APPENDIX 2

CITY OF LONDON CORPORATION

PAY POLICY STATEMENT 20223-20234

LEGISLATIVE OVERVIEW

- 1. Section 38(i) of the Localism Act 2011 (the Act) has required local authorities since the financial year 2012-2013 to produce a Pay Policy Statement in advance of each financial year. The Act requires local authorities to set out in their Statements their policies on a range of issues, particularly those relating to remuneration for their most senior and lowest-paid staff. This must include significant information on pay and reward for Chief Officers (as defined in the Local Government and Housing Act 1989). The Statement must be reviewed annually and agreed by "a resolution of the authority", in the City of London Corporation's case by the Court of Common Council. This document meets the requirements of the Act for the City of London Corporation for the financial year 20223-20234.
- 2. The provisions of the Act require that authorities are more open about their local policies and how local decisions are made. The Code of Recommended Practice for Local Authorities on Data Transparency enshrines the principles of transparency and asks authorities to follow three principles when publishing data they hold: responding to public demand; releasing data in open formats available for re-use; and releasing data in a timely way. This includes data on senior salaries and the structure of the workforce.
- 3. The Act applies to the City of London Corporation only in its capacity as a local authority. It should be noted that not all of the pay and employment costs incurred by the City of London Corporation are carried out in this capacity, or even funded from public resources. As well as having statutory local authority functions, the Corporation undertakes other public functions, such as those of a police authority and of a port health authority. It also has private and charitable functions which receive funding through income from endowment and trust funds, and the pay and employment costs of these functions are met from these funds and are outside the scope of the Act.
- 4. In general, and in keeping with the spirit of openness, this Statement does not try to distinguish between information which applies to the City Corporation as a local authority and that which applies to it in any of its other capacities. However, insofar as the Act specifically excludes police authorities from its remit, this Statement does not include information about Police Officers.
- 5. Likewise, paragraph 7 of the Government Guidance for authorities on "Openness and accountability in local pay" (which has statutory effect under s40 of the Act for authorities in the preparation of their Pay Policy Statements) advises that "The provisions in the Act do not apply to the staff of local authority schools and therefore teaching staff need not be brought within the scope of a pay policy statement". The City of London Corporation does not directly manage any local authority schools, but it does directly run three independent schools, and while some information about the remuneration of the teaching staff in these schools is provided in the Statement, in

- general the Statement follows the Government Guidance and leaves teaching staff outside of its scope.
- 6. The Act does not require authorities to publish specific numerical data on pay and reward in their Pay Policy Statement. However, information in this Statement should fit with any data on pay and reward which is published separately. The City Corporation operates consistent pay policies which are applied across all of its functions. Further details of the current Grade structures and associated pay scales are provided below in the section on "Policy Overview" (paragraphs 11-178) and "Policy Implementation" (paragraphs 323 and 367-453).

POLICY OVERVIEW

Background and fundamental rationale

- 7. All pay and terms and conditions of service are locally negotiated with the Corporation's recognised trade unions or staff representatives. In 2006-2007 extensive work was undertaken on a review of pay and grading structures. As a result, the principles set out in the guidance to the Act have already generally been addressed although the Act set out some additional requirements which are covered by this Statement.
- 8. In 2007, the Corporation implemented a number of core principles, via collective agreement, to form the City Corporation's pay strategy. This now focusses on a balance between incremental progression, individual performance and contribution to the success of the organisation. The main body of City Corporation employees are paid according to a Grade structure of 10 Grades (Grades A-J), with the most senior posts in a separate Senior Management Grade. Both the A-J Grades and the Senior Management Grade retain incremental progression, but this has since 2007 been determined by performance measured through appraisal over the year 1 April 31 March. In 2020 and 2021 recent years, on account of the operational difficulties arising from the pandemic, this policy has been was waived for the year, such that failure to progress incrementally has been was by exception rather than through measured performance.
- 9. The provisions made in the 2007 pay review gave employees in Grades D-J and the Senior Management Grade access to "Contribution Payments" if the employees were at the top of their respective Grades. In years when these payments are in operation, achievement of them is also determined by appraisal over the same 1 April 31 March time period. The payments are not contractual and are therefore made at the employer's discretion. In 20221, no Contribution Payments were made, but a £200 (FTE) payment was made to employees at the top of any of Grades A-J, as part of the collectively agreed corporate Pay AwradAward for 2022.
- 10. All incremental progressions are implemented from 1 October following the ending of the appraisal year, and Contribution Payments earned from appraisal are (when made) paid in the same October. In general, a fundamental element of the strategy is that achievement of payments related to performance is more onerous and exacting the more senior the member of staff.

Grading structure

- 11. All non-teaching staff employed by the City Corporation below the Senior Management Grade are allocated to one of the 10 A-J Grades, other than in a small number of exceptional cases, such as Apprentices. All such posts were reviewed under Job Evaluation, ranked in order and allocated to a Grade following the 2007 Review. The evaluation scheme was independently equalities-impact assessed to ensure that it was inherently fair and unbiased. New posts and any existing posts that change their levels of responsibility etc. continue to be evaluated and ranked under the scheme. The scheme, how it is applied, the scoring mechanism and how scores relate to Grades are published on the Corporation's Intranet, so staff can be assured that the process is fair and transparent. In addition, there is an appeal mechanism agreed with the recognised trade unions and staff representatives.
- 12. Grades A-C are the lowest Grades in the City of London Corporation. Grade A has, under the 2022 Pay Award, been reduced to a single increment, which is also the bottom increment of Grade B. 3 increments and Grades B and C have 6 increments, and progression through each Grade can be achieved by annual incremental progression, subject to satisfactory performance. There is no Contribution Pay assessment. However, employees at the top of these Grades have the opportunity if they have undertaken exceptional work to be considered for a Recognition Award, up to a maximum level set corporately each year (this has been £500 in each year since 2010).
- 13. <u>Grades D-J</u> have 4 'core' increments and 2 'contribution' increments. Progression through the 4 'core' increments is subject to satisfactory performance. Progression into and through the 2 'contribution' increments can require performance to be at a higher than satisfactory level. Once at the top of the scale, for those who achieve the highest standards of performance and contribution, it is possible (subject to the employer's discretion in any given year) to earn a one-off non-consolidated Contribution Payment of up to 6% of basic pay depending on the assessed level of contribution over the previous year. The appraisal system recognises four levels of performance Improvement Required, Good, Very Good and Outstanding, and those employees at the top of Grades D-J who achieve either of the top two ratings can (in years when the system is authorised to operate) receive a Contribution Payment.
- 14. A separate performance-payment scheme is in place for a small group of employees at the Barbican Centre engaged in commercial activities. These staff may receive payments of up to £4,000 or £6,000 per annum, depending on Grades and their success in meeting certain performance targets. The staff involved are excluded from the Recognition Awards and Contribution Payments schemes applying to other employees on their Grades.
- 15. The Senior Management Grade comprises the most senior roles in the organisation, as determined by Job Evaluation. Posts on the Senior Management Grade (SMG) are those which are the professional lead for a significant area of City Corporation business, with the nature of the professional responsibility held being that the postholders are not only directing the function for which they are responsible towards meeting corporate strategic goals but are required to determine from their professional point of view how these corporate goals should be constructed. As the SMG posts are distinct roles, they are individually evaluated and assessed independently against

the external market allowing each post to be allocated an individual salary range within the Grade, which incorporates market factors as well as corporate importance. Any increase in salary (whether through incremental progression or a cost-of-living award) is entirely dependent on each individual being subject to a rigorous process of assessment and evaluation, based on the contribution of the individual to the success of the organisation. SMG posts are not necessarily the best-paid in the organisation, as other posts in Grades I and J may be better paid than some SMG posts, depending on the separate market supplements applied to the Graded posts.

- 16. <u>The Following approval by the Court of Common Council approved of a new Target Operating Model and Organisation Design on, the Senior Management Grade will, from 1 April 2021, and the Senior Management Grade now comprises the following posts:</u>
 - Town Clerk & Chief Executive
 - Deputy Town Clerk & Chief Executive
 - Chief Operating Officer
 - Chamberlain & Chief Financial Officer
 - Comptroller & City Solicitor & Deputy Chief Executive
 - Remembrancer
 - City Surveyor & Executive Director, Property
 - Executive Director, Community & Children's Services
 - Executive Director of, Environment
 - Executive Director of Economic Development (,-Innovation & Growth)
 - Executive Director of, Human Resources & Chief People Officer
 - Assistant Town Clerk & Executive Director, Governance & Members' Services
 Director
 - Executive Director, Communications & External Affairs
 - Chief Strategy Officer
 - Executive Director, & Private Secretary to the Lord Mayor
 - Executive Director.—& Private Secretary to the Chair of the Policy and Resources Committee
 - Chief Executive Officer Managing Director, Barbican Centre
 - Managing Director of Bridge House Estates
 - Principal, Guildhall School of Music & Drama
 Open Spaces Director
- 17. The Head Teachers of the City of London School, City of London School for Girls and City of London Freemen's School are not part of the Senior Management Grade for the purposes of pay (their pay is governed by a separate senior teaching pay scale, as outlined in paragraph 533). The pay of the post of Remembrancer is aligned to that of Deputy Parliamentary Counsel within the Civil Service Senior Civil Service pay scales at Senior Civil Service Grade 3 (SCS 3).
- 18. Following the principles outlined above, the pay ranges for the Senior Management Grade <u>arewere</u> set with reference to both job evaluation and an independent external

market assessment. The principles of this were agreed by the Court of Common Council in 2007 and, subsequently, the specific unique range for each senior management post was <u>initially</u> agreed by the Establishment Committee (now called Corporate Services Committee) in October 2007. These, have been subject thereafter to alteration thereafter when new SMG posts have been created or the duties or responsibilities of posts or other external factors relevant to their pay and reward <u>have</u> changed.

Other contractual payments

- 19. In addition to basic salary, all Graded staff are paid a London Weighting allowance which varies depending on where they are based and whether they are supplied by the employer with residential accommodation necessary for the purposes of fulfilling the duties of their job. This is to assist staff with the higher cost of living and working in London. The 2022 corporate Pay Award introduced a further "London Weighting Weighting Supplement" to employees in spine points 1038 (fourth point of Grade E) upwards, including SMG employees.
- 20. As most of the work of the organisation is undertaken in the City of London, there are some types of posts which are difficult to recruit to (e.g. lawyers, IT staff etc.). Accordingly, there is often the need to use market supplements to attract, recruit and retain highly sought-after skills. These, where used, can be applied to employees in Grades A-J. Any request for a market supplement must be supported by independent market data and is considered by a panel of senior officers and, where appropriate depending on the amount proposed to be paid and the Grade of the post, by the Establishment Corporate Services Committee. All market supplement payments are kept under regular review, and regular reports on payments made are produced for the Establishment Corporate Services Committee.
- 21. The London Living Wage (LLW) has been applied as a minimum rate for all directly employed staff, including Apprentices, since April 2017. Casual staff and agency workers have also been paid the London Living Wage since 2014. Until 2018, LLW increases were applied from 1 April each year in line with the most recently announced LLW increase. However, in October 2018, the City Corporation's Policy & Resources Committee agreed that LLW increases should be applied in this and future years to affected employees and other staff from the date of the increase's announcement, which in 20224 was on 1522 SeptemberNovember (an increase of 8.141.84%).
- 22. The <u>Corporate Services Committee (formerly</u> Establishment Committee) has specific authority to deal with or make recommendations to the Court of Common Council where appropriate on all matters relating to the employment of City of London Corporation employees where such matters are not specifically delegated to another Committee. These matters include the remuneration of senior officers. The <u>Corporate Services Establishment</u> Committee has delegated this to its Senior Remuneration Sub-Committee.

Transparency

23. The Government guidance to the Act (which has statutory effect) requires the Pay Policy Statement to make reference to policies in relation to staff leaving the authority,

senior staff moving posts within the public sector, senior staff recruitment, and reemployment of senior postholders who have left the authority, particularly in relation to arrangements which might be made in such an event that would appear to have the intention of minimising tax payments made by the re-engaged former employee.

Recruitment

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

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

- (i) in respect of all new posts, the Court of Common Council;
- (ii) in respect of all existing posts, the <u>Corporate ServicesEstablishment</u> Committee.

Payments on Ceasing Office

25. 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 below in paragraphs 26 to 32. —of redundancy or retirement, as indicated below.

Retirement

- 26. Staff who contribute to the Local Government Pension Scheme 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 Scheme.
- 27. Unreduced benefits are payable if retirement is from Normal Pension Age, with normal pension age linked to the State Pension Age from 1 April 2014, unless protections in the Pension Scheme allow for an earlier date. Early retirement, with immediate payment of pension benefits, is also possible under the Pension Scheme following dismissal on redundancy or business efficiency grounds from age 55 onwards and on grounds of permanent ill-health at any age.
- 28. Whilst the Local Government Pension Scheme allows applications for flexible retirement from staff aged 55 or over, where staff reduce their hours or Grade, it has in general been the City Corporation's policy to agree to these only where there are clear financial or operational advantages to the organisation. Benefits are payable in accordance with Regulation 27 of the Local Government Pension Scheme Regulations 2013.

Redundancy

29. Staff who are made redundant are entitled to receive statutory redundancy pay as set out in legislation calculated on a week's pay (currently a maximum of £5<u>71</u>44 per week). The City Corporation currently bases the calculation on 1.5 x actual salary.

This scheme may be amended from time to time subject to Member approval, and has most recently been so amended for staff made redundant on or after 25 October 2017. The authority's policy on discretionary compensation for relevant staff under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 is published on the Corporation's website.

Settlement of potential claims

30. Where a member of staff leaves the City Corporation's service in circumstances which would, or would be likely to, give rise to an action seeking redress through the courts from the organisation about the nature of the member of staff's departure from the Corporation's employment, such claims may be settled by way of a settlement agreement paying due regard to the Special Severance Guidance issued by the Department for Levelling Up, Housing and Communities, and -where it is in the City Corporation's interests to do so based on advice from the Comptroller & City Solicitor and Chamberlain & Chief Financial Officer. The amount to be paid in any such instance may include an amount of compensation, which is appropriate in all the circumstances of the individual case. Should such a matter involve the departure of a member of staff in the Senior Management Grade or the Town Clerk & Chief Executive, any such compensation payment will only be made following consultation with the Chairs of Policy & Resources and Corporate Services Establishment Committees and legal advice that it would be lawful egal, proper and reasonable to pay it.

Payment in lieu of notice

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

Re-employment

32. Applications for employment from staff who have retired or been made redundant from the City Corporation or another authority will be considered in accordance with the Corporation's normal recruitment policy. The City Corporation does not engage former employees staff on contracts designed to avoid tax that enable tax payments to be minimised.

POLICY IMPLEMENTATION AND CURRENT POSITION

Salary scales effective from 1 July 20242

33. A corporate Pay Award effective from 1 July 2022 gave all Graded employees whichever was the larger of a £1,300 pay increase or 3% on their combined contractual Base and London Weighting pay. three-year pay award giving an increase of 2.25% on Base salaries and 5% on London Weighting for all employees in Grades A-J and the Senior Management Grade was agreed in March 2020. The planned increases would be effective from 1 July each year between 2020 and 2022. The agreement on the Pay Award included a clause for renegotiation "in exceptional circumstances", and in December 2020, in the light of the circumstances caused by the pandemic, and of the Chancellor's recommended "pay pause" for public-sector workers, the City Corporation invoked this clause. As a result of this, the pay award for 2021/22 was a

1.525% increase on Base salaries of Grades A-C and no increases on any other pay. The current salary scales resulting from this Award are given below.

Grade	Min Salary (£)	Max Salary (£)	No. of employees
Grade A	£1 <u>9</u> 6,65470	£17 <u>9,647</u> 0	1 <u>12</u> 49
Grade B	£1 <mark>89,4</mark> 170	£2 <u>2</u> 4,4 <u>4</u> 10	5 <u>45</u> 54
Grade C	£2 <mark>35,07</mark> 30	£2 7 <u>8</u> , 5 <u>8</u> 30	<u>770</u> 813
Grade D	£ <u>30</u> 29,3650	£34 <u>5,3</u> 040	69 <mark>69</mark>
Grade E	£34 <u>5</u> ,0 <u>3</u> 40	£39 <u>40</u> ,44 <u>62</u> 0	5 <u>51</u> 60
Grade F	£4 <u>4</u> 3, 10 390	£ <u>51</u> 49,9 <u>4</u> 80	41 <u>1</u> 4
Grade G	£51 <u>3,4600</u> 0	£ 59 <u>61,6948</u> 0	1 <u>93</u> 84
Grade H	£ 59 <u>61,69</u> 480	£ 69 71, 17 250	<u>99</u> 88
Grade I	£ 69 71, 17 250	£8 0 2, 17 580	2 <u>9</u> 5
Grade J	£8 2 5, 59 070	£9 5 <u>8</u> , 76 <u>63</u> 0	1 <u>9</u> 7
Senior	£84 <u>6,2477</u> 0	£2 58 <u>66</u> , 9 7 <u>4</u> 0	17
Management			
Grade (SMG)			

The figures given are for Base pay only. numbers are those at the time of the November December 20242 pay roll. Any employee on Grades A-J who manages or supervises another employee on the same Grade has a separate pay scale paying up to 6.1% greater than the salary on the substantive Grade. Any employee on Grades A-J who is in a residential post has a separate pay scale paying 12.5% less than the salary on the substantive Grade. The figures for employees in each Grade in the table above include those on the relevant supervisory and residential scales. All employees on Grades A-J and in the SMG also receive a London Weighting allowance. The allowance does not differ between Grades of staff, but employees from spine point 1038 upwards (fourth point of Grade E) on the Corporation pay scales-receive a small additional allowance to ensure that they received an increase of 3% on their combined contractual Base and London Weighting pay under the 2022 Pay Award

Teacher Grades	£29,490	£60,250				
Senior Teacher Grades	£64,640	£147,490				

Figures for Teacher Grades exclude any additional responsibility allowances payable. Figures for Senior Teacher Grades include all payments.

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

34. Current levels of London Weighting for non-residential staff in Grades A-J and the SMG are £6,710 for those based in inner London and £4,020 for those based in outer

London. Separate rates (approximately 10% lower) are applied to residential staff. The construction of the 2022 Pay Award required the introduction of a "London Weighting Supplement" for employees on all spine points upwards from and including spine point 1038 (the fourth point of Grade E), to ensure that they received the minimum 3% increase on their combined contractual Base and London London Weighting pay. This amounts to £200 per annum for non-residential employees based in inner London and £120 per annum for employees based in Outer London. Again, separate rates of approximately 10% lower are applied to these figures for residential staff.

- 35. The City Corporation subscribes to Croner's salary benchmarking. While this provides information on both public- and private-sector comparator jobs, general practice is to use the median level of comparator public-sector jobs in central London for organisations which employ between 1001 and 4000 staff, with a turnover of £50m-£100m as basis for establishing appropriate market rates.
- 36. 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.

Employees below the Senior Management Grade

- 37. The lowest Graded employees are in Grade A as determined by the outcomes of the Job Evaluation process. That Grade has been restructured in recent years such that its bottom and top points have risen higher up the pay scale, and under the 2022 Pay Award it became a single-point Grade, that point being equivalent to the lowest point on Grade B. All Grade A employees are therefore now paid The current lowest point on Grade A is now £236,36180 (FTE), including a London Weighting allowance for working in Inner London. The current pay range for Grades A J is £236,36180 to £1025,47540 inclusive of Inner London Weighting of £6,710 (plus an additional £200 for all employees from the fourth point of Grade E upwards on the scales) for non-residential employees.
- 38. Under normal circumstances, in each October following the March end of the appraisal year, generally around two thirds of eligible employees have been allowed to move into the two higher contribution increments or to receive a one-off non-consolidated contribution payment. As stated earlier, sincein 2020 and 2021, normal practice has beenwas waived as a result of the difficulties caused by the pandemic, and increments for all eligible staff have beenwere allowed to be the default position.

Senior Management Grade

- 39. Current Senior Management salary scales are from £84<u>6</u>,24<u>77</u>0 to £2<u>5866</u>,97<u>4</u>0, excluding London Weighting.
- 40. Each Senior Management Grade post is allocated a range around a datum point. There is a maximum and minimum (datum plus 9% and datum minus 6% respectively) above and below which no individual salary can fall. Where a pay increase for a

member of staff would take them above the maximum in a given year, the excess amount above the maximum may be paid as a non-consolidated payment in <u>such</u> years as the organisation has authorised performance-based Contribution Payments to be madethat year. Theseis, as with other Contribution Payments, would does not be consolidated into form part of basic salary, and therefore would not from part of contractual pay for subsequent years for the following year and will, therefore, have to be earned again by superior performance for it to be paid.

41. Each year the datum point advances by a percentage equivalent to any 'cost of living' pay award. Individual salaries would move according to the table below:

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

- 42. As with staff in Grades D-J, normal practice on progression through Grades or Contribution Payments for eligible staff has been_was.waived_sincein 2020-and 2021. In 20224, SMG staff not on the top of their Grades received a 3% "incremental" progression through their individual pay scales, but no Contribution Payments were made to those at the top of their scales.
- 43. The Senior Remuneration Sub-Committee sets the initial salary on appointment, together with the individual salary band, for staff with posts in the Senior Management Grade. Thereafter, the Town Clerk & Chief Executive determines annual salary progression for SMG posts (other than in relation to their own) within (and up to the maximum of) the existing individual salary bands and in accordance with relevant reward policies, in consultation with the Senior Remuneration Sub-Committee. Any changes to the individual salary bands for SMG posts must be agreed by the Senior Remuneration Sub-Committee.
- 44. In respect of the Town Clerk & Chief Executive, the post's salary and any Contribution Payments that may be due to its holder are determined by the Senior Remuneration Sub-Committee. A new Town Clerk and Chief Executive commenced employment in the post in February 2023. The Sub-Committee is advised by an Appraisal Panel comprising the Chairs of the Policy & Resources Committee (as the Town Clerk's line manager), Corporate Services Establishment Committee, Finance Committee and General Purposes Committee of Aldermen. The Appraisal Panel set the Town Clerk's annual 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. The Sub-Committee and Appraisal Panel are supported by the Executive Director of Human Resources & Chief People Officer, together with any appropriate external advisers.
- 45. Set out below are the broad pay ranges for the Senior Management Grade in 20202-20243, with the numbers in each band, excluding London Weighting. Each member

of staff will have an individual salary scale within these broad ranges. (It should be noted that there are a further two additional SMG posts which is are currently vacant as at December 2022, the figures below include the pay of employees who are acting up into two SMG posts which are currently vacant. A further SMG post is also vacant but there is not an employee acting up into it.)

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£84\underline{6},24\underline{77}0 - £12\underline{03},0\underline{6}70 (4)
£124\underline{7},26\underline{4}10 - £1\underline{5261},44\underline{37}0 (75)
£1\underline{5671},672\underline{4}0 - £184\underline{99},520\underline{90}0 (7)
£223\underline{0},3\underline{0}70 - £258\underline{66},97\underline{4}0 (1)
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Chief Officers and Deputy Chief Officers

- 46. The Act specifies that information should be given in Pay Policy Statements about the determination of remuneration for Chief Officers and Deputy Chief Officers as defined under the Local Government & Housing Act 1989, including approaches to the award of other elements of remuneration including bonuses and performance-related pay as well as severance payments. This should include any policy to award additional fees paid to Chief Officers or Deputy Chief Officers for their local election duties. The 1989 Act applies to the City Corporation only in its capacities as a local authority, police authority and port health authority, but as with other parts of this Statement, details are given for all employees who would satisfy the basic definitions of Chief Officers and Deputy Chief Officers given in the 1989 Act, other than schoolteachers and those who work in general for the City Corporation in its capacity as a police authority.
- 47. According to the definitions given in the 1989 Act (but widened in their interpretation as described in the paragraph above), as of 19 November 2021, the City Corporation had 2930 filled Chief Officer posts and 122 filled Deputy Chief Officer posts. The 30 Chief Officer posts comprised the 17 posts within the Senior Management Grade plus the following numbers of posts within the A-J Grades:
 - Grade J <u>97</u>
 Grade I <u>34</u>
 Grade H <u>1</u>

plus one post paid at a spot salary owing to the nature of its employment.

The 1221 Deputy Chief Officer posts were made up of posts at the following Grades:

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Grade J 439
Grade I 4820
Grade H 4350
Grade G 235
Grade F 215
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plus twofour posts paid at spot salaries owing to the nature of their employment and/or funding.

- 48. The distinctions between SMG pay and payments made to employees on other Grades are outlined in the relevant sections of this Statement above. The most significant element of pay able to be received by employees in Grades A-J that is not available to SMG posts is Mmarket Forces Supplements. 78 Chief Officers in Grades I-J receive these payments as do 534 Deputy Chief Officers in Grades F-J. 25 of the Deputy Chief Officers in Grade F receive additional payments for working contractual hours in addition to the standard 35 per week on most City Corporation contracts. One Deputy Chief Officer on Grade F receives occasional additional payments for participating in electoral activities. One Deputy Chief Officer (Grade J) receives additional payments for undertaking standby duties.
- 49. In cash terms, the payments per annum made to Chief Officers (including those in the SMG) and Deputy Chief Officers fall into the following broad pay bands:

£ per annum	Chief Officers	Deputy Chief Officers
40,000 - 50,000	-	<u> 487</u>
51,000 - 60,000	<u>-</u> 1	2 <u>2</u> 5
61,000 - 70,000	<u>1</u> -	2 <u>1</u> 4
71,000 - 80,000	<u>1</u> 2	<u>32</u> 15
81,000 - 90,000	<u>2</u> 4	13
91,000 - 100,000	<u>2</u> -	1 <u>4</u> 2
101,000 - 110,000	<u>3</u> 4	<u>4</u> 6
111,000 - 120,000	<u>3</u> 4	<u>5</u> -3
121,000 - 140,000	5	<u>1</u> 5
141,000 - 160,000	<u>3</u> 4	<u>1</u> -
161,000 – 199,000	<u>8</u> 5	-
<u>200,000 – 25567,0</u> 0	00 1	<u> </u>
Total employees	3029	12 <mark>21</mark>

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

- 50. As mentioned earlier, the City Corporation is currently undertaking a significant review of its structure and services. This is due to be implemented this year, and it may have some effect on the numbers and the remuneration of Chief Officers and Deputy Chief Officers employed.
- 51.50. The schemes for incremental pay increases and Contribution Payments for employees in Grades D-J and the Senior Management Grade are set out in the relevant sections of this Statement above. These apply to Chief Officers and Deputy Chief Officers, depending on whether they are in one of the D-J Grades or the SMG. No Chief Officer or Deputy Chief Officer has an element of their basic pay "at risk" to be earned back each year. Progression through Grades is, however, subject to successful performance, assessed through the application of the performance-appraisal scheme. Contribution Payments for any Chief Officer or Deputy Chief Officer are only available (when authorised) to those at the top of their Grades. These must also be earned through performance appraisal, and all such payments are non-consolidated, meaning that any recurrence of the payment has again to be earned through performance in future years.

52.51. The Act requires authorities to set out their policies on remuneration for their highest-paid staff alongside their policies towards their lowest-paid staff, and to explain what they think the relationship should be between the remuneration of their highest-paid staff and other staff. The City Corporation's pay multiple - the ratio between the highest paid and lowest paid permanent staff - is approximately 1:11. The ratio between the pay of the highest paid member of staff and the median earnings figure for all staff in the authority is approximately 1:7.

Publication of information relating to remuneration

- 53.52. 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.
- 54.53. This Pay Policy Statement will be published on the Corporation's public website. It may be amended at any time during 2021-2022 by resolution of the Court of Common Council. Any amendments will also be published on the Corporation's public website.
- 55.54. This statement meets the requirements of the: Localism Act 2011; the Department for Communities and Local Government (DCLG) guidance on "Openness and accountability in local pay: Guidance under section 40 of the Localism Act" (including any supplementary Guidance issued); "The Local Government Transparency Code 2015"; and the Accounts and Audit Regulations 2015.
- From 2018, the City of London Corporation is required under the Equality Act 2010 to publish information every year showing the pay gap between male and female employees. The organisation's most recent such report was published in March 20220, and showed a diminution in the mean and median hourly-rate gender pay gap and an increase in the proportion of women in the upper quartile of employees by pay rates.

T. Graham A. Moss

Chair, Corporate Services Establishment Committee

C. E. Lord, OBE JP F. Keelson-Anfu
Deputy Chair, Corporate Services Establishment Committee

January November 20232