



BIRMINGHAM CITY
University

REMUNERATION ANNUAL REPORT

Financial Year 2022/23

INTRODUCTION

Birmingham City University remains committed to compliance with the Higher Education Senior Staff Remuneration Code that was published in June 2018. This report therefore outlines the University's approach to matters relating to the remuneration of its Senior Staff and decisions taken during the year. The report was approved at the Board of Governors meeting on the 28 November 2023 and is now available on the University's website.

TERMS OF REFERENCE FOR REMUNERATION COMMITTEE

In line with the advice provided in the CUC Senior Staff Remuneration Code, the Board of Governors in 2018 established two committees to deal with Remuneration matters:

- The Human Resources Committee considers and determines matters in respect of the University's workforce, including determination of the overall framework for pay and conditions for staff;
- The Remuneration Committee, within the overall framework for the pay and conditions of staff set by the Human Resources Committee, has particular responsibility for reviewing the pay and conditions of senior staff (including the Vice-Chancellor).

Prior to the establishment of the Human Resources Committee and Remuneration Committee (in July 2018), all matters relating to staff remuneration were considered by the Personnel and Remuneration Committee. Please click [this link](#) for the full terms of reference for the Remuneration Committee.

REMUNERATION COMMITTEE MEMBERSHIP

The Remuneration Committee membership is determined by the Board of Governors and consists of:

- Two ex-officio members (the Chair and Deputy Chair of the Board of Governors)
- At least three lay Governors appointed by the Board of Governors

At least one member of the Committee will have experience and expertise in remuneration as a professional discipline. The Chair of the Committee has the option to access independent external expertise and professional advice whenever required, including review and establishment of the remuneration arrangements for the Vice-Chancellor

The Chair of the Remuneration Committee will not be the Chair of the Board of Governors.

Members during the financial year:

Ex-Officio Members:

- Mr Mark Hopton (Chair of the Board of Governors until 11 May 2023, stood down from membership of this Committee at that date).
- Ms Anita Bhalla (Deputy Chair of the Board of Governors from 1 October 2022 to 11 May 2023, then Chair of the Board of Governors from 12 May 2023).

Appointed Members

- Ms Sue Hall (Chair of the Remuneration Committee, term of office ending on 30 November 2025)
- Dr Louise Brooke-Smith (term of office ending on 31 March 2024)
- Mr Parmjit Singh (term of office ending on 31 March 2025)

Co-opted Members

- Ms Helen Ross (term of office ending on 31 March 2025)
- Ms Natasha Harris (term of office ending on 31 March 2025)

University officers are invited to attend the Remuneration Committee as required. The following officers have attended the Remuneration Committee during 2022/2023:

- Professor Philip Plowden (Vice-Chancellor until 30 September 2023)
- Ms Karen Stephenson (University Secretary)
- Mr Mark O'Dwyer (Director of Human Resources)
- Mr Alan Fitzgerald (Deputy Director of Human Resources)
- Ms Heather Brannan (Committee Secretary until 30 September 2022)
- Ms Rachel King (Committee Secretary from 1 October 2022)

DEFINITION OF SENIOR POST HOLDERS

The University has implemented the Office for Students definition of 'senior post holders' and therefore include all employees earning a substantive salary of £100k and above in this category.

During the financial year 2022/23, 25 employees met the definition of senior staff employed in the following posts:

- Vice-Chancellor
- Deputy Vice-Chancellor (3 post holders)
- Pro-Vice-Chancellor and Executive Dean (4 post holders)
- Pro-Vice-Chancellor of Learning and Teaching
- University Secretary
- Principal of the Royal Birmingham Conservatoire
- Director of Estates and Facilities
- Director of Finance (2 post holders, 1 part year only)
- Director of Human Resources
- Director of Innovation and Enterprise
- Director of International Office

- Director of IT and Digital
- Director of Marketing and Communications
- Director of Planning and Intelligence
- Director of Student and Academic Services
- Director of Strategic Academic Engagement
- Director of Transformation
- Deputy Dean
- Professor and Academic Director of Civic Engagement and Impact

APPROACH TO REMUNERATION FOR ALL STAFF

Birmingham as a city is both vibrant and growing. There are a number of other Higher Education Institutes on our doorstep and many more within an hour's commute. The University continues to operate in an increasingly competitive employment market and our positioning as a practice-based University means that not only do we compete within the higher education sector but also within a broader employment market as we seek to attract employees with strong academic credentials and experience across all market sectors and disciplines. The external market has been particularly challenging in 2022/23 due to the high level of inflation placing increased pressure on pay.

A modern university is seeking to attract not just the best teachers or professional services staff. We are seeking fully rounded academics who appreciate the strength of research-informed teaching and engaging with the modern world to bring that world into the classroom. We also seek professional services staff who have seen what best practice looks like and who aspire to work in partnership with our academics to deliver the best outcomes possible for all stakeholders in the University.

The University sits outside of the national negotiating pay framework and therefore has an opportunity to differentiate itself from other universities and provide a unique reward offering to employees, which, whilst maintaining market comparability, directly rewards contribution in terms of the outcomes, values and behaviours defined in the prevailing University Strategic Plan. The intent behind the pay system is to position the University attractively as an employer and to have a pay system which is clear, transparent and easily understood. The University [Pay System and Policy](#) incorporates all relevant employment legislation and is underpinned by the University's core values and commitment to equality and diversity.

The principles underlying the pay system have not changed in the last year and these are:

- The total reward package will be comparable to market median for good, competent performance.
- All employees will receive at least the living wage.
- The University does not participate in the national pay structure and negotiating framework but will ensure recognised Trade Unions and the Employee Forum are involved in the reward determination process.
- The University will commit to an annual review of pay which will be informed by market conditions and the University performance against Strategic Plan targets.
- The Individual Performance Review process (appraisal system) is at the heart of our assessment of an individual's performance
- Individual pay progression will be within the annual framework agreed by the University and determined by individual performance and contribution assessed against individual, team and University objectives and targets.
- There is no contractual right to a general pay increase or to progression payments.

APPROACH TO SENIOR STAFF REMUNERATION

The approach to senior staff remuneration follows the University wide pay system and policy with the addition of the following principles:

- Senior Staff will be defined as those earning over £100k per annum (or as otherwise defined in relevant regulations/guidance).
- The University's positioning of senior staff pay will mirror that for the general staff group – currently defined as a 'median' market payer.
- The University accepts that, as for the general staff population, it will on occasions be necessary to take an individualised approach to remuneration to reflect the nature of specialist roles or external market conditions.
- Senior staff pay increases and annual pay awards will be expected to mirror those of the general staff group, but this will be kept under review with particular regard to the merits of performance related pay provision.
- The University has an Individual Performance Review process (appraisal system) which includes all staff and where performance feedback is shared and development plans created.

EXTERNAL PERSPECTIVES RECEIVED BY THE COMMITTEE

During the year the Committee received input from both the Committee of University Chairs (CUC) through the form of reports and circulars, as well as benchmark pay information relevant to the roles within its remit from external sources including CUC, the Universities and Colleges Employers Association (UCEA) and the Hay Group.

SENIOR STAFF REMUNERATION DATA 2022/23

PAY BAND TABLE – SENIOR STAFF – 2022/23

- The table excludes the Vice-Chancellor's remuneration which is disclosed in full below.
- No unconsolidated performance related payments have been made to senior staff in respect of the 2022/23 financial year.
- Senior staff received the consolidated 2.5% general pay increase effective from 1 August 2022 paid to all staff and the consolidated 2.5% general pay increase effective from 1 February 2023 paid to all staff.

Pay Band	Number of Employees 2022/23	Number of Employees 2021/22
£100,000 - £105,000	0	4
£105,001 - £110,000	4	2
£110,001 - £115,000	3	4
£115,001 - £120,000	4	1
£120,001 - £125,000	0	1
£125,001 - £130,000	2	4
£130,001 - £135,000	0	5
£135,001 - £140,000	8	0
£140,001 - £145,000	0	0
£145,001 - £150,000	0	0
£150,001 - £155,000	0	0
£155,001 - £160,000	0	2
£160,001 - £165,000	0	1
£165,001 - £170,000	2	0
£170,001 - £175,000	1	0

VICE CHANCELLOR REMUNERATION

Professor Plowden was in post for the whole reporting period in question.

The Chairman of the Board of Governors assessed Professor Plowden's annual performance review and confirmed that the Vice-Chancellor is performing at the expected level and continued to perform well in his leadership role of Birmingham City University.

Separately, as is allowed under university policy where a staff member has exceeded the Pensions Lifetime Allowance, Professor Plowden received a payment equal to the employer's contributions in the relevant occupational pension scheme rather than continue to make direct contributions to the relevant occupational pension scheme. This is reported in the table below as 'payment in lieu of employer pension contributions'.

At the beginning of 2023, Vice-Chancellor Professor Philip Plowden announced he will retire from his role in October 2023 after more than six years of leading the University, and overseeing significant growth in student numbers. After a competitive recruitment process Professor David Mba has been appointed as our University's next Vice-Chancellor joining BCU on 1 October 2023.

	2022 - 23	2021 - 22
Salary	£266,597.00	£253,750.00
Performance Related Pay	£0.00	£0.00
Non Cash Benefits	£0.00	£0.00
Subtotal	£266,597.00	£253,750.00
Payment in lieu of employer pension contributions	£54,733.44	£50,173.00
Pension costs	£0.00	£4,561.00
Total	£321,330.44	£308,484.00

During the year in question, the Vice-Chancellor did not claim any reimbursed business expenses (during the previous year, the Vice Chancellor also did not claim any reimbursed expenses).

The median basic annual salary for all employees (including academic and non-academic members of staff during the 2022/23 financial year) equates to £37,588. The median total annual salary for all employees (including academic and non-academic members of staff during the 2022/23 financial year) equates to £42,639.

To calculate the pay multiples below, the definition for the multiple is based on the methodology used by UCEA, which includes pay expressed as a full-time annual equivalent annual salary and excludes employer pension contributions.

The pay multiple of the Vice-Chancellor salary in comparison to the median basic annual employee salary is 1:7.01.

The pay multiple of the Vice-Chancellor salary in comparison to the median employee total remuneration is 1:7.46.

The Committee will continue to review the ratio on an annual basis to ensure it stays within an acceptable range.

SEVERANCE ARRANGEMENTS

During the period of the report, no senior staff have been exited from the business and there have not been any individuals who have received severance payments.

EXTERNAL APPOINTMENTS AND EXPENSES

The University published in 2020/21 its [Policy on Consultancy and Other External Work](#) that sets out its approach to the retention of income generated from external bodies.

During the year in question, the Vice-Chancellor received no external income. Please view the link to the [Expenses Policy](#).