



BIRMINGHAM CITY
University

REMUNERATION ANNUAL REPORT

Financial Year 2023/24

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 26 November 2024 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. See pages 6 - 8 of this report for the Remuneration Committee - Operation and Terms of Reference.

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

- Anita Bhalla (Deputy Chair of the Board of Governors from 01 October 2022 to 11 May 2023, then Chair of the Board of Governors from 12 May 2023)
- Hugh Jones (member of the Board of Governors from 01 October 2020, Deputy Chair of the Board of Governors from 12 May 2023)

Appointed Members

- Sue Hall (former Chair of the Remuneration Committee, term of office ended on 31 March 2024)
- Joanne MacPhail (Chair of the Remuneration Committee, term of office ending on 31 March 2028)
- Patrick Nyarumbu (term of office ending on 31 March 2028)
- Mr Parmjit Singh (Deputy Chair of the Remuneration Committee, term of office ending on 31 March 2025)

Co-opted Members

- Ms Natasha Harris (term of office ending on 31 March 2025)
- Ms Helen Ross (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 2023/2024:

- Professor David Mba (Vice-Chancellor from 1 October 2023)
- Ms Karen Stephenson (University Secretary)
- Adam Race (Chief People Officer from 24 June 2024)
- Mr Mark O'Dwyer (Director of Human Resources until 30 November 2023)
- Mr Alan Fitzgerald (Director of Human Resources from 01 August 2024)
- 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 2023/24, 34 employees met the definition of senior staff employed in the following posts:

- Vice-Chancellor (2 post holders, both part year only)
- Deputy Vice-Chancellor (3 post holders, all part year only)
- Pro-Vice-Chancellor and Executive Dean (4 post holders)
- Pro-Vice-Chancellor Education
- Pro-Vice-Chancellor of Engagement, Enterprise and Innovation (part year only)
- Interim Pro-Vice-Chancellor of Research (part year only in this role)

- Chief Operating Officer (part year only)
- Chief People Officer (part year only)
- Chief Financial Officer
- Principal of the Royal Birmingham Conservatoire
- University Secretary
- Director of Brexit Studies
- Director of Estates and Facilities
- Interim Finance Director
- Director of Human Resources (part year only)
- Director of Innovation, Enterprise and Employability
- 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 (4 post holders, 2 part year only)
- Professorial Advisor

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.

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 2023/24

PAY BAND TABLE – SENIOR STAFF – 2023/24

- The table excludes the Vice-Chancellor's remuneration which is disclosed in full below.
- Senior staff received the consolidated 3.0% general pay increase effective from 1 August 2023 paid to all staff.

Pay Band	Number of Employees 2023/24	Number of Employees 2022/23
£100,000 - £105,000	6	0
£105,001 - £110,000	1	4
£110,001 - £115,000	5	3
£115,001 - £120,000	1	4
£120,001 - £125,000	4	0
£125,001 - £130,000	1	2
£130,001 - £135,000	2	0
£135,001 - £140,000	3	8
£140,001 - £145,000	4	0
£145,001 - £150,000	1	0
£150,001 - £155,000	2	0
£155,001 - £160,000	0	0
£160,001 - £165,000	0	0
£165,001 - £170,000	0	2
£170,001 - £175,000	2	1
£175,001 - £180,000	2	0

VICE CHANCELLOR REMUNERATION

Professor Philip Plowden was in post as Vice-Chancellor until he retired on 30 September 2023 and was succeeded by Professor David Mba who commenced as Vice-Chancellor from 1 October 2023.

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 continued 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'.

Professor Philip Plowden's remuneration:

	2023/24	2022/23
Annualised Salary	£274,595.00	£266,597.00
Performance Related Pay	£0.00	£0.00
Non Cash Benefits	£0.00	£0.00
Subtotal	£274,595.00	£266,597.00
Payment in lieu of employer pension contributions	£22,805.60	£54,733.44
Pension costs	£0.00	£0.00
Total	£297,400.60	£321,330.44

During the year in question, Professor Philip Plowden did not claim any reimbursed business expenses (during the previous year, Professor Philip Plowden also did not claim any reimbursed expenses).

Professor David Mba's remuneration:

	2023/24
Annualised Salary	£265,000.00
Performance Related Pay	£0.00
Non Cash Benefits	£0.00
Subtotal	£265,000.00
Payment in lieu of employer pension contributions	£0.00
Pension costs	£40,633.32
Total	£305,633.32

During the year in question, Professor David Mba was paid £8,070.87 for relocation expenses.

The median basic annual salary for all employees (including academic and non-academic members of staff during the 2023/24 financial year) equates to £40,048. The median total annual salary for all employees (including academic and non-academic members of staff during the 2023/24 financial year) equates to £46,329.

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 1:6.62. The pay multiple of the Vice-Chancellor salary in comparison to the median employee total remuneration is 1:6.77.

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, 5 senior staff have been exited from the business and 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](#).

BIRMINGHAM CITY UNIVERSITY BOARD OF GOVERNORS

REMUNERATION COMMITTEE – OPERATION AND TERMS OF REFERENCE

CONSTITUTION

The Board of Governors of the University has established a committee of the Board known as the Remuneration Committee.

PURPOSE

Within the overall framework for the pay and conditions of service of staff set by the Human Resources Committee on behalf of the Board of Governors, the Remuneration Committee has responsibility for reviewing the pay and conditions of service, pension provision and severance arrangements of senior staff (including the Vice-Chancellor and the Clerk to the Board of Governors) as defined by the Office for Students.

MEMBERSHIP

Two ex-officio members (the Chair of the Board of Governors and the Deputy Chair of the Board of Governors).

At least three lay (external) members of the Board of Governors appointed by the Board of Governors on the recommendation of the Nominations and Governance Committee.

Up to three co-opted members with particular expertise from outside the University appointed by the Board of Governors on the recommendation of the Nominations and Governance Committee.

The Chair of the Committee shall be an external member of the Board of Governors other than the Chair of the Board who may not chair the Committee.

Employees of the University shall not be members of the Remuneration Committee.

All members should be independent, objective and non-executive with no significant interests in the University.

EXPERTISE

At least one member of the Committee should have relevant experience in the field of remuneration.

ATTENDEES

The following University Officers attend meetings at the invitation of the Committee:

- The Vice-Chancellor
- The University Secretary and Clerk to the Board of Governors
- The Chief People Officer
- The Committee Secretary

With the agreement of the Chair, other University officers may be invited to attend meetings of the Committee as and when appropriate.

The Vice-Chancellor, the University Secretary and other University officers attending meetings of the Committee shall not present or be involved in any discussions on pay, conditions of service or performance that directly affect them.

COMMITTEE SERVICING ARRANGEMENTS

The Secretary to the Remuneration Committee will be the Clerk to the Board of Governors (or another appropriate individual).

Papers for the Committee will be distributed by the University Secretariat one week prior to the date of each meeting.

QUORUM

The Committee shall have a quorum of three members, two of whom should be external members of the Board of Governors.

FREQUENCY AND OPERATION OF MEETINGS

The frequency of meetings shall be determined by the Committee to allow it to discharge its responsibilities but there shall normally be at least two meetings per academic year timed to facilitate timely reporting to the Board of Governors.

In the unavoidable absence of the Chair, the Committee will elect a Chair from amongst those members present who are members of the Board of Governors (but noting the requirements of paragraph 3.4 above).

A Committee member may join a meeting remotely subject to prior notice being given to the Chair and the Committee Secretary.

If a member is unable to attend a meeting, provision will be made for them to submit comments on any papers either via the Committee Secretary or the Chair.

REPORTING PROCEDURES

The Committee shall report annually to the Board of Governors on its decisions and operation in a format that provides sufficient assurance that it has discharged its responsibilities effectively.

TERMS OF REFERENCE

To determine, on behalf of the Board of Governors (and on the recommendation of the Vice-Chancellor in respect of posts other than their own) the pay and conditions of service of the Vice-Chancellor, the University Secretary (whose role encompasses Clerk to the Board) and all other members of senior staff as determined by the Board (the Board had determined that the definition of senior staff should be the definition used by the Office for Students).

To ensure, in the discharge of its responsibilities under 10.1 above, that members of the Board who are not staff of or students of the University are informed of the salary levels of those members of senior staff that fall within the remit of the Committee to determine.

To approve any performance related pay schemes and associated targets for members of senior staff and the total annual payments made under such schemes.

To ensure that principles of best practice, the public interest and the safeguarding of public funds are considered alongside the interests of the University when determining all forms of payment, reward and severance to senior staff within the Committee's remit and that the decisions taken are both fair to the individual and the University.

In respect of the duties outlined above, to ensure reward policy and practice reflect the University's commitment to ensuring equality of treatment for all groups of staff.

To consider Equality, Diversity and Inclusion matters relating to senior staff and monitor compliance with the Public Sector Equality Duty.

To produce an annual remuneration statement (which will ideally be the same as the report outlined in 9.1 above but modified as necessary to preserve commercial confidentiality) for signature by the Chair of the Remuneration Committee and publication within the annual report and accounts or as a standalone document.

OTHER OPERATING PROCEDURES

The Vice-Chancellor and the Chief People Officer will ensure that the Chair of the Committee is given advance notification of any likely future severance matters, in order to allow for appropriate consideration and guidance. However, there may be instances where a severance situation arises at short notice. In such cases it will be for the Chair of the Committee to decide whether they are able to take Chair's action in approving the arrangements, or whether the matter requires the input of the full Committee. In the event of the Chair of the Committee being unavailable for consultation on an urgent severance issue, authority is delegated to the Deputy Chair of the Board of Governors or an appointed member of the Remuneration Committee to determine the appropriate course of action.

SELF-REVIEW

The Committee will undertake a review of its terms of reference on an annual basis.

The Committee will periodically (and at least every four years) undertake a review of its effectiveness and recommend any proposals for change to the Board of Governors.

*Approved by the Board of Governors in November 2023
Next review due November 2024*

BIRMINGHAM CITY UNIVERSITY BOARD OF GOVERNORS

REMUNERATION COMMITTEE – OPERATION AND TERMS OF REFERENCE

ANNEX 1 – CURRENT MEMBERSHIP / ATTENDEE DETAILS

CURRENT MEMBERSHIP

Current Members

Ex-officio Members

- The Chair of the Board of Governors
Anita Bhalla
- The Interim Deputy Chair of the Board of Governors
Hugh Jones

Co-opted Members

- Natasha Harris
(First term of office 1 March 2023 – 31 March 2025)
- Helen Ross
(First term of office 1 March 2023 – 31 March 2025)

IN ATTENDANCE

- Professor David Mba, Vice-Chancellor
- Karen Stephenson, University Secretary
- Adam Race, Chief People Officer
- Rachel King, Committee Secretary

Updated April 2024