

BIRKBECK

University of London

ANNUAL REPORT OF THE REMUNERATION COMMITTEE 2023-24

The annual report of the Remuneration Committee, drafted for publication as recommended by the CUC code on HE remuneration, is set out below:

I THE ROLE OF THE REMUNERATION COMMITTEE

- 1.1 The remit of the Remuneration Committee is to develop and have oversight of an overall framework to cover the remuneration, benefits and conditions of employment of the staff of the College, ensuring that there are clear and fair processes for setting objectives and assessing contribution.
- 1.2 The principles of remuneration are to recruit and retain the best staff possible, to deliver best outcomes for students, society and the economy and to demonstrate best use of resources.
- 1.3 The approach to setting remuneration takes economic factors, competition, skills, experience, the diversity of the workforce and individual and institutional performance into account.

2 THE SCOPE OF THE COMMITTEE

- 2.1 The Remuneration Committee considers:
 - The remuneration, benefits and conditions of employment of the Vice-Chancellor and senior staff reporting directly to the Vice-Chancellor.
 - Deputy Vice-Chancellors
 - Pro Vice-Chancellors
 - Chief Financial Officer
 - Chief Information Officer
 - Director of Marketing and External Relations
 - College Secretary
 - Executive Deans
 - The remuneration, benefits and conditions of employment of other members of staff with senior management roles on salaries of more than £100K.
 - The strategy, policy and parameters for the review and determination of the remuneration and benefits of senior staff of the College within the remit of the Professorial and Senior Staff Salaries Committee (PSSSC). PSSSC considers the remuneration of professorial academic staff and senior professional services staff

at the equivalent level.

- 2.2 Remuneration Committee's Terms of Reference are attached as Appendix A.

3 MEMBERSHIP

- 3.1 The members in 2023-24 were
- Chair of Governors (Sir Andrew Cahn)
 - Deputy Chair of Governors (Simon Davis)
 - Up to three other independent Governors (Nana Banton, Gillian Broadley, Andreas Utermann)

The members were appointed by the Nominations Committee.

4 MEETINGS

- 4.1 The Committee met twice this year, on 22 November 2023 when Andrew Cahn, Simon Davis and Andreas Utermann were present, and on 21 March 2024 when Andrew Cahn, Simon Davis, Gillian Broadley, Andreas Utermann and Nana Banton were present. The minutes are attached as Appendix B.

5 PRINCIPLES OF REMUNERATION

- 5.1 The principles of remuneration are in line with the Committee of University Chairs (CUC) guidance for Remuneration Committees and the requirements for the Office for Students.

6 GENERAL APPROACH TO SETTING REMUNERATION

- 6.1 The Remuneration Committee takes account of affordability, the value of each role, performance in the context of College strategic objectives and relevant performance indicators, retention and motivation, the size and complexity of the College, the nature of the employment market and comparative information on the remuneration, benefits and conditions of employment in the Higher Education sector and elsewhere as appropriate.

7 SPECIFIC APPROACH TAKEN ON REMUNERATION IN 2023-24

- 7.1 The Remuneration Committee determines directly the remuneration, benefits and conditions of employment of the Vice-Chancellor and the senior staff who report directly to her.
- 7.2 The Remuneration Committee agreed that there would not be a pay review process to consider any additional remuneration for the above group of staff, in response to the College's ongoing difficult financial situation. This continues the approach taken in 2021-22 and 2022-23. Three individual cases, linked to retention and increased role size, were considered and agreed. The Committee will review the position again in autumn term 2024 in the context of the College's financial position.
- 7.4 The Remuneration Committee sets the strategy, policy and parameters for the

review and determination of the remuneration and benefits of senior staff of the College within the remit of the Professorial and Senior Staff Salaries Committee (PSSSC). PSSSC considers the remuneration of professorial academic staff and senior professional services staff at the equivalent level.

- 7.5 As in the previous year, the Committee agreed for this group of staff no pay review process would be run given the financial situation. X individual cases, linked to retention and increased role size, were considered and agreed. Again, the Committee recognised the contribution of staff in this group but were mindful of the financial situation.

There will be a spoken update on professorial and senior staff cases agreed in 2023-24 at the meeting.

- 7.6 In 2023-24 the College has run its annual promotion procedures for more junior academic staff; and contribution related pay processes for professional and support staff up to grade 9. The Committee as well as the College management has been clear that that this support for junior staff should be the priority in the current circumstances given the financial situation.

8 JOB EVALUATION SCHEMES, PAY AWARDS AND PENSION SCHEMES

- 8.1 Birkbeck uses the Hay job evaluation scheme.
- 8.2 Birkbeck is one of 169 member organisations, who belong to a nationally negotiated pay awards and pensions schemes, via Universities and Colleges Employers Association (UCEA).
- 8.3 Birkbeck is also a member of Universities UK (UUK), which represents the collective voice of 140 universities in England, Scotland, Wales and Northern Ireland.
- 8.4 The pension schemes are Universities Superannuation Scheme (USS) for staff at Grade 7 / Lecturer and above, and Superannuation Arrangements of the University of London (SAUL) for staff at lower grades.

9 POLICY ON PERFORMANCE PAY AND STAFF ELIGIBILITY

- 9.1 Birkbeck operates appropriate and robust processes for Professors and senior staff in terms of independence, objectivity, and assessment of individual and overall institutional performance.
- 9.2 When a pay round for senior staff groups commences all eligible staff are invited to make an application for consideration and the process for doing so is outlined within the invitation. As part of the process, positive reviews are encouraged. In addition, equality data such as gender, ethnicity, age and disability are reviewed and potential trends identified. These trends are discussed and possible resolutions considered, which are then translated to our equality action plans, including those related to equal pay and gender pay.

10 BENCHMARKING AND INDICATORS USED IN DECISIONS ABOUT REMUNERATION

- 10.1 Sector remuneration benchmarking information provided by the CUC, UCEA and other sources for a range of relevant comparator institutions are used as part of the College's pay review processes.
- 10.2 The College is not in a HE sector "mission" group and by its nature not a close fit with many others. Instead, a list is chosen from organisations with similarities to Birkbeck who are considered competitors in certain areas. The current list is Brunel, City, East Anglia, East London, Essex, South Bank, Westminster, Goldsmiths' College, Royal Holloway and SOAS, Queen Mary, Open University, King's College London, Imperial College and University College London.
- 10.3 Decisions are made in the context of sector remuneration benchmarking, the outcome of performance appraisal, and the broader context of institutional Key Performance Indicators agreed by the Governors.
- 10.4 The UCEA Senior Staff Remuneration Survey report is based on confidential information provided by institutions and provides a pay analysis of senior and middle managers in universities and colleges of higher education. Salary tables are provided by responsibility level, function group, institution type, institution size, cost centre/income levels, discipline, region and mission/sector group. It also includes data on demographics, including gender and age pay gap.
- 10.5 The data includes external comparators such as the NHS, Local Government, FTSE 250 and Charities in addition to data on international remuneration to benchmark against, including the USA, Canada, Australia, New Zealand, South Africa and Asia, specifically Hong Kong and India.

11 VICE-CHANCELLOR'S REMUNERATION

Process:

- 11.1 The Vice Chancellor's remuneration has been determined and reviewed through appropriate and robust processes in terms of independence, objectivity, and assessment of individual and overall institutional, by Remuneration Committee.
- 11.2 Remuneration Committee is comprised of independent Governors. It includes the Chair of Governors, but in accordance with good practice, discussion of the Vice-Chancellor's remuneration is chaired by another independent Governor. The Vice Chancellor is not a member of Remuneration Committee and does not attend or participate in discussion of the Vice-Chancellor's remuneration. Remuneration Committee is supported by the College Secretary & Clerk to the Governors and, additionally, advice is provided, or commissioned, by the Director of Human Resources.
- 11.3 Remuneration Committee reviews the remuneration of the Vice Chancellor annually in the light of the following information:

- Sector remuneration benchmarking information provided by the CUC and other sources for a range of relevant comparator institutions.
- The outcome of the Vice Chancellor's annual appraisal conducted by the Chair of Governors. This is a formal documented process in which annual objectives are set and performance against those objectives are reviewed.
- The broader context provided by institutional performance information and institutional KPIs agreed by Governors.

Outcomes:

- 11.4 The previous Vice-Chancellor Professor David Latchman retired on 31 December 2023. He last received an increase in base salary, over and above the level of the national pay award, in 2012 and last received a bonus payment in 2016-17. His historic salary reflected his contribution to the leadership and development of the College over a 21 year period which had transformational impact over this time. In 2022, in view of Birkbeck's financial position, Professor Latchman requested that his salary be reduced by £50,000 per annum until further notice. Remuneration Committee agreed to this reduction from 1 January 2022, bringing the Vice-Chancellor's salary to £298,552.
- 11.5 Professor Sally Wheeler was appointed as Vice-Chancellor from 1 January 2024. A salary of £250,000 was agreed, commensurate with the size of Birkbeck as an organisation based on sector remuneration benchmarking information provided by the CUC and other sources for a range of relevant comparator institutions. The Vice-Chancellor contract was reviewed to be in line with HE sector best practice.
- 11.6 The salary of the Vice-Chancellor for previous years:

July 2020	July 2021	July 2022	July 2023	July 2024
348,552	348,552	348,552	315,219 ¹	285,000

- 11.7 The total emoluments of the Vice-Chancellor for previous years:

July 2020	July 2021	July 2022	July 2023	July 2024
385,870	385,812	398,302	365,367	319,000

The increases in total emoluments from 2021 to 2023 are due to an increase in the Universities Superannuation Scheme's employer contribution rate from 30 September 2021.

12 PAY MULTIPLE: VC'S EARNINGS AGAINST THE MEDIAN OF ALL STAFF

Year to July	Basic Salary Comparison	Total Salary Comparison
2020	The VC's basic salary is 9.0 times the median pay of staff.	The VC's total remuneration is 8.3

¹ This reflects the salary reduction made after the commencement of the financial year.

		times the median total remuneration of staff.
2021	The VC's basic salary is 9.0 times the median pay of staff.	The VC's total remuneration is 8.3 times the median total remuneration of staff.
2022	The VC's basic salary is 8.9 times the median pay of staff.	The VC's total remuneration is 8.1 times the median total remuneration of staff.
2023	The VC's basic salary is 7.6 times the median pay of staff	The VC's total remuneration is 7.3 times the median total remuneration of staff.
2024	The VC's basic salary is 6.6 times the median pay of staff	The VC's total remuneration is 6.4 times the median total remuneration of staff.

13 PAYMENTS TO MEMBERS OF THE GOVERNING BODY

- 13.1 Members of the Governing body are entitled to reimbursement of travel expenses incurred in attending meetings and events in their official capacity. No claims for reimbursement were made in the 2023-24 financial year.

14 EXPENSES AND INCOME GENERATION

- 14.1 Senior post holders' expenses are processed in accordance with the College's expenses policy. The expenses policy, and policy on income generated from consultancy and other income generating activities are part of the Financial Regulations.