

City HR Compensation Forum

20 September 2022

- City Pay & Benefits Survey Participants
 - London focused
 - Smaller to medium-sized FS organisations
 - Commercial & Investment Banks
 - Private Banks & Wealth Management Companies
 - Fund/Asset Management Companies
 - Other Financial Sector

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Pay Reviews 2022

- Most annual pay reviews were implemented Jan - April 2022
- Cost of Living increase not a major influence for most, at that time
- Median increase as percentage of base salary 4.5%
 - CPA survey reported median increase of 2.2% in 2021
- Bonus payments typically higher than in 2021 for all roles

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Current Challenges

- Increasing cost of living pressures
- Employee feedback – more concern over recent months
- Retention and recruitment issues
- Impact of pay market pressures
 - Risk, Control, Compliance, Finance, IT, Junior Talent, Specialist roles in back office

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Response to Pay Pressures

Firms have made interim increases to

- Key individuals – pay market pressure, counter offers, internal equity
- Teams/departments
- All employees

Some have offered additional assistance

- One-off payments
- Heating allowances
- Improved Employee Assistance & Well-being programmes

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Looking Forward to 2023 Reviews

- Cost of Living will continue to be a challenge
- Firms hearing more from employees about their pay expectations and financial concerns
- Continued retention & recruitment difficulties
 - competition for talent
- Early info on base pay budgets indicate higher increases for early 2023