REMUNERATION COMMITTEE ANNUAL REPORT TO COUNCIL

2025–26

SUMMARY

- The Office for Students expects higher education providers to comply with the Committee of University Chairs Higher Education Senior Staff Remuneration Code and this requires the production of a Remuneration Annual Report, which is presented here and reviewed annually
- The format and content of the report follows the template for such reports provided by the Committee of University Chairs
- In the RCM and wider HE context, for these purposes, the 'senior staff' comprise those staff whose pay is outside the national pay framework, which in the RCM's case are members of the Directorate. It does not ordinarily encompass the RCM's other senior managers, such as heads of faculty or heads of large professional services departments, who are paid on the national pay framework grades and scale

ACTION

- Remuneration Committee to approve
- Council to note

Jennifer Allison
Head of HR
September 2026

Introduction

1. Remuneration Committee met on twice during 2025-2026; 18 September 2025 and 18 June 2026.
2. The 2025-2026 terms of reference and membership of the Remuneration Committee can be found as an appendix to this report. The Committee noted the terms of reference and are content that due regard has been taken to the responsibilities of the Committee during the year and that all procedures and processes have been undertaken as required.

Approach to remuneration

3. In 2018, the Remuneration Committee and Council approved a new 'RCM Directorate salary policy and annual review procedure'. This has guided, and will continue to guide, decision-making in respect of senior pay. A copy of the policy and procedure which is reviewed annually is included as an appendix to this report. This policy establishes that the Remuneration Committee will take into account:
    - the competitive environment and markets that the College operates within,
    - the fundamental principles that will guide all decisions related to remuneration, including the balance to be struck between recruiting, retaining and rewarding the best staff possible, in order to deliver the best outcomes for students, society and the economy while demonstrating effective use of resources and
    - the approach to setting remuneration, e.g. the extent to which economic factors, competition, market rates, roles, skills, experience and individual performance influence decision making.

- these points are set out in more detail in the attached policy.

4. RCM specific factors include the global context in which the RCM operates: its standing and market position amongst conservatoires, its successes, and the market for senior talent world-wide.
5. At the meeting held on 18 June 2026, the Director reminded the Committee that they had received information throughout the year at both Council and Finance & General Purposes Committee which informed members about the RCM's performance through the 2025-2026 year in respect of the areas detailed in the RCM Directorate salary policy and annual review procedure (attached as an Appendix).
6. It was noted that after careful consideration, the College had decided not to opt in to the JNCHES pay negotiations for 2026-2027 in order to allow for greater flexibility. The Committee noted that the JNCHES pay negotiations for 2026-2027 were ongoing. The Committee approved the recommendation of a 3% uplift to the RCM payscale to be effective from 1 August 2026.

Pay awards for senior staff 2026-2027

7. In determining pay awards for 2026-2027, the Remuneration Committee took into account the context in which the RCM is currently operating:
    - Comparable data for senior leadership roles in Higher Education, the charity sector and the private sector
    - Data on pay for international heads of institution
    - The national negotiations on an annual cost of living award for 2026-2027
    - The recommendation of a 3% uplift to the RCM payscale
    - The current financial situation of the RCM
    - The financial context across the sector and ongoing cost of living challenges
8. At the meeting on 18 June 2026, the Director presented the latest Director's Report to Council. A full report was later presented to the RCM Council on 8 July 2026.
9. Following detailed in person Career Development Reviews with the Director, the Director presented the relevant Directorate Annual Reviews for the year 2025-2026, which highlighted key achievements and future plans and objectives for individual Directorate members. The high calibre of Directorate colleagues, in terms of leadership and support, was particularly commended by the Director and noted by the Committee.
10. The Committee considered and approved the salary recommendations for members of the Directorate.

External earnings and expenses

11. The RCM has a single published expenses policy as part of its financial regulations, which applies to all staff, in respect of income paid and expenses reimbursed by third parties.
12. No external earnings were declared for 2025-2026.

CONFIDENTIAL - PAY RATIOS (in accordance with the OfS Accounts Direction re: Pay Ratios)

James Williams Director from September 2024	2024-2025	2025-2026	Explanation
Head of Institution (basic salary)	£240,000	£247,000	
Pay in lieu of pension contribution	n/a	n/a	
Benefits (Healthcare provision)	£10,071	£6,022	
Employer Pension costs (DIS)	£34,800	£35,844	
Head of Institution (total remuneration)	£284,871	£289,066	
Pay Ratio of the Head of Institution's Basic Salary and the median basic salary of all other staff	5.6:1	6.2:1	Significant increase in student workers
Pay Ratio of the Head of Institution's Total Remuneration and the median total remuneration of all other staff	6.1:1	6.2:1	

2025-2026					
median workforce	£40,130		£46,796		
mean workforce	£43,520		£49,966		
median academic (salaried & hourly paid)	£54,453		£70,070		
mean academic (salaried & hourly paid)	£56,077		£70,295		
median non-academic salary	£39,608		£45,721		
mean non-academic salary	£45,100		£52,435		
highest Head of Faculty salary	£89,790		£128,410		
median JD teaching staff	£38,857		£40,023		
median casual worker	£45,495		£45,495		
lowest point in use on the RCM pay scale	£28,848		£33,031		
lowest salary	£24,119		£24,843		
standard RCM student worker rate	£28,246		£29,094		

Appendix

Remuneration Committee

Terms of Reference applicable to the period of this report (2025-26)

1. To promote equity, diversity, inclusion and belonging (EDIB) with specific reference to the RCM EDIB policy and strategy, and to reflect regularly on how the work of the Committee might support the strategy.
2. To consider internal metrics such as Gender Pay Gap and Equal Pay reporting and the wider sector context in seeking to ensure fair remuneration for all staff groups.
3. Having due regard to the guidance of the Office for Students and the Committee of University Chairs, to establish policies and procedures for the selection and appointment of Directorate members and the Director (i.e. those staff whose pay is outside the national pay framework, normally referred to as the 'senior staff' in a wider HE context).
4. To approve the arrangements for the recruitment and the appointment of Directorate members, on the recommendation of the Director.
5. To approve the terms and conditions of service, remuneration, and pay awards for Directorate and the Director.
6. To produce an annual report to Council on the work of the Committee.

Membership

Chair	Catherine Clarke
Chairman of Council	Lord Black of Brentwood
Chair of Finance & General Purposes Committee	Richard Goulding
Chair of Estates Committee	Duncan Owen
Investment Committee representative	Ruth Keattch (term ended 2026)
Co-opted member with experience in the field of remuneration, if such expertise is not otherwise within the membership of the Committee	

In Attendance

Head of HR	Jennifer Allison (Secretary)
Director	James Williams

The Director will attend meetings only to advise on Directorate salaries other than his own and will not be present for any discussion of his/her own salary.

The Deputy Director and/or the Clerk to Council will attend meetings only to advise on policy and procedures relating to governance matters concerning remuneration and committee business. They will not be present for any discussion of any Directorate salaries.

RCM Directorate salary policy and annual review procedure

Updated May 2026

Element I - A fair, appropriate and justifiable level of remuneration

Remuneration starts with a clear understanding of the responsibilities, context and expected contribution of a role and the attributes required to undertake that role effectively. Fair and appropriate remuneration will recognise an individual's contribution to the RCM's success in that role, and establish whether it is sufficient to recruit, retain and motivate staff of appropriate calibre in the context of the market for that role, balanced with the need to demonstrate the achievement of value for money in the use of resources.

Principles

- Remuneration will take account of the global context of excellence in which the RCM operates
- Remuneration must be linked to the value delivered by an individual acting within a role
- The range of the values of a role is based on a number of components
- The RCM will be clear about what it expects from staff, i.e. what is normal and what is exceptional. There will be a robust and consistent process for setting objectives and assessing an individual's contribution
- Remuneration can vary according to individual performance
- From time to time the value of a role may need to be changed in light of changing conditions, sustained performance, experience etc.
- Non-achievement of an individual's expected contribution should have consequences.

Element II – Procedural fairness

Procedural fairness requires remuneration to be set through a process that is based on competent people applying a consistent framework with independent decision making using appropriate evidence and assessing the value of roles, the context and individuals' performance in them. No individual can be involved in deciding his or her own remuneration.

Principles

- Directorate member remuneration will be determined in the context of the RCM's approach to rewarding all its staff.
- No one will have any part in deciding their own remuneration.
- The Remuneration Committee will be independent and expert.
- Decisions will be based on robust evidence.
- The Remuneration Committee will justify its decisions or recommendations to Council and other stakeholders.
- The Remuneration Committee is chaired by the Deputy Chair of Council. The Director is not a member of the Remuneration Committee.

Element III - Transparency and accountability

The process for setting remuneration will be transparent. For Directorate members there will be an institutional-level justification for the remuneration of this group that relates it to the competitive environment, the value of the roles and the RCM's performance. The remuneration of the Director will be separately justified, published and related to the remuneration of all staff within the organisation.

- The approach to remuneration for Directorate members will be publicly explained and remuneration decisions will be transparent in the annual report of the Remuneration Committee to Council.
- RCM will publish pay multiples and illustrate how these multiples have changed over time in the annual report of the Remuneration Committee to Council. In the event of any significant increases in any multiples, the RCM will publish an explanation supporting any change in this annual report.
- Evidence that affects Directorate member remuneration will be explained in the annual report.

Remuneration Committee criteria and process for Directorate pay

1. Remuneration of staff whose pay is outside the national pay framework (which in the RCM's case are members of the Directorate) takes account of the global context in which the RCM operates: its standing and market position amongst conservatories, its successes, and the market for senior talent world-wide.
2. Remuneration takes account of internal comparators: the gender pay gap, equal pay review, pay multiples (see below), the approach to pay for other academic and professional services roles at all levels.
3. In its annual report, the Remuneration Committee will publish the multiple of the remuneration of the Director and the median earnings of the RCM's whole workforce and the ratio of the remuneration of the Director and the median academic salary. For the purposes of these multiples, 'earnings' is defined as total taxable employment earnings, including base salary, allowances, and the cash value of benefits-in-kind. The median earnings figure used for the multiple are the median full-time-equivalent annual earnings of all staff employed by the RCM. The RCM will also disclose the previous year's pay multiple and the year-on-year change in the multiple. The Committee will provide an explanation for any significant changes in the pay multiples, describing what factors have caused movements in both median and top earnings and thus changes in the pay multiple from the previous year.
4. The range of the values of a role is based on a number of components. Criteria for assessing the value of roles will include:
    - complexity (scale and range of decision making, collaboration and contact, time-critical activity);
    - impact (on students, research, finances and people, including employees, partners and community);
    - discretion (level of accountability, degree of autonomy and decision-making authority);
    - knowledge and skills required (including specialist skills);
    - reputation and academic/professional credibility needed for the role;
    - an ability to recruit and retain key staff; and
    - external comparisons.
5. When recruiting Directorate members, the RCM will reflect on its expectations of what a post will contribute and then determine the appropriate range of the remuneration package before the post is advertised, offered or awarded. The range may be advertised and may be amended in light of applications received.
6. To retain staff, the Remuneration Committee will consider market position, typically by looking at a set of comparators, which will be publicly disclosed. Comparator selection may depend on the type of post being filled. In choosing comparators, the key expectation is that they will help in setting remuneration levels that reflect the value of the relevant post when assessed according to its level of accountability, market position and responsibilities.
7. The RCM does not operate a formal system of performance pay scheme. However, remuneration for Directorate members will take account of a report on individual performance by the Director and, in the case of the Director, by the Chairman of Council.
8. In line with the College's Annual Review & Professional Development scheme, the Director will conduct Annual Reviews with each member of Directorate during the period May-July. These Reviews are the opportunity for Directorate members to reflect on the previous year's objectives, set objectives for the coming 12 months and discuss any wider concerns or professional development objectives.
9. In making decisions, the Remuneration Committee will be informed by the Council's view of the performance of the RCM against its strategic ambitions, its key performance indicators, and by the risk environment. A balance will be achieved between the achievement of RCM's long and short term objectives.
10. The Director's personal objectives will be agreed by the Chairman of Council, in consultation with the Remuneration Committee, before the start of each academic year; these will reflect the strategic objectives of the RCM.
11. In assessing Directorate member performance, the Remuneration Committee will take account not only of factors that are directly under the control of Directorate members, but also of factors outside their control, when those Directorate members can mitigate or influence the impact of those uncontrollable factors.
12. In making severance payments, the RCM must meet their contractual obligations and be able to justify any payments made. Universities and colleges will need to carefully consider any advice that is available from regulators. Remuneration Committees have specific responsibilities in this area – in particular, ensuring that contracts agreed with Directorate members are fair, reasonable and justifiable and do not expose the RCM to significant potential liabilities, for example by having excessive notice periods.

13. It is important that staff represent the RCM on various bodies and boards and carry out academic and civic responsibilities at other organisations, e.g. non-executive director roles. The Remuneration Committee will receive a report by the Director on any significant additional income for individuals from external bodies, which will include a rationale for allowing retention of external income and any limits on the amount of time individuals have been permitted to devote to external income-generating activity. Remuneration Committee will also consider any external earnings of the Director, as disclosed by the post holder to the Chair, and will determine what can be retained.
14. The RCM has a single published expenses policy as part of its financial regulations, which applies to all staff.
15. The RCM will disclose the remuneration of Directorate members annually as set out in the current accounts direction.
16. In addition to the Remuneration Committee's annual report, the RCM will also publish a remuneration annual statement within the annual report and accounts.

Evidence to support Directorate salary reviews

The Head of HR will produce and collate the following data:

- Annual Gender pay gap report, with detailed tables beyond the published report showing pay levels at the range of levels of the institutions and different staff categories, academic and professional services
- The latest Equal pay review, with detailed tables showing pay levels at the range of levels of the institutions and different staff categories, academic and professional services
- A report on national pay negotiations/decisions for other staff on the national pay spine, covering likely or agreed cost of living award and value of increments at different grades on the pay spine, including the highest grades, such as of heads of faculty
- multiple of the remuneration of the Director and the median earnings of the RCM's whole workforce, the ratio of Director and the median academic salary and the ratio of the Director and the highest head of faculty salary; previous year's pay multiple and the year-on-year change in the multiple
- University and Colleges Employer Associations (UCEA) Senior Staff Remuneration Survey, (from 2019).
- Times Higher report of Vice Chancellor salaries
- Review of senior salaries in a range of competitor institutions, using financial statements data

The Director will produce a report:

- on each member of the Directorate setting out current salary, proposed salary increase and a justification in each case based on the performance of the individual within the year and, where related to the post, the success of the College as a whole, any retention factors related to the market for the role, and a cost-of-living increase (which should be no more than the likely or actual such increase for staff on the national pay spine).
- on the success or otherwise of the institution across the year and the longer term, to cover, as appropriate, institutional performance in the context of the size and complexity of the College in:
    - teaching (e.g. TEF, NSS, student feedback, recruitment and admission, student outcomes and employability, teaching awards, programme leadership etc.);
    - research (e.g. publications, impact, research leadership, major initiatives including with external partners etc.);
    - artistic success;
    - management and administration (e.g. professional, professorial and academic leadership, service enhancement and delivery, policy development and delivery, income generation, improving performance of school or service etc.);
    - financial targets – financial sustainability metrics
    - leadership of staff (e.g. development and performance of staff, quality of appointments etc.);
    - partnerships and external relations internationally, nationally and locally (e.g. leadership in external networks and communities); and, major initiatives and projects (e.g. international initiatives, capital projects etc.);