

REMUNERATION COMMITTEE ANNUAL REPORT TO COUNCIL 2022-2023

SUMMARY

The Office for Students expects higher education providers to comply with the Committee of University Chairs Higher Education Senior Staff Remuneration Code and this requires the production of a Remuneration Annual Report, which is presented here and reviewed annually

The format and content of the report follows the template for such reports provided by the Committee of University Chairs

paid on the national pay framework grades and scale

ACTION

To discuss and approve

To be noted by Council

Jennifer Allison
Head of HR
September 2023

Introduction

1. Remuneration Committee has met on three occasions during 2022/2023; 15 September 2022, 23 February 2023 and 15 June 2023.
2. The terms of reference and membership of the Remuneration Committee can be found as an appendix to this report. The Committee noted the terms of reference and are content that due regard has been taken to the responsibilities of the Committee during the year and that all procedures and processes have been undertaken as required.

Approach to remuneration

3. The approach to remuneration of the policy and procedure is included as an appendix to this report. This policy establishes that the Remuneration Committee will take into account:

the competitive environment and markets that the College operates within,
the fundamental principles that will guide all decisions related to remuneration, including the balance to be struck between recruiting, retaining and rewarding the best staff possible, in order to deliver the best outcomes for students, society and the economy while demonstrating effective use of resources and

the approach to setting remuneration, e.g. the extent to which economic factors, competition, market rates, roles, skills, experience and individual performance influence decision making. these points are set out in more detail in the attached policy.

4. RCM specific factors include the global context in which the RCM operates: its standing and market position amongst conservatoires, its successes, and the market for senior talent world-wide.
5. In February 2023 the Committee considered and approved the appointment and remuneration of the Acting Director effective from 3 March 2023.
6. The Director was not in attendance at the meeting on 15 June 2023, in his place the Acting Director reminded the Committee that they had received information throughout the year at both Council and Finance & General Purposes Committee which informed members about the RCMs performance through the 2022/2023 year in respect of the

Terms of reference and membership of Remuneration Committee

(2022/2023)

Terms of reference

1. To promote equality, diversity and inclusion (ED&I) with specific reference to the RCM EDI policy and strategy, and to reflect regularly on how the work of the Committee might support the strategy.
2. Having due regard to the guidance of the Office for Students and the Committee of University Chairs, to establish policies and procedures for the selection and appointment of Directorate members and the Director (ie those staff whose pay is outside the national pay scale)
3. To approve the arrangements for the recruitment and the appointment of Directorate members, on the recommendation of the Director
4. To approve the terms and conditions of service, remuneration, and pay awards for Directorate and the Director.
5. To produce an annual report to Council on the work of the Committee.

Membership

Chairman

RCM Directorate salary policy and annual review procedure

Element I - A fair, appropriate and justifiable level of remuneration

Remuneration starts with a clear understanding of the responsibilities, context and expected contribution of a role and the contribution of the role to the organization. Remuneration should be set at an appropriate calibre in the context of the market for that role, balanced with the need to demonstrate the achievement of value for money in the use of resources.

Principles

Remuneration will take account of the global context of excellence in which the RCM operates

Remuneration must be linked to the value delivered by an individual acting within a role

The range of the values of a role is based on a number of components

The RCM will be clear about what it expects from staff, i.e. what is normal and what is exceptional. There will be a clear distinction between normal and exceptional performance.

Remuneration can vary according to individual performance

From time to time the value of a role may need to be changed in light of changing conditions, sustained performance, experience etc.

Non-remuneration factors such as location, cost of living, etc. will not be taken into account.

Element II - Procedural fairness

Procedural fairness requires remuneration to be set through a process that is based on competent people applying a consistent framework with independent decision making using appropriate evidence and assessing the value of roles, the context and individual performance.

Principles

Remuneration will be set by an independent committee

No one will have any part in deciding their own remuneration.

The Remuneration Committee will be as independent and expert as possible.

Decisions will be based on robust evidence.

The Remuneration Committee will justify its decisions or recommendations to Council and other stakeholders.

Element III - Transparency and accountability

The process for setting remuneration will be transparent. For Directorate members there will be an institutional justification for the remuneration of this group that relates it to the competitive environment, the value of the roles and the 5 & 0 B V for the role. The remuneration of the Director will be separately justified, published and related to the remuneration of all staff within the organisation.

The approach to remuneration for Directorate members will be publicly explained and remuneration decisions will be transparent in the annual report of the Remuneration Committee to Council.

RCM will publish pay multiples and illustrate how these multiples have changed over time in the annual report of the Remuneration Committee to Council. In the event of increases in any multiples, the RCM will publish an explanation supporting any change in this annual report.

Evidence that affects Directorate member remuneration will be explained in the annual report.

Remuneration Committee criteria and process for Directorate pay

1. the Directorate) takes account of the global context in which the RCM operates: its standing and market position amongst conservatoires, its successes, and the market for senior talent world-wide.
2. Remuneration takes account of internal comparators: the gender pay gap, pay multiples (see below), the approach to pay for other academic and professional services roles at all levels.
3. In its annual report, the Remuneration Committee will publish the multiple of the remuneration of the Director and the academic salary. For the purpose of this comparison, the RCM will also include base salary, allowances, and the cash value of benefits-in-kind. The median earnings figure used for the multiple are the median full-time-equivalent annual earnings of all staff employed by the RCM. The RCM will also include an explanation for any changes in the pay multiples, describing what factors have caused movements in both median and top earnings and thus changes in the pay multiple from the previous year.
4. The range of the values of a role is based on a number of components. Criteria for assessing the value of roles will include:
 - complexity (scale and range of decision making, collaboration and contact, time-critical activity);
 - impact (on students, research, finances and people, including employees, partners and community);
 - discretion (level of accountability, degree of autonomy and decision-making authority);
 - knowledge and skills required (including specialist skills);
 - reputation and academic/professional credibility needed for the role;
 - an ability to recruit and retain key staff; and
 - external comparisons.
5. When recruiting Directorate members, the RCM will reflect on its expectations of what a post will contribute,ore.992 (-)-2.008

responsibilities.

7. The RCM does not operate a formal system of performance pay scheme. However, remuneration for Directorate members will take account of a report on individual performance by the Director and, in the case of the Director, by the Chairman.

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9. 7KH 'LUHFWRUBV SHUVRQDO REMHFWLYHV ZLOO EH DJUHHG E\ WKH &

The Director will produce a report:

on each member of the Directorate setting out current salary, proposed salary increase and a justification in each case based on the performance of the individual within the year and, where related to the post, the success of the College as a whole, any retention factors related to the market for the role, and a cost-of-living increase (which should be no more than the eW*nBT/.42.98 36.0-2.992 ()JJETQO 0 595.96 (-)1.994 743.98 98 (

CONFIDENTIAL - PAY RATIOS (in accordance with the OfS Accounts Direction re: Pay Ratios)

1 August 2022 - 31 July 2023	
Head of Institution (basic salary)	£243,780
Pay in lieu of pension contribution	£36,567
Benefits (Healthcare provision)	£8,166
Employer Pension costs (DIS)	£15,358
Head of Institution (total remuneration)	£303,871
Pay Ratio of the Head of , QVWLWXWLRQBV %DVLF 6DODU\ DQG WKH PHGL 6.0:1	
3D\ 5DWLR RI WKH +HDG RI , QVWLWXWLRQBV 7RWDO 5HPXQHL 6.3:1	

