remuneration Sub-Committee meeting held on 24 September 2025 were noted.

The Town Clerk confirmed the Chair's proposed re-ordering of the agenda to allow for items 14, 15 and 16 to be taken prior to the more substantive items for consideration at items 12 and 13. Members indicated their agreement to this, with consideration of the agenda proceeding on this basis.

**14. NEW SPITALFIELDS MARKET STAFFING STRUCTURE**

The Committee considered a report of the City Surveyor relating to the staffing structure at New Spitalfields Market.

**15. JOB EVALUATION MAINTENANCE FOR AN EXISTING POST**

The Committee considered a report of the Chief Strategy Officer relating to job evaluation maintenance for an existing post.

**16. REMOVAL OF REDUNDANT POST**

The Committee considered a report of the Chief Executive Officer of the Barbican Centre relating to removal of a redundant post.

**12. AMBITION 25**

The Committee considered a report of the Chief People Officer, providing an update on the Ambition 25 programme and seeking approval of the preferred option.

**13. 2026 PAY AWARD**

The Committee considered a report of the Chief People Officer providing an update on the process for the 2026 / 2027 pay award.

**The meeting ended at 3.20 pm**

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Chair

**Contact Officer: Chris Rumbles**  
**christopher.rumbles@cityoflondon.gov.uk**



<b>Committee(s):</b> Corporate Services Committee Policy and Resources Committee Court of Common Council	<b>Dated:</b> 21 January 2026 29 January 2026 05 March 2026
<b>Subject:</b> 2026/27 Pay Policy Statement	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	<b>N/A</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>No</b>
<b>If so, how much?</b>	<b>N/A</b>
<b>What is the source of Funding?</b>	<b>N/A</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>N/A</b>
<b>Report of:</b> Chief People Officer	<b>For Decision</b>
<b>Report author:</b> Chris Fagan, Head of Reward and Benefits	

## Summary

The City of London Corporation is required to publish a 'Pay Policy Statement' to set out their policy relating to the remuneration of their highest paid staff alongside their policies towards their lowest paid staff. The statement is required to be reviewed annually and agreed by 'a resolution of the authority', which in the City of London Corporation's case is the Court of Common Council.

These Statements have been produced annually since 2012/13 and are considered by the Corporate Services Committee and Policy & Resources Committee, prior to approval by the Court of Common Council before the end of March each year.

The report outlines the reasons for this statement. The draft Pay Policy Statement for 2026/27 is attached as Appendix 1.

It is noted that this Pay Policy Statement will need to be reviewed, amended and resubmitted through the same process to reflect any changes to our pay policy and pay approaches in relation to the deliverables of the Ambition 25. To meet the statutory requirements and timescale, we are required to bring this version forward to reflect the actual position at this time.

## Recommendation(s)

Members of CSC are asked to review and agree the Pay Policy Statement for 2026/27.

Members of P&R are asked to agree the Pay Policy Statement for 2026/27 and to forward to the Court of Common Council.

## Main Report

### Background

1. The Localism Act 2011 (Chapter 8) requires the City of London Corporation to prepare and publish a 'Pay Policy Statement' to set out their policy relating to the remuneration of their highest paid staff alongside their policies towards their lowest paid staff.
2. The statement is required to be reviewed annually and agreed by 'a resolution of the authority', which in the City of London Corporation's case is the Court of Common Council, by March before the financial year to which it relates. The Statement may (again by resolution of the authority) be subsequently amended after the beginning of the financial year and as soon as is reasonably practicable after its approval or amendment, the Statement must be published on the authority's website.
3. 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 distinguished 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.
4. Statements must incorporate the requirements of the legislation and associated guidance and be updated as relevant City of London pay approaches or policies change. These include:
  - Section 38(2) 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.
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. This 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". As such the

statement must include pay policy for the Town Clerk and Chief Executive; Senior Management Grades and the main City of London salary scales.

6. It should be noted that Pay Policy Statements are not a “statement on pay policies”, but rather a narrowly defined legislative requirement spelling out clearly and transparently certain specified current pay practices. As such they are required to be an “as is” statement, providing an accurate statement of practice at the time of publication, rather than a prediction of what will or may happen over the succeeding 12 months.
7. The aim of the Localism 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 to the pay of its “Chief Officers” and the pay of its lowest paid employees.
8. 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. The Corporation seeks to be a fair employer and an employer of choice - recognising and rewarding the contributions of staff in an appropriate way. The Corporation sets pay fairly within published scales and, in doing so, has regard to changing conditions in differing occupational and geographic labour markets.

### **Current Position - City of London Pay Policy Statement 2026/27**

9. A draft Pay Policy Statement for 2026/27 is attached.
10. This is required to be considered by the Corporate Services Committee and Policy & Resources Committee, prior to approval by Common Council. Common Council approval is required before the end of March of the preceding financial year, so these are therefore presented to this Committee now to ensure that the March deadline for full approval can be met.
11. The Pay Policy Statement will need to be subsequently amended to reflect the deliverables and implementation of Ambition 25 expected during the financial year. This will require a new statement to reflect the agreed changes to our pay policy and approach. That new version will need to follow the same approval process as above.

### **Conclusion**

12. 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 introduces for approval the draft Statement for 2026/27 and recommends its forwarding to the Policy & Resources Committee and Court of Common Council for the further necessary approvals.

### **Corporate & Strategic Implications**

- 13. Strategic implications – None.
- 14. Financial implications – None
- 15. Resource implications – None
- 16. Legal implications – This report sets out the requirements of the Localism Act 2011. The draft Pay Policy Statement for 2026/27 is produced in accordance with these requirements. Approval of the Pay Policy Statement by the Court of Common Council by 31 March 2026 will satisfy the obligation in section 39 for the statement to be approved before the end of the 31 March immediately preceding the financial year to which it relates.
- 17. Risk implications – A failure to offer a competitive reward package could hamper the Corporations ability to recruit and retain talent.
- 18. Equalities implications – An Equality Impact Assessment has not been completed as no major change to the policy is proposed by this report.
- 19. Climate implications - None
- 20. Security implications – None

## **Appendices**

Appendix 1 Draft Pay Policy Statement 2026/27

Appendix A2 to the Statement: Senior Management Pay Grade

Appendix B to the Statement: Main Pay and Grading Structure

Chris Fagan, Head of Reward and Benefits

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**CITY OF LONDON CORPORATION  
PAY POLICY STATEMENT 2026-2027**

**1. Introduction and Scope**

**1.1. Legislation**

- 1.1.1. The Localism Act (2011) requires local authorities to produce a 'Pay Policy Statement' to set out their policy relating to the remuneration of their highest paid staff alongside their policies towards their lowest paid staff. The statement is required to be reviewed annually and agreed by 'a resolution of the authority', which in the City of London Corporation's case is the Court of Common Council. This statement meets these requirements for the City of London Corporation for the financial year 2026-2027.
- 1.1.2. The Government guidance to the Act (which has statutory effect) requires the Pay Policy Statement to refer to policies in relation to remuneration (including bonuses; performance pay); severance payments; 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.
- 1.1.3. The Act's provisions do not supersede the City of London Corporation's autonomy to make decisions on pay which are appropriate to local circumstances and deliver value for money for local taxpayers. The Corporation seeks to be a fair employer and an employer of choice, recognising and rewarding the contributions of staff. The Corporation sets pay fairly within and, in doing so, has regard to changing conditions in differing occupational and geographic labour markets.

**1.2. Scope:**

- 1.2.1. 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 work of the City of London Corporation is carried out in this capacity or funded from public resources. As well as having statutory local authority functions, the Corporation undertakes public functions, such as those of a police authority and of a port health authority and has private and charitable functions which are outside the scope of the Act. In keeping with the spirit of openness and transparency, this Statement does not distinguish between information which applies to the City of London Corporation as a local authority and that which applies to it in any of its other capacities.
- 1.2.2. The Act excludes police authorities from its remit, so the Statement does not include information about Police Officers. It is noted that all Police Officer pay scales are nationally determined and as such do not form part of local Pay Policy.
- 1.2.3. The provisions in the Act do not apply to the staff of local authority schools and teaching staff are outside the scope of the pay policy statement. While the City of London Corporation does not directly manage local authority schools, it does run independent schools. The statement in general follows the Government Guidance and leaves teaching staff outside of its scope.

## **2. Background and Governance Arrangements**

- 2.1. Pay, terms and conditions of service are negotiated locally, in consultation with the Corporation's recognised trade unions and employee representatives. These are supplemented by a range of policies and guidance relating to tangible pay terms, to help ensure the fair and consistent application of these principles to all employees.
- 2.2. The Corporate Services 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 Corporate Services Committee has delegated this to its Senior Remuneration Sub-Committee.

## **3. Definitions**

- 3.1. The pay policy statement must set out policy 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 its employees who are not chief officers. This should include a definition of the "lowest paid employees" adopted by the authority for the purposes of the statement, and the rationale for adopting that definition.

### **3.2. Chief Officers (and Deputy Chief Officers)**

- 3.2.1. The act [43(2)] identifies Chief Officers as defined under the Local Government & Housing Act 1989, and inclusive of Deputy Chief Officers. Under this definition, some Chief Officer and most Deputy Chief Officer roles, will be paid within the A-J grade range. Chief Officers while mainly within the Senior Management Grade (SMG), occasionally may be paid within the A-J grades, although likely only within the top 2 or 3 grades. Deputy Chief Officers may be paid across the whole of Grades A-J, although in practice these are likely to fall within Grades F and above.
- 3.2.2. The distinctions between Town Clerk and Chief Executive Pay; Senior Management Grade pay; and payments made to employees on other Grades are outlined in the relevant sections of this Statement. Appendix A, details more fully the arrangements in place for the Town Clerk and Chief Executive; and those on the Senior Management Grade. The most significant element of pay able to be received by employees in Grades A-J that is not available to Town Clerk or SMG posts is Market Forces Supplements as these are set with regard to market pay.
- 3.2.3. The schemes for incremental pay increases and Contribution Payments for employees in Grades D-J and the Senior Management Grade are also set out in the relevant sections of this Statement. These apply equally 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 subject to performance. Contribution Payments, when in operation, for any Chief Officer or Deputy Chief Officer are only available to those at the top of their Grades, through performance appraisal, and payments are not consolidated into base pay – so must be earned again through performance in future years. Where other incentive arrangements are in place, there is no entitlement to contribution pay.

### **3.3. Lowest Paid Employees**

- 3.3.1. The City of London Corporation is an accredited Real Living Wage Employer. As such we commit to pay all workers the 'Real Living Wage' as a minimum rate of pay. For most of the workforce this is the London Living Wage (£14.80 per hour with effect from 22<sup>nd</sup> October 2025; £13.45 outside London). The London Living Wage is also used as the basis to determine the rates of pay for Level 2 Apprentices within the organisation (Level 3 Apprentice pay is set at London Living Wage, plus two percent). Our lowest graded employees are in Grade A as determined by the outcomes of the Job Evaluation process.

## **4. Pay Determination**

### **4.1. Pay Structures**

- 4.1.1. The pay and grading structure consists of two main pay grades. The main body of City of London Corporation employees are paid on a Grade structure of 10 Grades (Grades A-J) [Appendix B], with the most senior posts paid on a range within a Senior Management Grade (SMG) [Appendix A]. Posts are allocated to the grade based on job evaluation of the role, using the Corporations own job evaluation scheme, to ensure equal and fair pay to people in those roles.
- 4.1.2. New posts and any existing posts that change the level of responsibility required, are evaluated, and ranked under the Job Evaluation scheme. The scheme, its application, the scoring and how scores relate to Grades are published so staff can be assured that the process is fair and transparent. Job Matching is also utilised to support an efficient process. There is also an appeal mechanism.
- 4.1.3. There are some structural variations in the pay structure for roles on Grades A-J. Those who manage or supervise other workers on the same evaluated grade as their own, are on 'Plus Grades' which pay 2 increments more than the substantive Grade. Those who hold a residential post, have a separate pay scale which pay 4 increments less than the non-residential scale.
- 4.1.4. Some roles within the corporation sit outside of this pay structure, due to the need to keep their terms in line with their profession. These include: Teachers; Police Officers; Coroners; Judges; and also those protected by TUPE. Apprentices also have separate pay arrangements as outlined in paragraph 3.3.1.

### **4.2. Recruitment and Appointment**

- 4.2.1. Individual appointment is normally to the minimum pay point of the grade range, unless there is a good business case for an individual to receive a higher starting salary. Such as where a successful applicants existing salary falls within the post's pay range, the employee is normally appointed to the nearest point on the scale which is higher than their existing salary. Where the existing salary is higher than the range, they are normally appointed to the top point of the relevant pay scale.

- 4.2.2. For posts where the salary packages is £100,000 or more, in accordance with the Localism Act 2011, the following approvals are required:
- (i) in respect of all new posts; new appointments to existing posts; or where existing posts are changed permanently (i.e. subject to re-evaluation) the Court of Common Council (via the Corporate Services Committee);
  - (ii) in respect of all existing posts, subject to temporary changes in pay (e.g. honorarium, or a Market Forces Supplement) that take them over the £100k threshold, as delegated from Court of Common Council to Corporate Services Committee.

### 4.3. Pay Progression

- 4.3.1. All employees are eligible for incremental increases within the grade structure, until they reach the top increment of the grade. Pay progression is linked to performance measured through appraisal over the year 1 April - 31 March.
- 4.3.2. **Grades A-C** are the lowest Grades in the City of London Corporation. Grade A is a single increment; Grades B and C each have 6 increments, and progression through each Grade can be achieved by annual incremental progression, subject to performance.
- 4.3.3. **Grades D-J** Grades D to J have 6 increments each. Progression through each Grade can be achieved by annual incremental progression, subject to performance.
- 4.3.4. **Senior Management Grade:** Consist of 6 increments arranged around the 'datum point'. Any pay progression for SMG roles, is subject to regular review of performance by the Manager/Town Clerk, considering their personal contribution, their service performance, and the success of the organisation. Recommendations are considered by the Senior Remuneration Sub-Committee.
- 4.3.5. Staff on all these grades may also be entitled to pay increases through the annual pay award process. The pay scale values are subject to annual review, taking into account a range of internal and external factors (e.g. inflation; cost of living; affordability; pay settlements elsewhere; etc.) and through discussions with recognised trade unions and employee representatives.
- 4.3.6. **Town Clerk and Chief Executive:** Consist of a spot point determined by the market 'datum point'. There is no pay progression nor entitlement to the annual pay award process.
- 4.3.7. The market rate will be reviewed at key performance milestones, taking into account a range of internal and external factors.
- 4.3.8. **Apprentices:** Are paid on spot point grade linked to the 'Real' Living Wage as set by the Living Wage Foundation. As such there is no Pay Progression available other than through the regular review of the Living Wage rate by the Foundation.



#### 4.4. Performance Pay

- 4.4.1. Individuals in roles on the grading structure may also, when in operation, be able to access certain performance payments.
- 4.4.2. **Grades A-J and SMG** at the top of their grade may be eligible for “Contribution Payments”. Those individuals who achieve the highest standards of performance and contribution, can receive a one-off non-consolidated Contribution Payment depending on the assessed level of contribution over the previous year and the available pot identified for performance payment. Achievement is determined by appraisal over the 1 April - 31 March period. The payments are not contractual and are therefore made at the employer’s discretion. The scheme may be varied within these parameters to suit pertinent issues at that time.
- 4.4.3. **Incentive Arrangements:** Separate performance related pay schemes are put in place for specific roles or groups of roles to reflect the particular challenges and demands of that role, and where there is a clear rationale for differential treatment. Where these exist, the employees involved are excluded from the Contribution Payments scheme applying to other employees on their Grade. This may include:
- (i) **Commercial Arrangements:** These are put in place for roles engaged in commercial activities, where eligible staff may receive additional payments per annum, depending on their grade and success in meeting certain commercial performance targets.
  - (ii) **Long-Term Incentive Plans:** These are put in place for executive roles that have a significant impact on the Corporations long-term performance, to help ensure sustainable growth, and delivery of multi-year objectives to stretching targets. The payments are only made at the end of the agreed vesting period, and only on successful or better delivery against all targets.
  - (iii) **Major Programme Delivery:** These are put in place for roles that have key control of major programmes, these roles may have an element of the total pay package deferred and linked to delivery of outcomes, key programme milestones and/or activities to targeted performance levels, budget/income goals, quality standards and/or agreed timescales.

#### 5. Additional Pay Determination

- 5.1.1. In addition to basic salary, roles may receive additional payments to reflect the location, nature and or market conditions relevant to the role. Such payments may include:

##### 5.2. London Weighting:

- 5.2.1. All graded staff are paid a London Weighting allowance, to assist them with the higher cost of living and working in London. The value of the allowance varies depending on where they are based (inner or outer London) and whether they are supplied by the employer with residential accommodation necessary for the purposes of fulfilling the duties of their job. In 2022, a ‘London Weighting Supplement’ was introduced for employees in spine point 1038 upwards, including SMG employees. The current levels of London Weighting Allowance and London Weighting Supplement are provided on the Grading Structure [Appendix B].

### **5.3. Market Force Supplements**

- 5.3.1. There will be times where the external pay market for certain roles will exceed the local grade pay range. This can result in difficulties in both recruiting and retaining a suitably qualified and skilled workforce to key roles within the organisation. The use of market force supplements (MFS) can help to bridge the pay gap, to help attract, recruit and retain such talent.
- 5.3.2. Market Force Supplements can be applied to roles in Grades A-J. Any request must be based on a robust analysis and supported by analysis of market data. This helps to ensure that the resulting differential in pay is fully justified for equal pay purposes (material factors defence). All MFS are subject to Chief Officer; MFS Board; or Committee Chairs approval, dependent on the value proposed, and its proportion of base pay (detailed in guidance). All market force supplement payments are kept under regular review.

### **5.4. London Living Wage Supplement**

- 5.4.1. The City of London Corporation is an accredited Living Wage employer. We apply the 'Real Living Wage', set externally by the Living Wage Foundation, as our minimum rate of pay for all directly employed staff, including Apprentices, some Casual staff and some agency workers. Those based in London will receive the London Living Wage. It is our policy that Real Living Wage increases should be applied to affected employees and other workers from the date of any increased announcement, which in 2025 was on 22 October 2025.

### **5.5. Additional Duties**

- 5.5.1. There will be occasion where, due to service needs, employees at any grade will temporarily be required to undertake work or perform beyond the normal remit of their substantive role (for example working to a higher-level role; or undertaking additional responsibilities). Payment for these extra duties will be considered under the Acting Up Policy and Honorarium guidance.

### **5.6. Other Additional Allowances and Enhancements**

- 5.6.1. The City of London Corporation utilises additional allowances and enhancements to reflect and recompense for other responsibilities; duties; working patterns and working time. The eligibility to these enhancements varies dependent on the nature of the allowance or enhancement. The applicable principles, scope, eligibility, process and rates are detailed in the relevant policies, guidance and/or minutes of committee decisions. These are kept under review, to ensure they support the ambitions of the Corporation and changing legislation. Examples include policies and practices relating to overtime and unsocial hours; standby arrangements; first aid allowances etc.

## **6. Termination of Employment**

6.1. 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 cases outlined in Section 6 below.

### **6.2. Payment in lieu of notice**

6.2.1. There is no contractual right to payment in lieu of notice. In exceptional circumstances, where it is beneficial to the service's operational needs, payment in lieu of notice may be made to employees on the termination of their contracts.

### **6.3. Retirement**

6.3.1. Staff who contribute to the Local Government Pension Scheme (LGPS) and who retire from age 55 onwards are able to elect to receive immediate payment of their pension benefits on a reduced basis in accordance with the LGPS Scheme.

6.3.2. Unreduced benefits are payable if retirement is from Normal Pension Age (NPA). NPA is linked to the State Pension Age, 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.

6.3.3. The Local Government Pension Scheme also provides for applications for flexible retirement from staff aged 55 or over, where staff reduce their hours or Grade. It has in general been the City of London Corporation policy to agree to such requests only where there are clear financial or operational advantages to the organisation.

### **6.4. Redundancy**

6.4.1. Employees made redundant are entitled to receive redundancy pay as set out in legislation. Using the statutory 'ready reckoner' to determine the statutory entitlement in weeks, the City of London Corporation currently bases the calculation of redundancy pay on 1.5 x actual salary x statutory weeks.

6.4.2. This scheme may be amended from time to time subject to Member approval. 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 the Corporation's website.

## **6.5. Settlement of potential claims**

- 6.5.1. There may on very rare occasions be circumstances where it is necessary to consider termination payments outside of those listed above, to avoid or settle a legal claim and reduce the risk of costs following an employee's departure from employment. Such instances may be settled by way of a settlement agreement paying due regard to the Special Severance Guidance issued by the Government, and where it is in the City Corporation's interests to do so based on advice from the Comptroller & City Solicitor, Chief People Officer and Chamberlain & Chief Financial Officer.
- 6.5.2. The amount to be paid in such instances 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 Chairs of Policy & Resources and Corporate Services Committees and legal advice that it would be lawful, proper and reasonable to pay it.

## **6.6. Re-employment**

- 6.6.1. Applications for employment from staff who have retired or been made redundant from the City of London Corporation, or another authority will be considered in accordance with the Corporation's normal recruitment policy.

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

### **7.1. Transparency:**

- 7.1.1. The City Corporation will 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. These are published in the Annual Statement of Accounts, under the Notes to the Comprehensive Income and Expenditure Statement; part 9: Remuneration and Exit Packages of Employees.

### **7.2. Pay Gap Reporting:**

- 7.2.1. 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 annual City of London Corporation Pay Gap Report has been widened to consider other non-statutory pay gaps (e.g. Ethnicity Pay Gap; Disability Pay Gap) and this is published on the Corporation's website, in line with statutory timescales.

### **7.3. Pay Policy Statement:**

- 7.3.1. This statement will be published on the Corporation's website. It may only be amended during the year by resolution of the Court of Common Council. Any amendments will also be published on the Corporation's public website.

### **7.4. Pay Ratio Multiple:**

- 7.4.1. As part of the Local Government Transparency Code, we publish our 'Pay Ratio', defined as the ratio between the highest paid and the median earning figure of the workforce in scope, this results in a ratio for the City of London Corporation, that can be compared with other organisations. We also choose to publish the ratio between the highest paid and lowest paid permanent staff.
- 7.4.2. As at October 2025, these ratios were:
- Highest paid: Lowest Paid Permanent Staff, 1:11 (1:12 in Dec 24)
  - Highest paid: Median Earnings Figure, 1:6 (1:6 in Dec 24)

### **Appendix A1: Senior Management Pay Arrangements**

### **Appendix A2: Senior Management Pay Grade**

### **Appendix B: City of London Corporation Main Pay and Grading Structure**

F. Keelson-Anfu  
Chair, Corporate Services Committee

A. Fitzpatrick  
Deputy Chair, Corporate Services Committee

January 2026

## **Appendix A1: Senior Management Pay Arrangements**

### **Senior Management Grade (SMG)**

1. The Senior Management Grade comprises of the most senior roles in the organisation, as determined by Job Evaluation, normally reporting directly to the Town Clerk and Chief Executive. Posts are those which are the professional lead for a significant area of City Corporation business, directing the function to meet corporate strategic goals, and professionally determining the construction those strategic goals.
2. As distinct roles, each role is individually evaluated and the pay for that role is benchmarked against the external market. The Senior Remuneration Sub-Committee sets the initial salary on appointment, together with the individual salary band for posts in the Senior Management Grade. The range for the role is based on the market rate for the role, which is used, alongside corporate importance, to determine the 'datum point' for the salary range.
3. The City Corporation subscribes to a range of salary benchmarking services, which provide information on both public and private-sector comparator jobs. Each post is allocated an individual salary range within the SMG pay range around the 'datum' point on the SMG scale. The range minimum is 2 increments below the datum point and range maximum as 3 increments above the datum point.
4. The range for any role may also be reviewed when new SMG posts are created, or the duties and responsibilities of posts or other external factors relevant to their pay and reward have changed. 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 separate market supplements applied to the Graded posts.
5. Thereafter, the Town Clerk & Chief Executive may recommend salary progression for SMG posts (other than in relation to their own) within the individual salary band (and up to the maximum) and in accordance with relevant reward policies, which will be considered by the Senior Remuneration Sub-Committee.
6. Any changes to the individual salary bands for SMG posts will be approved by the Senior Remuneration Sub-Committee. Any payment above the maximum, as with other Contribution Payments, would not be consolidated into basic salary, and would not form part of contractual pay for subsequent years.
7. Each year the datum point advances by a percentage equivalent to any 'cost of living' pay award. Individual salaries would move according to assessment of performance against goals, objectives and organisational performance.
8. The current Senior Management pay grade and the range of SMG roles are attached. Appendix A2.

## **Town Clerk and Chief Executive**

9. In respect of the Town Clerk & Chief Executive, the post's salary and any performance related payments that may be due to its holder are determined by the Senior Remuneration Sub-Committee. Based on the advice of the CPO and appropriate external advisors and reference to external market benchmarking alongside local determination.
10. The Sub-Committee is advised by an Appraisal Panel comprising the Chairs of the Policy & Resources Committee, Corporate Services Committee, Finance Committee and General Purposes Committee of Aldermen.
11. The Appraisal Panel set the Town Clerk's objectives and review performance against those objectives, receiving a report from the Chair of the Policy & Resources Committee who conducts the annual appraisal meeting with the Town Clerk.
12. The Sub-Committee and Appraisal Panel are supported by the Chief People Officer, together with any appropriate external advisers.

## **Appendix A2: Senior Management Pay Grade**

## **Appendix B: City of London Corporation Main Pay and Grading Structure**

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Appendix A2

City of London Corporation Annual Pay Scales  
Senior Management Grades



Spinal Point	Basic Pay		with London		
	WEF 01/07/2025		Weighting		
1	£	97,030	£	104,150	Assistant Town Clerk and Exec Dir of Governance and Member Services
2	£	99,880	£	107,000	
3	£	102,870	£	109,990	
4	£	105,920	£	113,040	
5	£	109,060	£	116,180	
6	£	112,280	£	119,400	
7	£	115,640	£	122,760	
8	£	119,070	£	126,190	Executive Director & Private Secretary to Lord Mayor
9	£	122,590	£	129,710	
10	£	126,230	£	133,350	Exec Dir & Private Secretary to Chair Policy & Resources
11	£	130,000	£	137,120	
12	£	133,880	£	141,000	Managing Director City Bridge Foundation
13	£	137,810	£	144,930	
14	£	141,950	£	149,070	Executive Director Innovation and Growth
15	£	146,160	£	153,280	
16	£	150,550	£	157,670	Deputy Town Clerk
17	£	155,010	£	162,130	
18	£	159,640	£	166,760	Executive Director Children and Community Services
19	£	164,380	£	171,500	
20	£	169,260	£	176,380	Chief Strategy Officer
21	£	174,290	£	181,410	
22	£	179,500	£	186,620	Chief People Officer & Executive Director of Human Resources
23	£	184,820	£	191,940	
24	£	190,390	£	197,510	Executive Director of Corporate Communications
25	£	196,040	£	203,160	
26	£	201,910	£	209,030	Principal of Guildhall School of Music and Drama
27	£	207,940	£	215,060	
28	£	214,110	£	221,230	Remembrancer
29	£	220,520	£	227,640	
30	£	227,090	£	234,210	City Surveyor
31	£	233,890	£	241,010	
32	£	240,870	£	247,990	Executive Director Built Environment
33	£	248,060	£	255,180	
34	£	255,440	£	262,560	Chief Executive Officer Barbican
35	£	263,110	£	270,230	
36	£	270,960	£	278,080	Chamberlain and Chief Financial Officer
37	£	279,060	£	286,180	
38	£	287,360	£	294,480	Comptroller & City Solicitor and Deputy Chief Executive
39	£	295,970	£	303,090	

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Non-Residential Salary Rates from 01 July 2025									
London Weighting		N/A		£6,920		£4,150			
LW Supplement**		N/A		£200		£120			
Non Residential Grading Structure		SCP	Basic Salary	Hourly Rate*	Inner London Salary	Hourly Rate*	Outer London Salary	Hourly Rate*	
A	B	1009	£23,040	£12.62	£29,960	£16.41	£27,190	£14.89	
		1010	£23,560	£12.90	£30,480	£16.70	£27,710	£15.18	
		1011	£24,300	£13.31	£31,220	£17.10	£28,450	£15.58	
		1012	£24,650	£13.50	£31,570	£17.29	£28,800	£15.78	
		1013	£25,190	£13.80	£32,110	£17.59	£29,340	£16.07	
	A+	B+	1014	£25,780	£14.12	£32,700	£17.91	£29,930	£16.40
			1015	£26,380	£14.45	£33,300	£18.24	£30,530	£16.72
			1016	£27,030	£14.81	£33,950	£18.60	£31,180	£17.08
			1017	£27,640	£15.14	£34,560	£18.93	£31,790	£17.41
			1018	£28,350	£15.53	£35,270	£19.32	£32,500	£17.80
C	C+	1019	£28,980	£15.87	£35,900	£19.67	£33,130	£18.15	
		1020	£29,680	£16.26	£36,600	£20.05	£33,830	£18.53	
		1021	£30,420	£16.66	£37,340	£20.46	£34,570	£18.94	
		1022	£31,160	£17.07	£38,080	£20.86	£35,310	£19.34	
		1023	£31,920	£17.49	£38,840	£21.28	£36,070	£19.76	
	D	D+	1024	£32,720	£17.92	£39,640	£21.72	£36,870	£20.20
			1025	£33,510	£18.36	£40,430	£22.15	£37,660	£20.63
			1026	£34,360	£18.82	£41,280	£22.61	£38,510	£21.10
			1027	£35,230	£19.30	£42,150	£23.09	£39,380	£21.57
			1028	£36,120	£19.79	£43,040	£23.58	£40,270	£22.06
E	E+	1029	£37,000	£20.27	£43,920	£24.06	£41,150	£22.54	
		1030	£37,190	£20.37	£44,110	£24.16	£41,340	£22.65	
		1031	£38,110	£20.88	£45,030	£24.67	£42,260	£23.15	
		1032	£39,120	£21.43	£46,040	£25.22	£43,270	£23.70	
		1033	£40,120	£21.98	£47,040	£25.77	£44,270	£24.25	
	F	F+	1034	£41,170	£22.55	£48,090	£26.35	£45,320	£24.83
			1035	£42,220	£23.13	£49,140	£26.92	£46,370	£25.40
			1036	£43,310	£23.73	£50,230	£27.52	£47,460	£26.00
			1037	£44,400	£24.32	£51,320	£28.12	£48,550	£26.60
			1038	£45,350	£24.84	£52,470	£28.75	£49,620	£27.18
G	G+	1039	£46,640	£25.55	£53,760	£29.45	£50,910	£27.89	
		1040	£47,880	£26.23	£55,000	£30.13	£52,150	£28.57	
		1041	£49,220	£26.96	£56,340	£30.87	£53,490	£29.30	
		1042	£50,530	£27.68	£57,650	£31.58	£54,800	£30.02	
		1043	£51,940	£28.46	£59,060	£32.36	£56,210	£30.80	
	H	H+	1044	£53,360	£29.23	£60,480	£33.13	£57,630	£31.57
			1045	£54,880	£30.07	£62,000	£33.97	£59,150	£32.41
			1046	£56,370	£30.88	£63,490	£34.78	£60,640	£33.22
			1047	£57,920	£31.73	£65,040	£35.63	£62,190	£34.07
			1048	£59,550	£32.63	£66,670	£36.53	£63,820	£34.96
I	I+	1049	£61,180	£33.52	£68,300	£37.42	£65,450	£35.86	
		1050	£62,930	£34.48	£70,050	£38.38	£67,200	£36.82	
		1051	£64,640	£35.41	£71,760	£39.32	£68,910	£37.75	
		1052	£66,480	£36.42	£73,600	£40.32	£70,750	£38.76	
		1053	£68,340	£37.44	£75,460	£41.34	£72,610	£39.78	
	J	J+	1054	£70,280	£38.50	£77,400	£42.41	£74,550	£40.84
			1055	£72,240	£39.58	£79,360	£43.48	£76,510	£41.92
			1056	£74,260	£40.69	£81,380	£44.59	£78,530	£43.03
			1057	£76,370	£41.84	£83,490	£45.74	£80,640	£44.18
			1058	£78,520	£43.02	£85,640	£46.92	£82,790	£45.36
J	J+	1059	£80,760	£44.25	£87,880	£48.15	£85,030	£46.59	
		1060	£83,030	£45.49	£90,150	£49.39	£87,300	£47.83	
		1061	£85,450	£46.82	£92,570	£50.72	£89,720	£49.16	
		1062	£88,000	£48.21	£95,120	£52.12	£92,270	£50.55	
		1063	£90,600	£49.64	£97,720	£53.54	£94,870	£51.98	
	J+	J++	1064	£93,290	£51.11	£100,410	£55.01	£97,560	£53.45
			1065	£96,070	£52.64	£103,190	£56.54	£100,340	£54.98
			1066	£98,920	£54.20	£106,040	£58.10	£103,190	£56.54
			1067	£101,870	£55.81	£108,990	£59.72	£106,140	£58.15
			1068	£104,920	£57.49	£112,040	£61.39	£109,190	£59.83
J++	J+++	1069	£107,990	£59.17	£115,110	£63.07	£112,260	£61.51	
		1070	£111,210	£60.93	£118,330	£64.83	£115,480	£63.27	
		1071	£114,470	£62.72	£121,590	£66.62	£118,740	£65.06	
		1072	£117,940	£64.72	£125,060	£68.52	£122,210	£66.96	

\*Hourly Rates are approximate and provided for information purposes only

\*\*London Weighting Supplement from Pay Point SCP1038 and above

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## City of London Corporation Committee Report

<b>Committee(s):</b> Corporate Services Committee	<b>Dated:</b> January 21 <sup>st</sup> 2026
<b>Subject:</b> Departmental Budget Estimates 2026-27 – Corporate Services Committee	<b>Public report:</b> For Decision
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• <b>delivers Corporate Plan 2024-29 outcomes</b></li> <li>• <b>provides statutory duties</b></li> <li>• <b>provides business enabling functions</b></li> </ul>	
<b>Does this proposal require extra revenue and/or capital spending?</b>	N/A
<b>If so, how much?</b>	N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> The Town Clerk, The Deputy Town Clerk, Comptroller & City Solicitor, Chief People Officer and The Chamberlain	
<b>Report author:</b> Mark Jarvis - Head of Finance, Chamberlain's Department Declan Greaves – Finance Business Partner - Chamberlains	

### Summary

This report is the annual submission of the revenue budgets in relation to the operational services directly overseen by your committee. It is asking Members to note the 2025/26 budget and approve the proposed revenue budget for 2026/27.

The estimates presented in this report are for the services detailed in Appendix 1 by Chief Officer, which are summarised below:

- i) **The Chief People Officer** – The People & HR Team.
- ii) **Deputy Town Clerk** – Town Clerk's Office, Governance & Member Services, Office of the Policy Chairman and Corporate Health & Safety, Business Support.
- iii) **Comptroller and City Solicitor** – Comptroller and City Solicitor's Office and Democratic & Election Services.

The proposed budget for 2026/27 totals net expenditure of £13.409m before recharges, which is an increase of £2.104m (15.69%) compared with the 2025/26 original budget of £11.305m, which is principally due to:

**Increases:**

- Net 3% inflation (£0.345m)
- An increase Chief People Officer budgets including (£1.800m) in temporary support until 2028/29.
- A £0.076m increase in Deputy Town Clerk budget in relation to the movement of a staffing position.

**Decreases:**

- Comptrollers & City Solicitor budget reduced by (£0.165m) related to the £0.292m movement of Elections Staffing costs into the Elections division of service within Finance Committee. This was against an increase of £0.127m in relating to the 3% inflationary uplift and 2024 Pay Award.

The overall budget is summarised by Chief Officer in Table 1 below.

<b>Chief Officer and Risk (Table 1)</b>	<b>2025/26 Budget (£m)</b>	<b>2026/27 Estimate Budget (£m)</b>	<b>Movement 2025/26 Original to 2026/27 (£m)</b>
<b>Local Risk</b>			
The Chief People Officer	5.087	7.081	1.994
The Deputy Town Clerk	4.373	4.648	0.275
Comptroller & City Solicitor	1.508	1.453	(0.055)
<b>Total Local Risk</b>	<b>10.968</b>	<b>13.182</b>	<b>2.214</b>
<b>Central Risk</b>			
The Chief People Officer	0	0	0
The Deputy Town Clerk	0.227	0.227	0
Comptroller & City Solicitor	0.110	0	(0.110)
<b>Total Central Risk</b>	<b>0.337</b>	<b>0.227</b>	<b>(0.110)</b>
Support Services inc Guildhall Admin Rech	(11.305)	(13.409)	(2.104)
<b>Committee Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

## **Recommendation(s)**

Members are asked to:

- Note the revenue budget for 2025/26.
- Review and approve the estimate for 2026/27 for submission to the Finance Committee.
- Authorise the Chamberlain, in consultation with the Town Clerk, Deputy Town Clerk, and the Comptroller and City Solicitor to revise these budgets

- to allow for any further implications arising from Corporate Projects, other reviews and changes to the Cyclical Works Programme,
- iv) Authorise the Chamberlain to agree minor amendments for 2025-26 and 2026-27 budgets arising during budget setting.

## **Main Report**

### **Background**

1. An overview of the services provided under this Committee can be found in Appendix 1.

### **Estimate for 2026/27**

2. This report seeks approval to the estimate for 2026/27 in relation to the operational services overseen by your committee. The overall budget is summarised in Table 1, including detail on the movement between the original budget for 25/26 and the proposed budget for 2026/27.

### **Assumptions**

3. The estimate for 2026/27 includes a 3% uplift for inflation and the full year impact of pay increases to staff arising from the pay deal effective from July 2025 & July 2026 pay award.
4. The Chief Strategy Officer previously presented in the report has been removed as noted in the prior Estimates Report for 25/26 and outturn report for 24/25. This now reports into Policy and Resources Committee.

### **Estimate 2026/27**

5. The proposed budget for 2026/27 totals net expenditure of £13.409m, which is an increase of £2.104m (15.69%) compared with the 2025/26 budget of £11.305m, which is principally due to:
- i. **The Chief People Officer (£1.994m net increase)** – Increase relates to an 3% inflationary uplift of £0.137m, £0.127m increase in relation to the 2024 Pay Award, and £1.800m in temporary support for 26/27. Decreases included a £0.064m reduction as a staffing position was transferred into Communications and £0.003m in mobile savings.
  - ii. **Deputy Town Clerk (£0.275m net increase)** – Inflationary 3% increase of £0.139m, £0.063m related to the 2024 Pay Award and £0.076m increase relation to the movement of a staffing position into Deputy Town Clerk's. £0.003m decrease due to the implementation of mobile savings.
  - iii. **Comptroller and City Solicitor (£0.165m net decrease)** – £0.292m movement of Elections Staffing costs into the Elections division of service within

Finance Committee. This was against an increase of £0.127m in relating to the 3% inflationary uplift and 2024 Pay Award.

### Potential Further Budget Adjustments

6. The provisional nature of the revenue budgets recognises that further revisions maybe required to realign funds for:
  - i) Central and departmental support services apportionments; and
  - ii) Decisions of the Resource Allocation Sub Committee in relation to the Cyclical Works Programme.
7. It should be noted that there are additional time-limited resource requirements yet to be quantified relating to requirements associated within the Human Resources team. It should be noted that the revenue budgets may evolve to build the department to deliver on Member ambitions and commitments.

### Staffing Statement

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

Corporate Services Committee staffing statement by Chief Officer	Estimate 2025-26 Staffing Full-time equivalent	Estimate 2025-26 Estimated Cost (£m)	Estimate 2026-27 Staffing Full-time equivalent	Estimate 2026-27 Estimated Cost (£m)
The Chief People Officer	85.4	5.639	102.0	7.584
Deputy Town Clerk	55.8	4.307	53.4	4.698
Comptroller and City Solicitor	55.7	5.546	55.6	5.696
<b>TOTAL</b>	<b>196.9</b>	<b>15.492</b>	<b>211</b>	<b>17.978</b>

9. Staffing levels as represented in this statement show an increase of 14.1 FTE. This change is mainly due to the increase People and HR staff as the department continue to utilise the additional £1.800m in temporary support to aid the delivery of key organisational outcomes and member ambitions.

### Corporate & Strategic Implications

10. The Town Clerk's Office lies at the centre of the City Corporation's strategic management processes, helping to shape the development of corporate policy and strategy. It provides corporate leadership and co-ordination at officer level. The Town Clerk's Office is also responsible for promoting high standards of corporate governance and providing support to Members and Committees.



## **Security implications**

11. There are currently no Security Implications identified as a result of the budgets.

## **Financial implications**

12. Finance Committee and the Court of Common Council has proposed that a 3% inflationary increase on the Original 2025-26 net local risk budgets should be allocated to all departments within their 2026-27 local risk budgets.

13. The Town Clerk's Department, The Deputy Town Clerk and Comptroller and City Solicitor's Department budgets have been prepared in accordance with guidelines agreed by the Corporate Services and Finance Committees.

## **Equalities Implications**

14. There are currently no Equalities Implications identified as a result of the budgets.

## **Resourcing implications**

15. The budgets presented in this report are within their available resource base.

## **Conclusion**

16. This report presents the budget estimates 2026-27 for the Town Clerk's, Deputy Town Clerk, People & HR and Comptroller & City Solicitor's Departments for Members to consider and approve.

## **Appendices**

- Appendix 1 – Summary of Services by Chief Officer
- Appendix 2 – Corporate Services Committee Budget – Analysis of Risk by Chief Officer

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**Summary of Services by Chief Officer (relevant to this committee)**

**The Chief People Officer:**

Employee Services

- Specialist Services
- Transformational Services
- Occupational Health Services
- Business Operations

**Deputy Town Clerk:**

- Corporate Health and Safety
- Town Clerk's Office
- Governance & Member Services
- Office of the Policy Chairman
- Business Support

It should be noted that this paper only reports on those elements of the Deputy Town Clerk function which fall under the remit of these committees, as other elements such as the The London Archives, the Police Authority, Mansion House, and Destination City and Culture are the subject of separate reporting to the relevant service committees and relevant figures are therefore excluded from this report.

**Comptroller and City Solicitor Comptroller:**

- Contracts and Litigation Division
- Property Division
- Public & Corporate Law Division
- Office Services Division
- Electoral Services

## Appendix 2

<b>CORPORATE SERVICES COMMITTEE</b>	<b>Budget 2025-26</b>	<b>Original Budget 26-27</b>	<b>Movement 2025-26 Budget to 2026-27 Estimate</b>
Analysis of Service Expenditure By Risk	£m	£m	£m
<b>LOCAL RISK - EXPENDITURE</b>			
Employees	14.333	16.897	2.564
Premises Related Expenses	0.009	0	(0.009)
Transport Related Expenses	0.024	0.078	0.054
Supplies & Services	1.573	1.254	(0.319)
Third Party Payments	0	0.045	0.045
<b>TOTAL LOCAL RISK - EXPENDITURE</b>	<b>15.939</b>	<b>18.274</b>	<b>2.335</b>
<b>TOTAL LOCAL RISK - INCOME</b>			
Charges for specific services	(4.971)	(5.092)	(0.121)
<b>TOTAL LOCAL RISK - INCOME</b>	<b>(4.971)</b>	<b>(5.092)</b>	<b>(0.121)</b>
<b>NET LOCAL RISK</b>	<b>10.968</b>	<b>13.182</b>	<b>2.214</b>
<b>CENTRAL RISK - EXPENDITURE</b>			
Employees	0.790	0.207	(0.583)
Supplies & Services	0.420	0	(0.420)
Capital Charges	0	0	0.000
Contingencies	0	0.020	0.020
<b>TOTAL CENTRAL RISK - EXPENDITURE</b>	<b>1.210</b>	<b>0.227</b>	<b>(0.983)</b>
<b>CENTRAL RISK - INCOME</b>			
Charges for specific services	(0.200)	0	0.200
Other Contributions	(0.673)	0	0.673
<b>TOTAL CENTRAL RISK - INCOME</b>	<b>0.873</b>	<b>0</b>	<b>0.873</b>
<b>NET CENTRAL RISK</b>	<b>0.337</b>	<b>0.227</b>	<b>(0.110)</b>
<b>TOTAL EXPENDITURE BEFORE SUPPORT SERVICES</b>	<b>11.305</b>	<b>13.409</b>	<b>2.104</b>
Central Recharges	0.051	0.079	0.028
Capital Charges	0	0	0
Recharges Within Fund	(0.033)	(0.033)	0
Recharges Across Funds	0	0	0
GA Support Recharge	(11.323)	(13.488)	(2.305)
<b>TOTAL NET EXPENDITURE RECHARGED AS SUPPORT SERVICES</b>	<b>11.305</b>	<b>13.409</b>	<b>2.104</b>

Notes - Examples of types of service expenditure:-

- (i) Supplies and Services – equipment, furniture, materials, uniforms, printing, stationery, professional fees, grants & subscriptions.
- (ii) Charges for specific services – printing & stationery charges, commercial property fee income, corporate recruitment, HR services to
- (iii) Employees (central risk) – includes union representatives, Chief Officers recruitment advertising, long service mementoes.
- (iv) Support services reflect the share of the Guildhall complex costs and IS charges.

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## City of London Corporation Committee Report

<b>Committee(s):</b> Corporate Services Committee – For Information	<b>Dated:</b> 21/01/2026
<b>Subject:</b> Annual Terms of Reference Review	<b>Public report:</b> For Information
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• delivers Corporate Plan 2024-29 outcomes</li> <li>• provides statutory duties</li> <li>• provides business enabling functions</li> </ul>	<b>Providing Excellent Services</b>
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	£N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b>	Deputy Town Clerk
<b>Report author:</b>	Chris Rumbles, Governance and Member Services Manager

### Summary

An annual review of a Committee's Terms of Reference enables any proposed changes to be considered in time for the annual Terms of Reference review undertaken by Policy and Resources Committee.

This annual review also affords Members an opportunity to review the frequency of a Committee's meeting cycle and to determine whether the frequency remains appropriate or if it requires any adjustment.

This report reflects on Members' consideration of the Committee's Terms of Reference undertaken at the Corporate Services Committee Strategy day held on Wednesday 7 January 2026. It provides a summary of key areas of focus that had

been proposed for inclusion within the terms of reference and sets out the next steps for taking it forward and seeking the necessary approvals.

Any amendments to a Grand Committee's terms of reference require the approval of the Grand Committee, Policy and Resources Committee and Court of Common Council.

## **Recommendation(s)**

Members are asked to:

- Note the next steps for developing and gaining approval for updated and revised terms of reference for Corporate Services Committee.

## **Main Report**

### **Background**

1. The Court of Common Council considers and re-appointed committees to discharge its various responsibilities on an annual basis each April.
2. In anticipation of this, each Grand Committee (i.e. a committee directly appointed by the Court of Common Council) is invited to consider whether its own terms of reference sufficiently capture and reflect the work of their relevant work areas.
3. This annual review provides an opportunity for officers and Members to suggest any administrative amendments (such as the updates of names of any Departments, or Committees) alongside any more substantial revisions that are considered necessary to facilitate strategic change.

### **Current Position**

4. A Corporate Services Committee Strategy day took place on Wednesday 7 January 2026, during which Members took the opportunity to review Corporate Services Committee's terms of reference and provide feedback thereon.
5. A number of areas were highlighted to improve the Committee's effectiveness and to achieve a more strategic level of focus. The consensus view of Members was that Corporate Services Committee's terms of reference should allow for a strategic rather than operational level of focus.
6. Key areas proposed for inclusion within the terms of reference included clearer expectations around workforce planning, contingent labour oversight, setting thresholds for contingent labour approvals and staffing decisions, making it clear which should be delegated or escalated to Committee for approval.
7. Performance management was considered critical to organisational culture and central to governance and assurance, with oversight and regular reporting required. Employment related risks, strategic workforce risks and cross-cutting

people risks were identified as key areas, with the Committee having a role in ensuring risks are identified and being managed appropriately.

8. The terms of reference should explicitly state responsibility for a workforce strategy, employment strategy, or equivalent. External benchmarking should be reflected, with the Committee having a role in oversight of this through regular external benchmarking of pay and roles elsewhere and gaining an understanding of where the organisation sits in the market.
9. There should be a clear expectation on reporting, with regular people dashboards, insight driven reporting, and clear expectations on reporting frequency.

## **Proposals**

10. As a next step, it was proposed and agreed that feedback and suggestions provided would be collated and included in an amended terms of reference drafted for Members' further consideration and approval. The intention being to produce an updated terms of reference that supports both Corporate Services Committee's strategic objectives whilst ensuring an effective level of governance across the organisation.
11. Any redrafting of wording to a Committee's terms of reference has the potential for unintended consequences or implications in other areas of policy or reporting requirements that may also require updating to reflect these changes. These areas e.g., Managers' Guide, and Scheme of Delegations will need considering alongside any proposed changes to the Committee's Terms to ensure they align in their reporting requirements.
12. As such, given changes proposed to the Committee's terms of reference and, in order to avoid any unintended consequences or implications in other areas, officers will take the time necessary to draft proposed amendments to the terms of reference and report back to the Committee at its next meeting due to be held on 4 March 2026.
13. By bringing this forward to the Committee in January 2026, this allows a good amount of time to ensure amendments are made, that further consultation can be undertaken before coming back to the Committee for formal approval of updated terms of reference. This will also allow time for any final amendments to be settled in time for reporting to Policy and Resources Committee in March 2026 and onward submission to Court of Common Council as part of the annual re-appointment of its Committees in April 2026.

## **Corporate & Strategic Implications**

**Strategic implications** – Changes to the terms of reference should facilitate efficiencies in the delivery and oversight in key strategic areas of focus under the Committee' remit.

**Financial implications** - None

**Resource implications** – Changes proposed to the Committee’s terms of reference should provide Members with additional capacity to allow for a more strategic level of focus across its key areas of responsibility.

**Legal implications** - any changes proposed could result in changes to internal organisational administrative policies and procedures at the City of London Corporation.

**Risk implications** Risk Implications of impacting on other areas of policy and procedures will need to be considered alongside any amendments.

**Equalities implications** – Under the Equality Act 2010, all public bodies have a duty to ensure that when exercising their functions they have due regard to the need to advance equality of opportunity between people who share a protected characteristic and to take steps to meet the needs of people with certain protected characteristics where these are different from the needs of other people and encourage people with certain protected characteristics to participate in public life or in other activities where their participation is disproportionately low. The proposals contained in this report do not have any potential negative impact on a particular group of people based on their protected characteristics.

**Climate implications** - None

**Security implications** - None

## **Conclusion**

14. Members are asked to note the process and timeline for producing an updated and revised Corporate Services Committee terms of reference, and looking to ensure these accurately reflect the nature of the Committee’s work moving forwards and suitably supports the City Corporation in exercising its strategic workforce and employee related functions.

## **Appendices**

- Appendix 1 – Corporate Services Committee Terms of Reference (as at Court of Common Council May 2025 Court Order)

## **Background Papers**

- None

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## CORPORATE SERVICES COMMITTEE

### Terms of Reference

- (a) The Corporate Services Committee has specific authority to monitor, deal with or make recommendations to the Court of Common Council where appropriate on all matters listed below relating to the City of London Corporation staff and operations 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 Heads of Departments or Institutions and any other officers in the Senior Management Grade;
  - Organisation reviews;
  - Employee relations;
  - Joint consultation;
  - Learning and employee development;
  - Recruitment and selection;
  - Equality Diversity and Inclusion
  - Discipline, dismissal, redundancies in line with the appropriate stages in policy etc;
  - Occupational health, safety and wellbeing;
  - Corporate health and safety, including fire and psychosocial hazards.
- NB. The definition of "staff" includes all graded and non-graded employees, employees on the professional payrolls, staff, and including casual workers, across Corporation departments and Institutions. The exceptions to this rule are uniformed police officers, which come under the Police Authority Board and are subject to national policing arrangements, and teaching staff whose remuneration is managed through separate arrangements.
- (b) To approve:-
- (i) Reports of Chief Officers recommending changes to or creation of 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.
  - (iii) The 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;
  - (iv) Market Forces Supplements and Honorarium payments in line with the Officer Scheme of Delegations.
- (c) To instigate and receive organisational design 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.
- (d) To make amendments to:-
- (i) the general terms and conditions of employment which are contained in the employee handbook, such as pay and reward, working hours, annual leave, pension, leave of absence, allowances, motor car, and motorcycle assisted purchase scheme family friendly provisions, and sick absence;
  - (ii) those procedures which form part of the contract of employment to include the grievance, disciplinary, capability, and appeals procedures.
  - (iii) the People Strategy, Pay and Reward Policies.
- (e) 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 eight 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 of London 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;
- (f) To increase Judges' salaries if they follow the recommendations of the Top Review Board and are approved by the Lord Chancellor.
- (g) To increase the salary of the Coroner if it follows the recommendations of the Joint Negotiating Committee for Coroners. To be responsible for the appointment of the Coroner.
- (h) 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.

- (i) 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, not including policies related to public health and wellbeing.
- (j) To be the service Committee for the following Departments:-  
Town Clerk's (Governance and Member Services; Corporate Health and Safety;)  
Comptroller and City Solicitor's  
Chief People Officer and Executive Director of Human Resources
- (k) In accordance with the Scheme of Delegation, to receive details of:
  - (i) redundancies and early retirements
  - (ii) Employment tribunals, litigation cases and grievances and other reports from Comptroller's and City Solicitor's Department
- (l) dealing with requests for grants to support staff hospitality and recognition initiatives from funds under the Committee's control.
- (m) monitoring, scrutinising, and reviewing the health and safety management system in the City of London Corporation.

## City of London Corporation Committee Report

<b>Committee(s):</b> Corporate Services Committee	<b>Dated:</b> 21 January 2026
<b>Subject:</b> People & HR Risk Management Update	<b>Public report:</b> For Information
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• delivers Corporate Plan 2024-29 outcomes</li> <li>• provides business enabling functions</li> </ul>	
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	£
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b> Cliff Morton, Interim Chief People Officer	
<b>Report author:</b> Jacqui Cover, Chief of Staff to CPO	

### Summary

This report provides Members with an update on risk management within the People & HR department and outlines plans to report risks to Corporate Services Committee. This report also summarises steps being taken to develop a new people-related corporate risk and notes the de-escalation of a previous corporate risk concerning Recruitment & Retention (CR39).

### Recommendation(s)

Members are asked to:

- Note this report

# **Main Report**

## **Background**

1. The City of London Corporation's Risk Management Framework embeds a proactive and dynamic approach to risk across all activities, supporting delivery of the Corporate Plan 2024–2029. It comprises the organisation-wide Risk Management Policy, which sets expectations for consistent and best-practice risk management, and the Risk Management Strategy 2024-2029, which outlines an agile and culturally embedded approach to identifying and addressing risk. Alongside Risk Appetite Statement (approved by the Court of Common Council in May 2025), these documents describe how the City Corporation assesses, manages and communicates risk in an informed, transparent and future-focused way.
2. Officers, led by the Town Clerk and Chief Executive, hold responsibility and accountability for identifying and managing risks across the organisation. Members play a key role in overseeing and monitoring the effectiveness of these arrangements. Service committees scrutinise risks relevant to their areas, while the Audit & Risk Management Committee seek assurance from officers at a corporate level.
3. Due to its remit for people-related activity, this Committee will receive quarterly reports for information on People & HR's corporate and departmental risks.
4. Work is ongoing to strengthen the departmental approach to the identification and mitigation of People & HR's risks, including regular reviews in line with the City Corporation's Risk Management Policy. Departmental risks will be assigned an owner within HR, who will be responsible for reporting on their risk to the HR Senior Leadership Team monthly. Reports will be submitted quarterly to Corporate Services Committee, who will monitor the identification and mitigation of these risks.
5. Corporate Risk 39 Recruitment & Retention was de-escalated from the corporate risk register to the People & HR risk register in October 2025. The risk was first added to the corporate risk register in 2022, when the City Corporation's employee turnover rate reached 18.69%, mainly due to labour shortages, pay, working conditions, and less competitive benefits. Like other employers, the City Corporation had difficulty attracting skilled professionals.
6. In October 2025, the risk was de-escalated from a corporate to a departmental level risk due to mitigation efforts and context changes, targeted recruitment, reviewing remuneration packages on difficult to fill roles and providing comprehensive onboarding and ongoing training to ensure new hires are supported and able to contribute effectively from the outset.

## **Current Position**

7. Turnover will continue to be monitored and reported to the Committee through corporate dashboards and workforce planning data. Management of this risk will remain at departmental-level.
8. A new organisational risk relating to change readiness is being developed. The risk will go through the appropriate governance process by first being reviewed by the Chief Officer Risk Management Group and, once agreed, added to the corporate risk register and reported to, Corporate Services Committee for monitoring and oversight.

## **Conclusion**

9. Regularly updating the risk register by removing outdated risks and introducing new, relevant risks ensures that People & HR's risk management efforts remain focused and are effective. By adopting this approach, the department can better anticipate and respond to challenges and identify opportunities.

## **Appendices**

- N/A

## **Background Papers**

- Risk Management Policy
- Risk Management Strategy 2024–2029

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# Risk Management Policy



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The following documents were consulted during the development of this policy

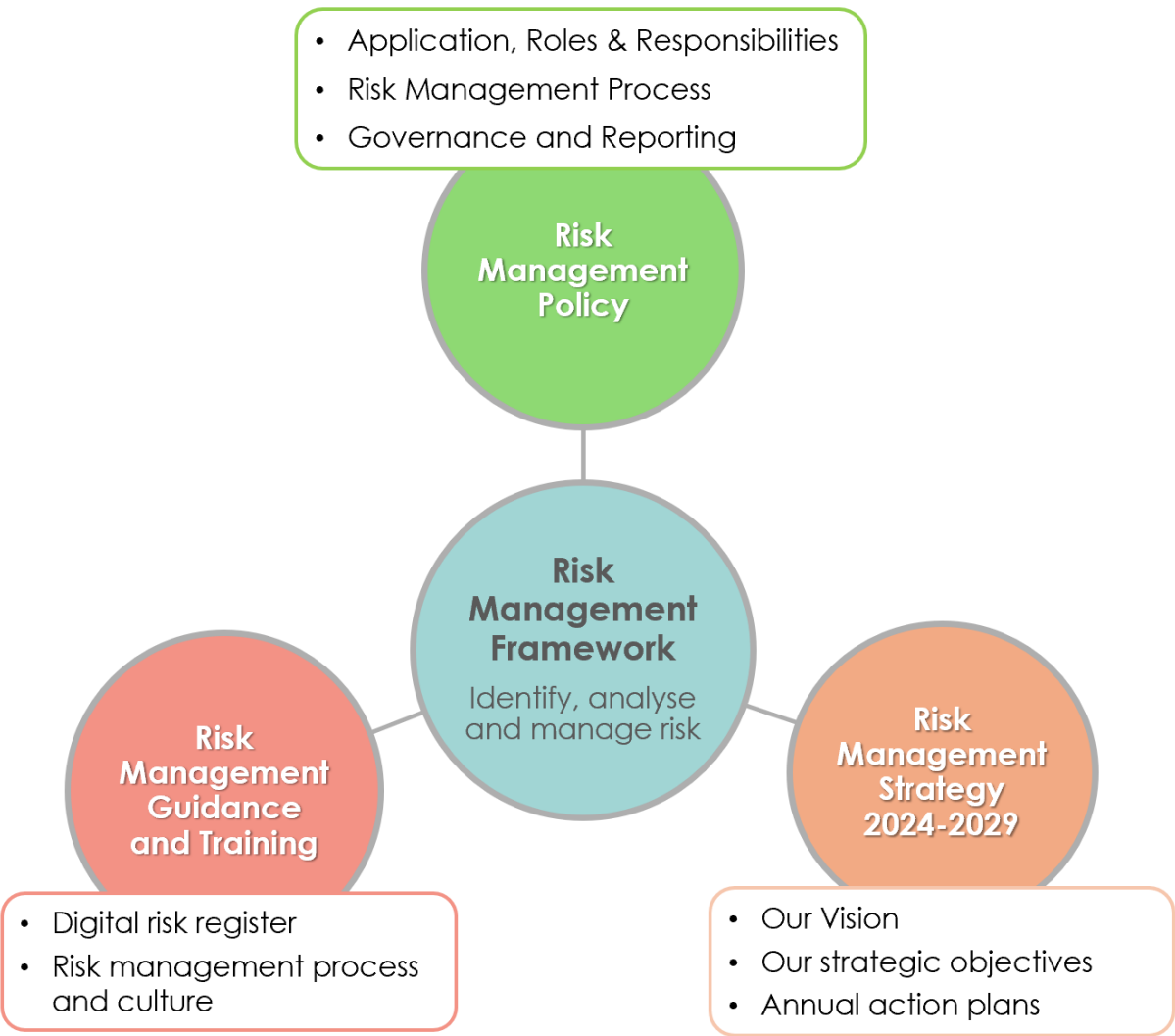
UK Government - The Orange Book	Charity Commission CC26 Charities and Risk Guidance
Airmic Risk and Managing Risk Explained	City of London Corporation Risk Management Strategy 2024-2029
COSO Enterprise Risk Management, June 2017	City of London Police Risk Management Framework
British Standards Institution, ISO 31000; 2018	City of London Corporation Corporate Plan 2024-2029

**Policy Owners:** Chief Strategy Officer (Senior Responsible Officer for Corporate Risk and Head of Profession for Risk Management); Corporate Strategy and Risk Team in Corporate Strategy and Performance Team: [CSPT@cityoflondon.gov.uk](mailto:CSPT@cityoflondon.gov.uk)

Final Version (1), December 2024

# Our Vision

A world class leader in dynamic risk management, best practice embedded and used in strategic decision-making, future proofing successful delivery of outcomes





## Risk Management Policy Statement

The City of London Corporation is committed to proactive and dynamic risk management as a fundamental part of good governance and effective business operations. This is reflected in our overarching approach to identifying and managing risk, as laid out in our [Risk Management Strategy 2024-2029](#).

Effective risk management is critical to the successful delivery of our services and Corporate Plan 2024-2029 strategic outcomes.<sup>1</sup> Our Risk Management Policy helps set the risk management framework and culture to achieve this. It also ensures that we comply with our statutory duties in relation to managing risks as seen in Regulation 4 of *Accounts and Audit Regulations 2015* for local government in England and Wales <sup>2</sup> and, where relevant, the City Corporation's responsibilities as trustees to effectively manage our charity risks in accordance with the Charity Commission's *Charities and Risk Guidance*, CC26.<sup>3</sup>

### Our Risk Management Policy applies to all City of London Corporation

Departments and Institutions and covers:

1. Risk Application, Roles and Responsibilities
2. Risk Management Process
3. Risk Management Governance and Reporting

These sections outline the City Corporation's overarching approach and requirements in risk management. It is for Departments and Institutions to ensure that these are reflected and adhered to in their practices and any local policies, including:

- **Regularly discussing and reviewing risks within business areas** so that risks accurately reflect current challenges (and opportunities), are regularly assessed and proactively used to achieve successful business outcomes. This should include discussion with relevant stakeholders (internal and/or external) on risks and mitigations.
- **Reporting risks into the relevant Boards and Committees** ensuring Officer and Member oversight of risk management and supporting our commitment to openness and transparency in our risk management process.

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<sup>1</sup> See [Our Corporate Plan 2024-29 - City of London](#)

<sup>2</sup> [The Accounts and Audit Regulations 2015 \(legislation.gov.uk\)](#)

<sup>3</sup> [Charities and risk management \(CC26\) - GOV.UK \(www.gov.uk\)](#)

## What is risk management?

### What is risk?

A risk is an *uncertain future-oriented event* that hasn't happened yet but has the potential to occur and, if it did, would have an impact on achieving our objectives. Risks can be a negative threat or a positive opportunity.

- **Negative threats** are blockers to both the short and long-term achievement of our objectives.
- **Positive opportunities** are events or occurrences that could be beneficial to the successful delivery of our aims.

### What is the difference between a risk and an issue?

If a risk is an *uncertain future-oriented event* that hasn't happened yet, then an issue is an event *that has already happened/is happening* and impacting outcomes. One way to determine the difference between a risk and an issue is to consider how you will manage it.

- Are you putting in place proactive and/or preventative measures? **Risk**
- Are you applying reactive responses to try to manage the effect? **Issue**

Risk registers should be used for recording our risks, and not our issues.

### What is risk management?

Risk management is the way in which we identify events in the future that may impact the delivery of our objectives, assess how important these events may be and put measures in place to manage their impact and likelihood.

Essentially it is the process by which risks are identified, evaluated and controlled (mitigated) or accepted.

### What is risk appetite and risk tolerance?

**Risk appetite** is the amount of risk that an organisation is willing to seek or accept in the pursuit of its long-term objectives. **Risk tolerance** is the amount of risk an organisation could actually take, usually from a financial perspective, before it is significantly impacted. Understanding risk appetite and risk tolerance supports informed decision-making and helps us to focus on priority areas. See the City Corporation's intranet site for more information.

## Section 1: Risk Application, Roles and Responsibilities

This policy and the associated guidance should be used to inform thinking about risk and management of risk across all Departments and Institutions and at all levels. Within City Corporation on a daily basis, we use risk to inform decision making and help us achieve our objectives. This is as true for routine business activities as it is for more strategic risk planning. The ability to understand and manage risk is something that impacts multiple aspects of our everyday work, such as (but not limited to):

- Business Planning
- Financial Forecasting
- Projects and Programmes
- Service Delivery (including through our various facilities)
- Event Planning and Management

Everyone at City Corporation has a role to play in effective risk management, although some people will have additional direct risk management responsibilities.

### All Officers should:

- Understand how risk plays a role in helping the City Corporation achieve its objectives at multiple levels throughout the organisation and in their own day-to-day activities.
- Play their part in risk management by reporting potential risks, blockers and/or opportunities to managers and/or senior leaders.

### Officers in risk management-related roles should:

- Familiarise and understand the risk management framework and process using this Risk Management Policy, supporting guidance and our Risk Management Strategy 2024-2029.
- Actively participate in the Risk Management Forum<sup>4</sup> to help manage risk with City Corporation and receive regular updates on risk management culture and practices.

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<sup>4</sup> Further details on [Risk Management pages on the intranet](#). Please contact [CSPT@cityoflondon.gov.uk](mailto:CSPT@cityoflondon.gov.uk) to join the Risk Management Forum.

- Use available risk management learning and training to keep up to date with risk management practices, information and any local policies that apply directly to their area of work.<sup>5</sup>
- Champion the risk management process by taking a proactive approach, ensuring that risks are identified, evaluated, and controlled effectively.

**Chief Officers and Heads of Institutions must:**

- Ensure their risk management function runs effectively and is adequately resourced.
- This includes the work internally to identify and manage risk as well as the ownership of specific risks, with staff and Senior Leadership Teams taking a proactive role in risk processes and governance (see risk roles in the section below).

Our **Members play a key part in effective and efficient risk management**, inputting to this via the Committee process. More information on their role can be found in Section 3: Risk Management Governance and Reporting.

**Risk Roles and Responsibilities**

As Officers, we are accountable for City Corporation risk management, including what risks go onto the risk registers. Whatever the local set-up, the roles supporting this risk function must cover the following:

- Considering and inputting new risks to the risk register
- Agreeing risks and mitigations, and taking actions forward
- Ensuring risks are regularly reviewed by Senior Leadership Teams and used to help drive forward local and/or strategic business objectives
- Proactively updating the risk register in response to current circumstances
- Preparing reports for Boards, Committees and other meetings
- Utilising risk knowledge, undertaking the relevant training and understanding risk guidance

There is a difference between 'owners' of the specific risks recorded on the risk registers and the day-to-day contacts for risk management.

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<sup>5</sup> Further information can be found by looking at the [Risk Management pages on the intranet](#) or by contacting the Corporate Strategy and Performance Team.

**Risk Administrators/Risk Coordinators** support the day-to-day running of the risk management process within a business area.

They need to:

- Understand risk management and the risk process and provide guidance and advice to management teams and senior Officers
- Support the risk management process by instigating regular risk reviews
- Provide risk updates which are well written with sufficient information, on our risk management information system and if required in person
- (Risk Coordinators) Act as a central point of contact for risk
- (Risk Coordinators) Oversee and contribute to risk discussions within their areas – at team or wider levels
- (Risk Coordinators) Regularly produce and report risk analysis to Senior Leadership Teams or for Boards/Committees

**Risk Managers and Risk Owners** will have been assigned a risk on the risk register – either overall or in part (e.g. mitigating controls and actions). A risk manager is the subject matter expert who will deal with the risk and related actions on a day-to-day basis, while a risk owner carries final accountability for that risk and potentially others in their area.

Both roles will take responsibility for the effective handling of risk by:

- Proactively ensuring risks and/or risk actions are effectively and appropriately addressed
- Regularly reviewing their risk(s) and associated actions to reflect current circumstances (internal and external)
- Ensuring Risk Administrators/Coordinators are provided with all necessary information, and on a timely basis, for them to be effective in their roles
- (Risk Manager) Acting as a point of contact for their risk
- (Risk Manager) Making recommendations to the risk owner regarding the management of the risk/actions (e.g. escalation or score change)
- (Risk Owner) Ensuring continuity of risk management across areas

*N.B. Chief Officers are the overarching owners of any strategic level risk, such as corporate risks, within their business areas and have overarching accountability for the management of all their risks.*

In addition to the above, there are some supporting/cross-cutting roles that can help with risk management across the City Corporation, e.g., input on risk

impact, likelihood and mitigation discussions. This includes Heads of Profession or those with expertise in a particular area (e.g. safeguarding, climate action etc).

The Corporate Strategy and Risk Team within the Corporate Strategy and Performance Team (CSPT) looks across and supports the risks management function in City Corporation, as follows:

- Acting as a point of contact for risk training, guidance and support
- Preparing risk management updates for the Senior Leadership Team and Executive Leadership Board<sup>6</sup>
- Secretariat to the Chief Officer Risk Management Group (CORMG), chaired by the Chief Strategy Officer
- Submitting regular corporate risk management reporting to Audit and Risk Management Committee

Further information on the team and risk management in general can be found on the City of London intranet.

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<sup>6</sup> [Senior Officer Governance \(sharepoint.com\)](#)

## Thinking about risk – a beginner's guide

1. **Understand your team, department, institutions, charity's and/or our cross-cutting strategic objectives** – you need to know what you want to achieve before you can consider any threats, blockers or opportunities.
2. **How to go a little wider.**
  - a. **Horizon scanning:** Examining potential future scenarios helps to better comprehend uncertainties and assess if the organisation is well-prepared for possible opportunities and risks.
  - b. **PESTLE analysis:** Exploring six key categories (Political, Economic, Social, Technological, Legal and Environmental) to examine opportunities and threats that you may hold.
3. **Getting a risk conversation started.**
  - a. **Workshops and mind mapping:** Bring teams together to build off each other's ideas, look at the bigger picture and help each other better understand their risk landscape.
  - b. **Use audit reports:** Whether as a review carried out by your own team or as part of a formalised process by the Internal Audit function, audits can help identify gaps and how to solve them.
  - c. **Flowcharts and dependency analysis:** These can be particularly helpful for areas with supply chains to see where there are critical components exposed to threats and/or opportunities for expansion.
4. **Think about who needs to be involved in the risk process.**
  - a. Who will be responsible for ensuring risks are appropriately updated and reported?
  - b. Who are the content experts that will be reviewing and monitoring the risk landscape?
  - c. Do you have the right people in the right roles to ensure risk management is consistent and appropriately applied?
5. **Make sure you consider Equity, Equality, Diversity, and Inclusion (EEDI)** when assessing risk and planning subsequent actions. This ensures a comprehensive evaluation of risks and that we comply with our [Public Sector Equality Duty](#), leading to appropriate mitigations and next steps.

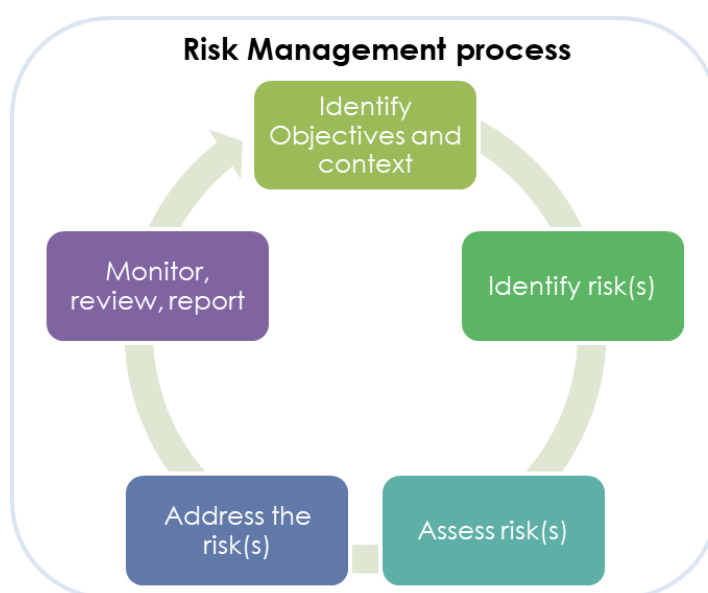
More information can be found on the City of London Corporation intranet site [Risk Management Pages](#).

## Section 2: Risk Management Process

Our City of London Corporation risk management processes help us identify, analyse and manage risks. We keep our risks in risk registers on our electronic risk management information system (Ideagen), recording their nature (e.g. cause), potential impact and mitigation actions.

It is crucial that registers are up to date for risk reporting and auditing, and informed decision-making.

**Using the following steps, we can ensure our risks are correctly identified, agreed, drafted and managed using the risk registers:**



### 1. Identify objectives and context

Examine the internal and external context of the organisation and think about how this may impact your business outcomes. Consider all your activities at various levels – budget setting, business plans, any relevant strategies (you use or that are in development), or projects and programmes in your team and/or department and what objectives these aim to achieve. Also think about how these relate to wider strategic outcomes be these departmental, corporate or relating to cross-cutting.

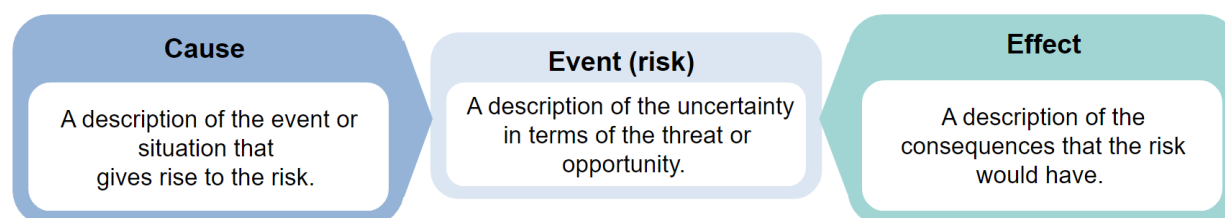
As part of this you should also consider risk appetite (the amount of risk that an organisation is willing to seek or accept in the pursuit of its long-term objectives).



Understanding this will help inform your decisions around risk and the actions you will take to either pursue or limit your exposure to it.

## 2. Identify risk(s)

Use your objectives to find and clearly articulate your risks, thinking about what will block or threaten the achievement of these objectives. Also think about where there are opportunities to pursue risk to better help achieve these objectives. When describing our risks we use the Cause, Event (risk), Effect modal - also known as the bowtie model:



Using this model helps to ensure we are capturing risks and not issues. This is vital to ensuring a robust and effective risk management process. If risk registers are filled with issues, the ability to use them to help achieve strategic aims is hampered by the need for an immediate response. Having the right risks on the register helps unlock strategic success.

Remember risk registers may be made public through Committee reporting. This must be considered when drafting the risk.

## 3. Assess risk(s)

### a. Classify the risk level

The risk level determines who oversees and monitors the risks. Consider which objectives this risk will affect and who will need to be involved with managing the risk. There are different levels of organisational risk covering strategic, departmental, operational, and projects. Making sure the risk is assessed at the appropriate level will ensure it is managed proportionately and appropriately.

### b. Score the risk – original, current and target

Scoring a risk involves evaluating two main factors: **likelihood** and **impact**.<sup>7</sup>

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<sup>7</sup> Further guidance on risk scoring can be found here: [Risk Management \(sharepoint.com\)](#).

- **Likelihood:** Consider *reasonable* likelihood of this risk occurring in the current situation. This likelihood is then assigned a numerical score on a scale from **1** (rare), **2** (unlikely), **3** (possible) and **4** (likely).
- **Impact:** Assess the *reasonable* potential impact if the risk does occur. This is also rated on a scale from **1** (minor), **2** (serious), **4** (major) and **8** (extreme). The impact score is scaled higher than likelihood as it is often will result in worse outcomes, as such we prioritise high impact risks for management.

**Risk score:** The total risk score is calculated by multiplying the likelihood score by the impact score. The risk score helps to prioritise risks for treatment in terms of their significance and inform resource allocation and decision making.

We assess the risk score at three different points:

- **Inherent/original:** The risk score on the day the risk is identified. This is the level of risk before any controls have been put in place or actions taken to manage the risk and change the likelihood or impact.
- **Current:** This is the level of risk at the time of review, taking into account the actions in place to manage it.
- **Target:** This is the score where the risk would be considered as at an acceptable level in accordance with our risk appetite. This reflects what the risk should look like once mitigating actions have been carried out and the risk is being successfully managed.

**Risk Score Matrix**

		Impact			
		Minor 1	Serious 2	Major 4	Extreme 8
Likelihood	Likely 4	4	8	16	32
	Possible 3	3	6	12	24
	Unlikely 2	2	4	8	16
	Rare 1	1	2	4	8

Where there is more than one potential impact, the highest impact score should be used to plot the risk onto the risk matrix. **Do not average out the scores - this misrepresents the real effect of risk.**

It is important for risk assessments to be **reasonable and proportionate**. When risk scores and levels are overstated (e.g. to bump something up an agenda or get additional funding), it can hinder effective risk management and makes our risk registers less reliable for strategic decision making.

#### 4. Address the risk(s)

##### **a. Determine risk treatment:**

Reflecting on the risk identification and assessment completed and acknowledging the risk appetite we might hold, we will either **tolerate, transfer, terminate** or **treat** our risk (4T method).

- **Tolerate:** Accept likelihood and impact of risk as it stands, acknowledging we cannot change this.<sup>8</sup>
- **Transfer:** Responsibility for risk is transferred to another party (e.g. insurance).<sup>9</sup>
- **Terminate:** The risk posed is too high for the organisation so related activities do not take place - e.g. ending a business relationship if it causes more harm than good (such as legal or reputational issues) or amending objectives if they cannot be achieved without sizable risk.
- **Treat:** Use mitigating actions and internal controls to manage the risk according to likelihood and impact assessment (risk score). This is the most common choice.

##### **b. Outline controls and related actions (mitigations)**

If treating the risk, put in place **controls and related actions** (mitigations) that will reduce the likelihood of the risk occurring and the severity of its impact to bring it into line with the target risk score.

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<sup>8</sup> Risks requiring ongoing controls to maintain their current level should be added to the risk register to ensure appropriate review.

<sup>9</sup> At times there may be ongoing controls necessary to ensure appropriate handling, including in some cases, remaining actions for City Corporation after transfer. These should be added to the risk register as risks in their own right for routine review.

Controls are typically either:

- **Preventive** – an internal control that seeks to avoid the risk occurring (e.g., data security training and removing hazards).
- **Corrective** – designed to be put in place if the risk occurs to lessen its impact (e.g., fire alarms and regular auditing of projects).

The controls and actions should be proportionate and cost-effective. The implementation of these should not exceed the cost and impact of the risk itself. Mitigations may affect likelihood, impact or both – it is important that both are considered when deciding on the next steps in risk management.

### ***c. Clarify risk and controls ownership***

As highlighted in Section 1, risk owners and managers are vital for ensuring accountability and proactive risk management. Each risk and associated control (mitigating action) needs to have an assigned owner and manager that is appropriate for the level and scoring of the risk.

## **5. Monitor, review, report**

Effective risk management is more than identifying risks and putting them on the register. It requires the ongoing observation and assessment of risks, controls, root causes, consequences, and any changes in our context and goals.

This regular review process should occur both in response to changes and, in the absence of changes, to confirm that the current assessments remain valid and appropriate. Risks are also not stagnant in their original assessments and classification. As our objectives and context change risks may need to be escalated or de-escalated from their current level to ensure they continue to receive suitable and proportionate management.

## What are 'positive opportunity' risks?

**Opportunity risks** are usually deliberately sought or embraced by the organisation. These risks arise from the organisation's efforts to better achieve our objectives, though they may have negative consequences if the risks associated with the opportunity materialise. **This type of strategic risk-taking is important to the long-term success of any organisation.**

Opportunity risks can be identified in the same way as regular risks - by understanding our context and objectives. Where an opportunity for innovation or increased success has been identified it should be assessed using the 5E method of **Exploit**, **Expand**, **Exit**, **Exist** and **Explore** (as opposed to threat risks, which use the tolerate, transfer, terminate, treat 4T method).

The 5E method weighs potential risks against potential rewards to determine whether an opportunity should be undertaken.



- **Explore, Expand, Exploit** and **Exist** are the treatment options, outlined in the diagram above, this diagram can also be seen as a flowchart as the opportunity is pursued and progressed from one stage to the next.
- **Exit** should be activated if, during the process of pursuing the opportunity, the risk levels increase and it is therefore no longer viable.
- Effective risk management decreases potential threats by applying actions and controls increasing the chances of success.

## Section 3: Risk Management Governance and Reporting

To ensure our risk management process is robust, the risks on our risk registers must be regularly reviewed by and reported to a variety of internal stakeholders – both Officers and Members. These fulfil different but complimentary roles in our risk reporting:

- **Officers** (and our Town Clerk and Chief Executive) are responsible - and ultimately accountable - for identifying and managing risk within City Corporation. This includes what risks should be put onto the risk register, updating these in timely and responsive manner and managing any mitigating actions.
- **Members** monitor and oversee City Corporation's risk management strategy and arrangements. They play an essential role in scrutinising our risk management and its effectiveness. This is distinct from operational decision-making on risks/officer actions to identify and manage risk but works in tandem with this to ensure sound and appropriate risk management.



## Officer Governance

Business Areas: Chief Officers and Heads of Institutions are accountable for their departmental/institution's risks and the handling of these, including what is put onto their risk registers. They may delegate responsibility for the oversight and management of this to others in their area - for example the discussion, handing and input onto the risk registers at divisional, service or charity risk level. However, their top-level business area risks (including any strategic risks they own such as Corporate Risks) and any notable changes to lower-level risk registers (team, service, divisional etc) should be a recurring agenda item at Senior Leadership Team meetings. This should include whether a risk is escalated, de-escalated or should be on the risk register at all.

Strategic Oversight: The Chief Officer Risk Management Group (CORMG) – a sub-committee of the Executive Leadership Board – contains reps from across the City Corporation<sup>10</sup> and meets at least once every two months to review the management of corporate and top red departmental risks. CORMG discuss developing risk areas and consider wider aspects of risk management such as our overarching risk management culture and compliance with risk management processes and procedures. They decide on changes to the City Corporation's Corporate Risks, including what goes onto the Corporate Risk Register (e.g. when a risk should be escalated and/or de-escalated or a new risk put on). CORMG regularly report risk management into the Town Clerk's Senior Leadership Team and the Executive Leadership Board.

## Member Governance

For Members to fulfil their risk management oversight and scrutiny function, risks should be regularly reported into committees. Our risk management is reviewed and scrutinised in numerous committees (covering service, departmental and charity risks to the cross-cutting strategic risks like Corporate Risks). The way in which this is presented (e.g. summaries, fuller reports) and the frequency of reporting may differ by Committee. Attention should be paid to the relevant Committee Terms of Reference (TORs) when deciding the approach, but a

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<sup>10</sup> Chief Officer Risk Management Group attendees (Oct 2024): Chief Strategy Officer (CoLC SRO for Corporate Risk) – Chair; Chamberlain; City Surveyor; Deputy Town Clerk; Executive Director Community and Children's Services; Executive Director of Environment; Comptroller & City Solicitor and Deputy Chief Executive; Executive Director HR & Chief People Officer; Chief Operating Officer, City Bridge Foundation; Chief Operating Officer City of London Police; Chief Executive Officer, Barbican Centre.

report about once every quarter would be ideal, where possible. TORs are held by Member Services.

To set this in context, under current arrangements, the Audit and Risk Management Committee receive a risk management update at least once a quarter. This includes the full Corporate Risk Register once a year. At other times they receive corporate risks above appetite and any new corporate risks. They are also given a summary list of the City Corporation's red departmental risks.<sup>11</sup>

### **Charity-related risk**

Some risks held by City Corporation are linked to our role as a corporate Charity Trustee - such as for City Bridge Foundation, City of London Almshouses or otherwise e.g. open spaces charities administered within Natural Environment.<sup>12</sup> The Court of Common Council acts on behalf of the City Corporation as Trustee and is ultimately responsible for discharging the City Corporation's Trustee functions. However, whilst the Court retains oversight and ultimate responsibility, it substantively delegates these Trustee functions to Committees of the Court.<sup>13</sup>

Members of these Committees are not charity trustees themselves but are collectively responsible for the day-to-day administration and management of the charity within their remit (TORs) – including oversight of those matters they have further delegated to its sub-committees or to officers, which would include risk management.

Chief Officers remain responsible for risk management in delivering their Department/Institution's functions for the City Corporation, in accordance with the terms of their delegated authority as set out in the Officer Scheme of Delegations, or, where granted on a case-by-case basis, by the responsible Committee (see above paragraph). Under the City Corporation's corporate governance framework (including the Risk Management Framework), Chief

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<sup>11</sup> This does not include the City of London Police or City Bridge Foundation red risks or 'strategic' or 'priority' risks which are reported to their own Committees along a separate governance line.

<sup>12</sup> The City Corporation acting by the Court of Alderman is also the corporate Trustee of the Emanuel Hospital charity, the legal and risk framework operating similarly.

<sup>13</sup> As sole corporate trustee of City Bridge Foundation/other charities, the City Corporation is subject to the legal duties which apply to charity trustees. This includes a duty to promote the charitable purposes for the public benefit, comply with the charity's governing documents and the law, act in the best interests of the charity and manage any conflicts, ensure the charity is accountable, manage the charity's resources responsibly, and to act with reasonable care and skill.



Officers are accountable to their responsible service and corporate Committees, and ultimately to the Court.

Further information on how to manage risks relating to charities can be found by contacting Member Services or speaking to the relevant Department or Institution.<sup>14</sup>

### Reporting Risks to Committees

**Risk oversight routinely forms part of the public sessions of committee meetings, in support of open and transparent governance. Risk titles, descriptions and updates should be written with this in mind.** Sometimes there may be a need to report details of risks in non-public or even confidential session. This must conform to advice from Member Services in line with our statutory and other commitments, but for some initial guidance:

**Non-Public:** Under the stipulations of the Local Government Act 12A Part 1, the grounds for restricting items are as follows:

- 1) Information relating to any individual.
- 2) Information which is likely to reveal the identity of an individual.
- 3) Information relating to the financial or business affairs of any particular person or body (including the authority holding that information).
- 4) Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
- 5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- 6) Information which reveals that the authority proposes to give a statutory notice under or by virtue of which requirements are imposed on a person; or to make an order or direction under any enactment.
- 7) Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

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<sup>14</sup> You can also find details in the external document, [Charity Commission CC26 Charities and Risk Guidance](#).

Risk information that does not fall into these brackets would be reported in public session. Although this Act specifically applies to our duties as a Local Authority, in the spirit of open governance as part of the democratic process, we apply this more widely to the work of City Corporation. Member Services should be consulted if you are in doubt about the way in which your risks should be reported – with the relevant Chief Officer/Heads of Institutions input also.

**Confidential:** At certain times, risks and the management of our risks (mitigating controls and actions etc) may include information that needs additional protection due to specific sensitivities (e.g. personal data, commercial in confidence, sensitive security vulnerabilities). There is the option to discuss these in a 'confidential session' – which usually includes all Committee Members, but with reduced Officer attendance on a 'need to know' basis. Again, Member Services can advise on the appropriate way to proceed.<sup>15</sup>

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<sup>15</sup> [Member Services information](#), including contact details for the committee clerks, can be found on the intranet.

## Annex: Further Reading

**Links below to resources that can aid further understanding (February 2024)**

### Internal

We have outlined the importance of thinking about risks outside of departmental silos. These internal points of contact and/or policies can help set risk thinking in a wider context:

- **City of London Corporation Heads of Profession:** [Risk Management \(sharepoint.com\)](#)
- **Health, Safety and Wellbeing Team** – [Information and Guidance](#)
- **Internal Audit colleagues** - [Internal Audit](#)
- **Member Services for Governance Arrangements** - [Committee and Member services information on the intranet](#)

In addition, there are some [supplementary risk documents](#) for those working on charities and in City of London Police. These are:

- [City Bridge Foundation Risk Protocol](#)
- [City of London Corporation Risk Management Protocol for Charities](#)<sup>16</sup>
- [City of London Police Risk Management Framework](#)

### External

For those wanting to learn more about risk management in general and/or help to think about wider risk themes (e.g., in horizon scanning):

- [Orange Book - GOV.UK \(www.gov.uk\)](#) – UK Government publication on risk management
- [London Risk Register](#) - lays out potential risks facing London
- [National Risk Register](#) – an external version of the National Security Risk Assessment (NSRA), which is an assessment of the most serious risks facing the UK (as at 2025).
- [Charity Commission CC26 Charities and Risk Guidance](#) – provides further context to our obligations as a charity trustee in the risk management space.

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<sup>16</sup> Does not include all of City of London Corporation charities – see Appendix 1 for list of charities that fall within its remit.

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# Risk Management Strategy 2024-2029



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## Our vision

***A world class leader in dynamic risk management, best practice embedded and used in strategic decision-making, future-proofing successful delivery of outcomes.***

## Introduction

The City of London Corporation's approach to identifying, mitigating, and managing risk reflects our commitment to proactive and dynamic risk management as a fundamental part of corporate governance and business operations.

Outlining ambitious objectives through an agile and robust risk management approach, this strategy ensures that the City Corporation upholds duties, delivers priorities, and supports and aligns with organisational ambitions

including our Corporate Plan 2024-2029 strategic outcomes enabling delivery, continuous improvement and innovation.

The global risk horizon is complex; technological advances outpacing regulatory frameworks, climate change, economic strains in response to the cost-of-living crisis and inflationary pressures, and increasing geopolitical tensions.<sup>1</sup> These challenges are reflected in the UK Government's 2023 National Risk Register which identified nine risk areas that capture the biggest risks to the UK: terrorism; cyber; state threats; geographic and diplomatic; accidents and systems failures; natural and environmental hazards; human, animal and plant health; societal; and conflict and instability.<sup>2</sup>

The City Corporation is impacted by these and other risks at global, national, London and Square Mile levels. Successful implementation of our Risk Management Strategy 2024-2029 requires our people to understand this dynamic risk landscape to recognise the threats and seize opportunities. This includes having the right culture, processes and systems to successfully mitigate and pre-empt negative impacts. We must prioritise resilience, agility, and proactive risk management to capitalise on emerging opportunities, and safeguard our interests and responsibilities. This will be addressed through four strategic objectives.

## Strategic Objectives 2024-2029

To achieve our vision over the next five years, we will work towards four objectives, aligned with our organisational goals (including our Corporate Plan 2024-2029), and ensuring greater collaboration across departments, Institutions and functions.



**An agile and effective risk management approach**



**Enhanced risk culture**



**Informed decision making**



**An appetite for risk**

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<sup>1</sup> The findings from the World Economic Forum Global Risks Perception Survey 2023-2024 predict the escalation of global turbulence and catastrophic risks over the medium to long term. World Economic Forum, *Global Risks Report 2024*, page 12

<sup>2</sup> [HM Government, National Risk Register: 2023 Edition, page 6:](#)

## **An agile and effective risk management approach**

We will simplify risk management approaches and ensure risk is an enabler embedded within activities (e.g. business planning, budget setting, etc.) to support greater accuracy and efficiency overall. Early risk identification and escalation will be prioritised over issue management, and mitigating actions regularly reviewed, with clear accountabilities understood across City Corporation.

- Establish a simple and dynamic framework where risks (not issues) are identified and managed.
- Prioritise effective mitigating actions aimed at reducing the likelihood and **negative impact of risks**.
- Streamline risk management processes to be proactive, user-friendly, and reflected within all aspects of City Corporation activities.
- Strengthen the foundation of risk management by fostering a genuine understanding of risk and risk management that sees risk as an enabler.

## **Enhanced risk culture**

We will foster a culture where employees understand and prioritise risk, where equity, equality, diversity, and inclusion are an established aspect of our risk management framework, and all are proactively engaged and committed to risk management. This unified, collaborative approach to risk management will avoid siloed approaches and foster shared knowledge and practices among departments and Institutions.

- Encourage an open and curious mindset toward risk, fostering a no-blame culture where people are rewarded for adopting risk informed approaches and create cross-departmental collaboration managing risk and breaking down silos.
- Integrate principles of equity, equality, diversity, and inclusion (EEDI) into the risk culture.
- **Decision making is guided by current best practice and benchmarking, ensuring we have a contemporary approach to risk management, and we capture core principals we need to adhere to as public organisation.**
- Embed risk personas to enable all colleagues to develop and enrich the risk management function via training that supports and provides progression for staff at all experience levels.

### **Informed decision making**

We will embed risk management as a cornerstone of our organisation, guiding strategic decisions and providing decision-makers with data-driven insights. We will ensure that decision makers have a thorough understanding of their role in risk management and use scoring and appetite levels to plan for the future.

- Leverage risk as an enabler to inform decision making, resource allocation, and prioritisation.
- Consider risks in all aspects of City Corporation operations guided by evidence-based risk management practices, drawing upon best practices and benchmarking.
- Decision making is guided by a sound understanding of the relationship between risk score and appetite, and the relevant significance of risks.
- Supports the strategic outcomes and organisational ambitions outlined in our Corporate Plan 2024-2029.

### **An appetite for risk**

We will increase and maintain our organisational understanding of risk appetite and identify opportunities for growth and innovation, promoting and facilitating an environment that encourages informed risk-taking, supported by an embedded trust of officers. Risk appetite will enable us to adjust our operations in response to changing circumstances and ensure continued alignment with organisational objectives.

- Strong organisational health fostered by a culture where risk is understood, appropriately accepted, and failure is **expected as part of innovation and being a learning organisation.**
- Risk appetite **is understood within the context of both individual risks, and the cumulative impact of risks, at a fixed point in time with the ability to shift with the context of statutory requirements and proportionality.**
- Accepting risks to accomplish goals is consistently evaluated and planning and decision-making processes are aligned with this assessment.



## Implementation



Figure 1. Risk Management Strategy yearly process

This strategy covers the period from 2024-29 and seeks to embed sustainable change. Over the lifetime of the strategy, the focus of the actions will evolve from preparing and embedding the basics, to using risk as a strategic driver (see figure 2). These phases will move at different paces, overlapping and circling back as needed while all working to drive the final outcome. To ensure we achieve the Strategy's objectives an action plan will set out short-, medium-, and long-term activities for the lifetime of the strategy.

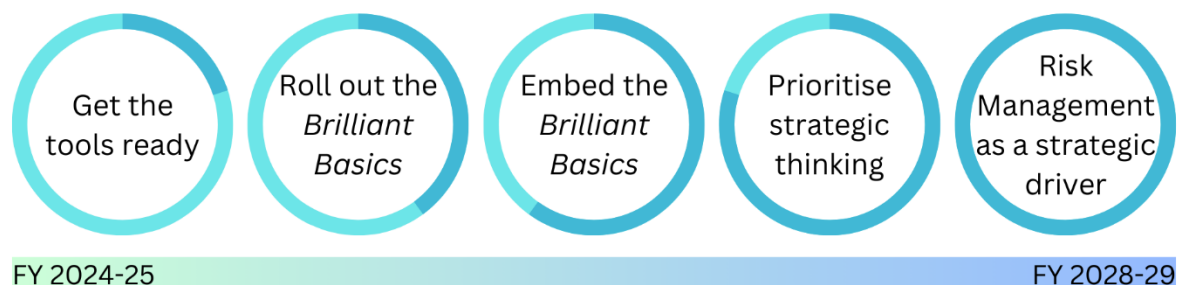


Figure 2. Progress over the lifetime of the Strategy

Measuring and reporting our progress is a vital to ensure we achieve our vision and objectives. As part of our annual review process, we will measure our success towards achieving our specified actions and impact, including where

we might need to focus more attention. To ensure we are capturing the breadth of our work, we will use both qualitative and quantitative forms of measuring our success. As our strategy evolves, so will this list of measurements. A review of the previous year's activities will be included in updates to the Audit and Risk Management Committee at the beginning of the new civic year.

The achievement of the strategic objectives is dependent on a number of factors. While risk management processes and risk frameworks are in place, the successful delivery of this strategy will only be possible if cultural change across the organisation that is already in train is fully enacted. This includes, but is not limited to, work to define our corporate values and behaviours, manage operational transformation and change, establish a no-blame culture, and develop our data and analytics maturity. The annual reviews of this strategy will capture any progress on these dependencies.

## **Annex documents**

1. Action Plan
2. Risk Management Governance

### **Version 2**

Approved by CORMG: 25 April 2024

Version 1 Endorsed by A&RMC: 13 May 2024

Version 2 endorsed by A&RMC Chair: 7 June 2024

# Annex 1. Action Plan

## An agile and effective risk management approach

How we are going to achieve this	
Short- to medium-term	Long term
<ul style="list-style-type: none"> <li>Develop a PowerBI dashboard to provide a more agile and timely way to communicate City Corporation risks.</li> <li>Increase Ideagen platform training available to officers through targeted in person and online learning.</li> <li>Re-organise Ideagen by reviewing legacy information in consultation with risk coordinators to ensure it is fit for purpose.</li> <li>Revise risk guidance and templates and empower risk owners to ensure that risks are recorded in a timely manner with minimal intervention from CSPT.</li> </ul>	<ul style="list-style-type: none"> <li>Support risk professionals from Chief Officers to risk coordinators to adopt a dynamic and agile approach to reviewing risks.</li> <li>Risk coordinators provide regular risk updates and take proactive steps where risks and actions are not being adequately managed.</li> <li>Roll out Ideagen training focussing on more a strategic use of the platform.</li> </ul>
How we are going to measure success	
<ul style="list-style-type: none"> <li>Increased attendance and satisfaction at training sessions</li> <li>Decrease in overdue risks.</li> <li>Increased engagement and presence of representatives at Risk Management Forum (% attendance)</li> <li>Increase in positive feedback received following the delivery of training sessions.</li> <li>Increase in positive feedback received following the publication of training support materials offered to officers.</li> <li>Decrease in the number of issues being raised (risks that have materialised) requiring retrospective risk management activity.</li> </ul>	

## Enhanced risk culture

### How we are going to achieve this

#### Short- to medium-term

- Increase engagement within the Risk Management Forum (RMF), ensuring all areas have an opportunity to share best practice/ collaborate on risk management approaches.
- Work with the RMF to bring forward 'lessons learned' sessions, alongside Internal Audit 'deep-dives' and other review techniques to explore escalated issues and to consider how risk management processes could be better utilised in the future.
- Increase training options on risk management practice fundamentals (e.g. identification, analysis, and scoring) through targeted in person and online training, with specific focus on mitigations and how these should be applied.

#### Long-term

- Embed risk management personas into the training suite. Ensure officers can identify themselves within a persona and understand what that means for their ways of working, their responsibilities and their development.
- Create a complete risk management training journey to ensure staff are adequately trained and supported from first joining the organisation.
- Create a risk Management module to be incorporated as part of the mandatory training suite.

### How we are going to measure success

- Annual surveys with the RMF to assess current understanding of risk.
- Annual surveys with the COMG that explores attitudes to the current state of the risks held by the City Corporation.
- Decrease in 'issues' being escalated on corporate and departmental risk registers.
- Increased attendance and satisfaction at training sessions.
- Decrease in overdue risks.
- Increased engagement and attendance of risk coordinators at Risk Management Forum (% attendance).
- Increase in positive feedback received following the delivery of training sessions.
- Increase in positive feedback received following the publication of training support materials offered to officers.

## Informed decision making

### How we are going to achieve this

#### Short- to medium-term

- Complete the development of Heads of Profession (HoP) portals, ensuring all risks have a designated HoP, and HoPs understand how to review and utilise the portals effectively.
- Review Member risk management training options and identify knowledge gaps and governance/oversight roles in the risk framework.
- Review and revise templates for risks being presented to Committees and ELB/SLT (e.g., risk registers and committee papers) to ensure that best support strategic decision making and successful outcomes.

#### Long-term

- Support senior leaders to use appropriate evidence and benchmarking of risk across a wide range of resources e.g. looking to other key organisations/reports in the risk landscape.
- Risk is a core component of wider systems and processes across the City Corporation (e.g., budget deep dives and business planning).
- The Head of Profession governance is firmly embedded and Heads of Profession routinely evaluate risk and inform decision-making.

### How we are going to measure success

- Increase in percentage of risks as a total of all risks with at least one designated Head of Profession.
- Completion of a Member risk training options exploration.
- Completion of Committee and ELB/SLT risk reporting templates review and update.
- Increase in risk scoring change as risks are better resourced following increased attention.
- Increase presence of risk consideration in non-risk-specific planning and decision-making processes.

## An appetite for risk

### How we are going to achieve this

#### Short- to medium-term

- Review organisational approach to risk appetite and consider the different types and categories of risk, taking reflecting the likely challenges of 2024-2029.
- Provide risk appetite training to support Chief Officers in refreshing organisational risk appetite.
- Clearly communicate changes to organisational risk appetite and how it can be effectively applied to the wider City Corporation.

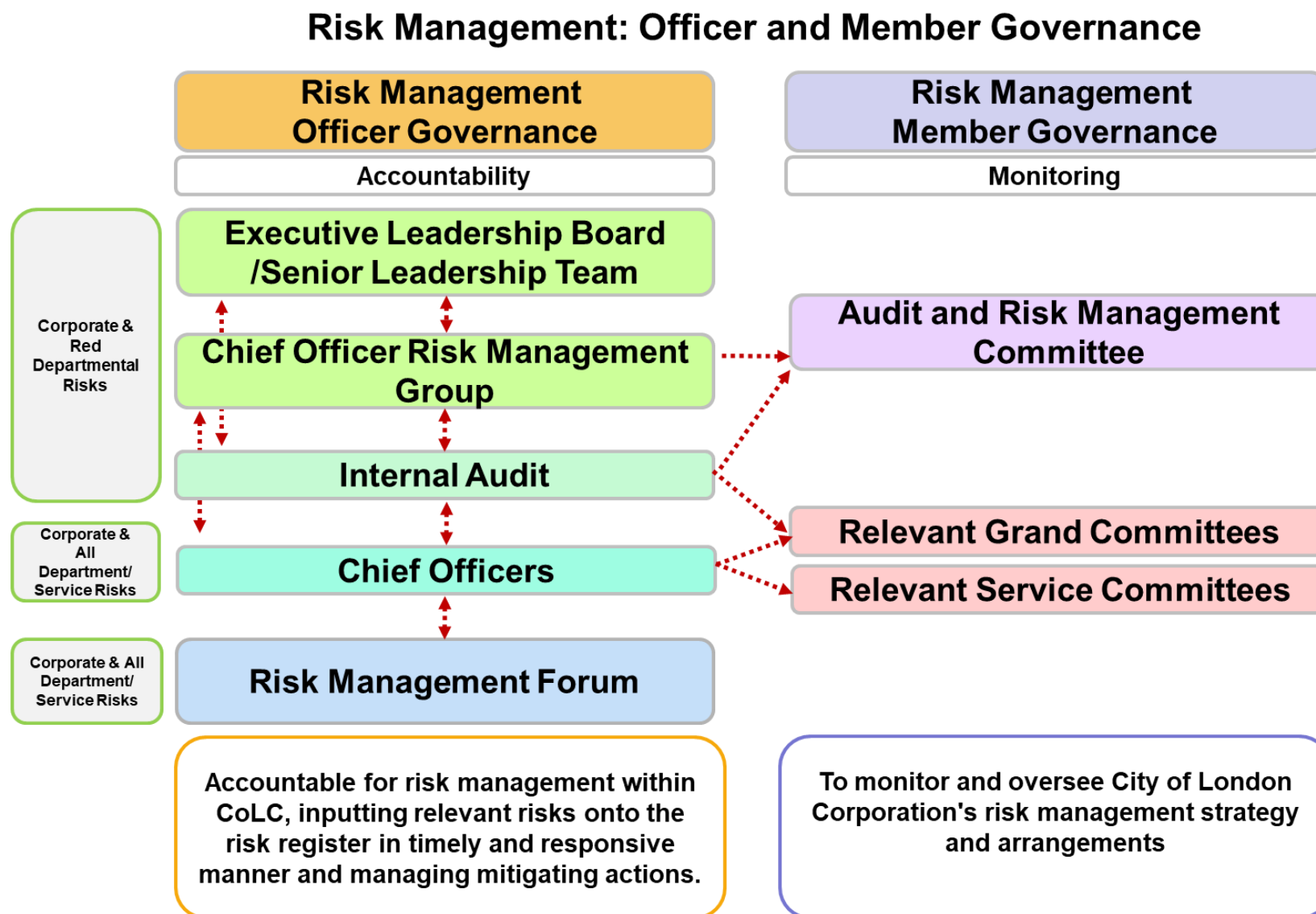
#### Long term

- Consistent use of risk appetite levels in strategic decision-making at levels where risk appetite applies.
- Risk appetite features in other service committees to inform prioritisation and resource allocation.

### How we are going to measure success

- Completion of review of risk appetite levels with findings (including changes to risk appetite levels) integrated into draft of refreshed Risk Management Policy and risk appetite statement.
- Agreement on refreshed risk appetite levels and associated categories of risk.
- Increased use of risk appetite by risk owners to take decisions, with failure not perceived as being inherently negative.

## Annex 2. City of London Corporation Risk Management Governance Structure



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