

# City HR Compensation Forum

## 10 October 2023

- 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 2023

- Energy crisis & cost of living increases started to hit in mid-2022
  - Some organisations brought forward their 2023 review dates
  - One-off Cash Allowances Paid to help with increased cost-of-living

Source: City Pay Guide October 2023:

- Median Increase for base pay reviews

2023	2022	2021
6.0%	4.5%	2.3%

- Higher than average salary increases particularly seen for roles in Risk, Control, Compliance, Finance, IT, Junior Talent and Specialist Operational roles

## Annual Bonuses Awarded in 2023

- On average bonus awards were higher than that seen over the previous two years.
- Particularly so for Senior Management, Front Office Roles and for Control functions and Senior Operational Roles
- Very few individuals in smaller to medium sized firms have seen bonus awards deferred.

# Continued Pay Pressures in 2023

- Recruitment and retention challenges
- Substantial pay increases implemented by some organisations
- Increased Emphasis on Employee Value Proposition
  - Improved Employee Assistance & Well-being programmes
  - Flexible & Hybrid Working
  - Loans & Financial Assistance

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# Expectations For 2024 Pay Reviews

- Organisations now setting their budgets
- Inflation rates and market pay pressures continue to play their part
- Current Forecast for 2024 pay round (based on early budget expectations) :
  - Median base pay increases 4.5 - 5% on average