



WORKING MEN'S COLLEGE
(trading as WM College)

Remuneration Annual Report 2019/20

Approved by Remuneration Committee
3 February 2021

Working Men's College

Remuneration Annual Report 2019/20

1 Introduction

- 1.1 In March 2019 the College's Board of Governors adopted the Colleges Senior Staff Remuneration Code ("the Code") recommended by the Association of Colleges (AoC) Governors' Council and published in December 2018.
- 1.2 The Code requires the production of a Remuneration Annual Report and an Annual Statement based on the report which should be "readily accessible" and published.
- 1.3 WM College is committed to transparency and accountability and intends to publish this report in full rather than produce a reduced or shortened version as an Annual Statement.
- 1.4 The College's key strategic objectives, main performance indicators and the outturn and performance against them are published in the College's annual report account which is available on the College website www.wmcollege.ac.uk.

2 Remuneration Committee

- 2.1 The terms of reference of the College's Remuneration Committee are attached as appendix A.
- 2.2 Membership of the Remuneration Committee is determined as:
 - Chair of Corporation
 - Up to 3 Vice Chairs of Corporation
 - Chair of Finance, Personnel and Development Committee

The Committee is chaired by one of the members of the committee other than the Chair of the Corporation

- 2.3 During 2019/20, these posts were held by:

Guy Shackle	Chair of Corporation
Paula Whittle	Vice Chair of Corporation (resigned 31 Jan 2020)
Kate Bell	Vice Chair of Corporation
Barbara Byrne	Chair of Finance Personnel and Development Committee

Paula Whittle was Chair of the Remuneration Committee until her resignation from the Corporation on 31 January 2020. She was succeeded as Chair of the committee by Barbara Byrne.

- 2.4 The Remuneration Committee met once during 2019/20, on 13 January 2020 and the meeting was attended by all committee members.

- 2.5 The Designated Senior Postholder positions within the College, where individuals are appointed or dismissed by Corporation rather than the Principal, and where responsibility for determining remuneration sits with the Remuneration Committee are:
- Principal (also Chief Executive and Accounting Officer)
 - Deputy Principal
 - Vice Principal (designated from January 2020)
 - Clerk to the Corporation
- 2.6 The Committee may consider and advise the Principal on remuneration of other Executive Management Group posts.

3 Approach to Remuneration

- 3.1 WM College is one of three Institutes of Adult Learning in the London Borough of Camden and five in London. The colleges work collaboratively with each other, although there is inevitably also some competition for learners and staff.
- 3.2 The College's Governors seek to recruit, retain and reward outstanding leaders, managers and staff who are able to deliver the mission and strategic objectives of the College, providing the best possible outcomes for learners and the College community. They endeavour to establish remuneration packages that balance attracting the best candidates for these posts with effective and justifiable use of the College's taxpayer-funded resources.
- 3.3 Salary and other remuneration is set having due regard to the market rates for the sector, the geographical region in which the College operates and the experience and skills that individual postholders bring, considered against the current priorities and needs of the College.
- 3.4 Remuneration structures and levels also reflect the comparatively small size of the College in the sector, the simplicity of its standalone nature and its local focus.
- 3.4 College Governors have determined the following principles for remuneration of all staff:
- a commitment to observe the London Living Wage, including for outsourced cleaning staff.
 - a commitment to link all jobs to the AoC pay scale and to implement the AoC's recommended annual pay award in full each year, as long as this doesn't jeopardise the financial stability and viability of the College.
 - linking the sessional staff teaching pay rate to an AoC teaching scale point.
 - auto-enrolment into a pension scheme that provides a meaningful level of pension, not just the statutory auto-enrolment minimum levels.
 - There are no expense entitlements other than reimbursement of direct out of pocket expenses applicable to all staff.
 - No staff member is entitled to, nor retains, remuneration from any trustee, non-exec director or similar appointment to any other body by virtue of their post at WMC.

- Pension scheme arrangements for senior appointments are the same as for all other employees.
- Annual cost of living awards are considered and applied to senior appointments in exactly the same way as for all other employees.

These have all been achieved except that not all staff are yet on AoC pay scales. Only the salaried teaching staff remain on a College pay scale and the College intends to move these staff onto the AoC pay scale once budgetary constraints can facilitate it. The financial consequences of the coronavirus pandemic mean that this will not be practical before 2021/22 at the earliest.

- 3.5 The Governors adopt the same approach to remuneration for the Principal and other senior postholders as is used for all other staff. That is senior postholders receive a salary within a short incremental scale and are entitled to the same pension benefits as other employees. The workforce pension schemes operated by the College are the Teachers' Pension scheme for academic staff and the College's Group Pension Scheme for non-teaching staff. Contribution rates for senior postholders are the same as for other staff at the time of appointment. No additional performance pay or other remunerations is offered and other benefits are identical to those available to all staff.
- 3.6 The Remuneration Committee will periodically review the pay scale of senior managers to ensure that they continue to reflect accurately the factors identified in 3.3 above. To support such a review, they will make particular reference to:
- The AoC Senior Staff Pay Survey information
 - The published salaries of comparator colleges
 - Current or recent job adverts

WM College participates in the AoC senior pay survey each year and makes use of the reports produced as outputs from the survey relating to all levels of management.

- 3.7 For this purpose, comparator colleges are considered to be:
- The other institutes of Adult Learning in London (Mary Ward College, Morley College, RHACC, City Lit)
 - Other colleges with turnover in the £5m - £10m range, particularly those in London or other metropolitan cities.

4 Institutional Performance

- 4.1 Although senior postholder pay is not linked to the performance of the institution or parts of it, the following key performance achievements of the College are provided for context.

4.2 Ofsted

The College was inspected in November 2018 and received grades of "Good" in every aspect.

4.3 Self Assessment Report

The College's Self Assessment Report for 2019/20 reported the following grades against the new Education Inspection Framework:

Overall Effectiveness of Provision	2
Quality of Education	2
Behaviour and Attitudes	1
Personal Development	1
Leadership and Management	1

4.4 Covid-19

WM College was affected by Covid-19 in common with other educational organisations. The College buildings were closed from mid-March until summer 2020. Although the majority of teaching and learning moved online, it was not possible to deliver all classes, notably the practical creative arts courses that rely on specialist physical resources in the College buildings. Some learners' personal circumstances, and lack of access to suitable kit or internet access, prevented them from participating online. Consequently the College lost a significant proportion of its fee income. Significant additional costs were also incurred in preparing for reopening and operating the College in a Covid-safe environment from July 2020 onwards when staff returned to the buildings.

Despite these adverse financial impacts, the College committed to paying all staff, including hourly paid sessional staff, in full until 31 July 2020 regardless of whether or not they were able to work from home. For cleaning staff furloughed by the cleaning contractor, the College funded the 20% top-up to their wages so they also continued to receive full remuneration.

4.5 Achievement of Funding Allocation

Despite the challenges of Covid-19 and online learning, the College achieved 95.7% of its Adult Education Budget (AEB) funding allocation for the 2019/20 year.

4.6 Financial Health

As a consequence of the loss of fee income and additional costs referred to above, the College reported a small operational deficit before investment gains/losses of £47k in 2019/20. As a result of these Covid-19 impacts, the College's financial health score reduced to "requires improvement" at the end of 2019/20, but Governors and managers are confident the College will return to a "good" rating when more normal operations can resume post-Covid. The College has adequate cash resources to support its activities and no recourse to additional loans or exceptional grants or other special Government support was necessary during the year or since the year end.

4.7 External Awards

The College was shortlisted in the Adult and Community Learning Provider of the Year category of the TES/FE awards for the second year running.

5 Principal's Emoluments

5.1 The Principal is also the Chief Executive and the Accounting Officer for the College. Helen Hammond was the College's Principal throughout the 2019/20 year.

5.2 Emoluments of the Principal were:

	2019/20	2018/19
	£	£
Salary	112	111
Benefits-in-kind	—	—
Subtotal	111	111
Pension Contributions (Teachers' Pensions)	<u>26</u>	<u>18</u>
Total	<u>138</u>	<u>129</u>

The increase in pension contributions results from the increase in employer contribution rate for all members from 16.48% to 23.68% with effect from 1 September 2019.

5.3 Relationship of Principal's Pay and Remuneration Expressed as a Multiple

	2019/20	2018/19
Principal's basic salary as a multiple of the median of all staff	4.2	4.2
Principal's total remuneration as a multiple of the median of all staff	4.2	4.2

5.4 Because of the specialist nature of many of the College's courses, the majority of the teaching staff are employed on an hourly paid, sessional basis. By headcount, these equate to around two-thirds of all College employed staff and so the median falls amongst them. The hourly rate of remuneration is linked to point 25 on the AoC pay scale and so the remuneration for the "median of all staff" is taken as the full time equivalent salary on AoC pay scale point 25.

5.5 The Principal did not receive or retain any income from external bodies on which she sat as a committee member or Trustee (2018/19 - £nil).