



WORKING MEN'S COLLEGE  
(trading as WM College)

# **Remuneration Annual Report 2020/21**

Approved by Remuneration Committee  
February 2022

# Working Men's College

## Remuneration Annual Report 2020/21

### 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 and financial statements which is available on the College website [www.wmcollege.ac.uk](http://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 (if not a Vice Chair of Corporation)

The Corporation can invite other appointed governors, with specialist expertise, to join the Committee.

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

- 2.3 During 2020/21, the members of the Remuneration Committee were:

Guy Shackle	Chair of Corporation
Barbara Byrne	Vice Chair of Corporation and Chair of Finance Personnel and Development Committee
Jon Sibson	Vice Chair of Corporation
Susan Corby	Corporation member with specialist HR expertise

Barbara Byrne was Chair of the Remuneration Committee throughout the year.

- 2.4 The Remuneration Committee met once during 2020/2021, on 3 February 2021 and the meeting was attended by all committee members. Due to prevailing government restrictions during the Covid-19 pandemic, the meeting was held online via Microsoft Teams rather than in person.

- 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
  - 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.

At 31 July 2021 College remuneration was compliant with the above principles with the following two exceptions:

- The salaried teaching staff are the only group who remain on a College pay scale and the College intends to move these staff onto the AoC payscale as soon as budgetary constraints can facilitate it. The financial consequences of the coronavirus pandemic mean that this was not practical for 2021/22, but it will be treated as a high priority for the 2022/23 budget planning.
- No cost of living pay award was made in 2020/21 because of the impact of Covid-19 restrictions on College operations and therefore income, notable significant loss of fee income and ongoing uncertainties of the financial consequences. As a result the College payscales were 1% below the AoC national recommended rates. The College is committed to rectifying this and returning to the national AoC rates as soon as it is financially viable.

- 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.
- 3.6 No additional performance pay or other remunerations is offered and other benefits are identical to those available to all staff. In November 2020 a small lump sum allowance towards the costs of working from home was made to all staff except for all members of the Executive Management Group who chose not to take the allowance.
- 3.7 The Remuneration Committee will periodically review the payscale 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.
- 3.8 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 2020/21 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 continued to be affected by Covid-19 during 2020/21, in common with other educational organisations. After returning to full face-to-face teaching delivery in September 2020, the College buildings were again closed as part of a “national lockdown” from January 2021 mid-March 2021. Although the majority of teaching and learning reverted to online delivery, it was not possible to deliver all classes, notably the practical creative arts courses that rely on specialist physical resources in the College buildings. These courses also provide the vast majority of the College’s fee income. Where these classes were cancelled, affected teaching staff (including sessional teaching and ALS staff), technicians, library staff, Learner Services staff and Curriculum Managers were either fully- or flexi- furloughed. During that period they were paid 80% of their normal or planned salary, regardless of whether or not that could be recovered through the government’s Job Retention Scheme.

#### 4.5 Achievement of Funding Allocation

Despite the challenges of Covid-19 and online learning, the College achieved 93.6% of its Adult Education Budget (AEB) funding allocation for the 2020/21 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 £94k in 2020/21. As a result of these Covid-19 impacts, the College’s financial health score remained at “requires improvement” at the end of 2020/21, 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 the first College in London and the first institute of adult education nationally to be accredited as a member of the Chartered Institute for Further Education.

### 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 2020/21 year.

5.2 Emoluments of the Principal were:

	<b>2020/21</b>	<b>2019/20</b>
	<b>£</b>	<b>£</b>
Salary	112	112
Benefits-in-kind	—	—
Subtotal	112	112
Pension Contributions (Teachers' Pensions)	<u>27</u>	<u>26</u>
Total	<u>139</u>	<u>138</u>

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

	<b>2020/21</b>	<b>2019/20</b>
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 (2019/20 - £nil).

## The Working Men's College Corporation

### REMUNERATION COMMITTEE - TERMS OF REFERENCE:

February 2021.

#### 1. Membership

- 1.1 The membership of the Committee shall be the Chair of Corporation, up to three Vice Chairs of the Corporation and the Chair of Finance Personnel and Development Committee, if not a Vice Chair. Subject to the approval of the Board, the Committee may invite other appointed governors to become members of the Committee.
- 1.2 Appointment to the Committee shall be for a period of three years.
- 1.3 The membership of the Committee shall be reviewed by the Corporation annually.
- 1.4 Staff or student members of the Corporation are not eligible to serve on the Committee.
- 1.5 Vacancies arising shall be referred to the Corporation.
- 1.6 The Committee shall be able to co-opt other Corporation members and non-members as required.
- 1.7 Decisions to be made at meetings of the Committee shall be determined by a majority of the votes of members voting. Where there is an equal division of votes, the Chair shall have a second or casting vote.

#### 2. Election of Chair

Election of Chair of the Committee shall be by a simple majority of the membership of the Committee. The appointment shall be ratified by the Corporation.

The Chair of the Remuneration Committee must not be the Chair of the Corporation.

#### 3. Frequency of Meetings

The Committee shall meet at least once a year.

#### 4. Quorum

A quorum shall be 40% of the full membership of the Committee (excluding co-optees) to the nearest whole number. This must be a minimum of 2.

#### 5. Attendance at Meetings

The Principal shall normally be invited to attend meetings of the Committee except where his/her remuneration package is being considered. The Committee may invite other senior post holders to attend meetings when necessary.

6. **Objectives**

To review and determine on behalf of the Corporation, the Corporation's policy on executive remuneration.

To decide on specific remuneration packages, conditions of service and any other employment matters relating to the senior post holders (currently the Principal, the Deputy Principal, the Vice Principal and the Clerk to the Corporation).

7. **Tasks**

**The Committee is an executive committee delegated by the Corporation to:**

7.1 Decide on a specific remuneration package and an appropriate contract and terms and conditions for the College's senior post holders.

7.2 Investigate any activity within its terms of reference and duties.

7.3 To present an Annual Report of the Committee's actions for adoption by the Board:  
To Propose an Annual Statement for publication on the WMC website

7.4 Obtain outside legal or independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise it if considers this necessary.