

**NORTHERN SCHOOL OF CONTEMPORARY DANCE  
REMUNERATION AND STAFFING ANNUAL REPORT 2023.24**

**Section A - Introduction**

**1. Introduction: Senior Staff Remuneration Code**

Northern School of Contemporary Dance (NSCD) considers that it is important that there is transparency and openness in relation to Designated Senior Post-holder (DSP) pay. This document outlines the mechanism by which NSCD's DSP remuneration is determined. It follows the principles set out in The Higher Education Senior Staff Remuneration Code introduced by Committee of University Chairs. Although use of the Code is voluntary, NSCD has adopted it.

DSPs are the School's most senior and highest paid staff. By adopting the Code, the school seeks to demonstrate a high standard of stewardship of DSP pay. It hopes that stakeholders can have confidence that appropriate oversight of DSP pay takes place, and that public money is being used appropriately.

The Code sets out the following principles:

- I. a fair, appropriate and justifiable level of remuneration.
- II. procedural fairness; and
- III. transparency and accountability.

Each of these elements are underpinned by several supporting principles and this report is intended to address those, covering the following topics:

- The responsibilities of the Remuneration Committee.
- Its membership
- The context in which NSCD operates
- An outline of the Designated Senior Post-holders' pay award 2023-24 and the rationale underpinning that decision
- The remuneration of the Principal
- The relationship between the remuneration for highest and lowest paid employees

**Section B - Summary of the Work of the Remuneration Committee in 2023/2024**

**Terms of Reference**

The Remuneration and Staffing Committee is the body that determines the level of Designated Senior Post-holders' pay. The Terms of Reference for the Remuneration and Staffing Committee detailing its responsibilities, can be found at Appendix 1.

**Meetings and Membership**

During 2023/24 the membership of the committee was as follows:

<b>Name</b>	<b>Governing Body Membership Criteria</b>
Kate Buckham (Chair)	Independent
Peter Moizer	Independent
Cathy Myles	Independent
Ben Mitchell	Independent

As of 14 November 2023, the membership of the Committee was:

- Mrs Kate Buckham – Independent Governor and Chair of the Committee
- Professor Peter Moizer – Chair of Governors
- Mr Ben Mitchell – Vice Chair of Governors (to July 2023) and Chair of Finance and Resources Committee
- Ms Cathy Myles – Independent Governor (from July 2023)

Both Ben and Cathy stepped down from their role as Governor on 9 July 2024 and simultaneously resigned from their roles on the Remuneration and Staffing Committee.

Further appointments to the committee were confirmed by the Board meeting in October 2024 as new members from the Board of Governors were identified.

## Context

The School had a total income of just over £5.2M in 2023-24, of that approximately £4.3M is generated from undergraduate and postgraduate courses, being mainly from regulated tuition fees and grants for our UK and EU students, and funding body grants, with the remainder from international students and independent fee payers. Since June 2022 the School has received its funding directly from OfS as a result of being an independent registered higher education institution. We also receive approximately £200K of funding from the Department of Education for our Centre for Advanced Training. In addition, the School received a core grant from the Arts Council England of around £153K per annum as a result of gaining National Portfolio Status until 2023. Finally, the School received around £303K from other commercial activities such as theatre box office, studio lettings, weekly classes and short courses. £138k has been generated during the year from investment income.

The School retains its key financial objectives around the overall level of tuition fee income, in expectation that key grant funding from the OfS may be removed or reduced in the near future. As the School progresses with its application to have Full Degree Awarding Powers it will allow the School to ensure its undergraduate and postgraduate offering remain industry relevant to ensure student applications both from the UK and internationally remain high. NSCD continues to maintain rigorous financial discipline whilst at the same time looking to continue to invest in students, staff and facilities.

NSCD's staff cost for 2023-24 was just under £2.69M, employing during the year, 86 full and part time staff, equivalent to 53.22 FTE. Of these, 67 receive a fixed monthly salary and the remaining 19 are paid via submission of monthly claims for hours worked. These are predominantly Learning and Participation and CAT teaching staff teaching weekend and evening classes, musician/accompanists and guest teaching staff on the undergraduate and postgraduate programmes. The breakdown of staff is summarised as 5% SPH, academic staff 23%, support staff 50% and casual staff 22%.

The School, is a Scheduled Body and as such is required to offer occupational pensions to its staff. Both are defined benefits scheme, and as such employer contribution rates and benefits are relatively high:

<b>Scheme</b>	<b>Eligible Staff</b>	<b>Employer contribution rate</b>
Local Government Pension Scheme	<ul style="list-style-type: none"> <li>• Business Support</li> </ul>	16.00% 16.5% from April 2024
Teachers' Pension Scheme	<ul style="list-style-type: none"> <li>• Teaching Staff</li> </ul>	28.68% (as of 1 April 2024)

DSPs are members of one or other of the above schemes.

In 2023-24 all staff, apart from the Senior Management Team, received a consolidated pay increase of 3% effective from 1<sup>st</sup> November 2023. It is proposed that in 2024-25 all staff will receive a consolidated pay increase effective from 1 January 2025. The % will be determined at the November 2024 meeting.

#### Designated Senior Post-holder's Pay Increase: 2023-24

The Remuneration Committee is responsible for advising and seeking the approval of the Governing Body on the remuneration of the Principal and Designated Senior Post-holders (DSPs). At 14 November 2023 the DSPs were:

Sharon Watson	Principal and CEO
Darren Carr	Vice-Principal and Director of Higher Education
Ruth Manning	COO and Director of Finance
Joan Matthews*	Clerk to the Governors

\*in post until 30 September 2024

In order to ensure that DSP salaries are benchmarked appropriately, the School participates in the Universities and Colleges Employers Association (UCEA) Senior Staff Remuneration Survey, which is widely used within the sector and provides comparative data for senior posts in a range of higher education institutions. The Committee considered the data from that survey, along with other relevant comparative data, including from the commercial sector and other similar providers, and former CDD schools, at its meeting in March 2024.

The Committee agreed that Guild HE institutions with income of up to £40M was an appropriate comparator group, and that in light of the School's turnover of c£5M, target salaries should be set at 80% of the lower quartile figure in that group. The Committee did, however, recognise that some DSP salaries were closer to the target salary than others and agreed to award increases that reflected that, with effect from 1 April 2024.

In reaching its decision, the Committee:

- Received advice from the Principal summarising the performance of the DSPs
- Agreed that there were no performance management issues which would potentially preclude any DSPs from receiving a pay award.
- Were cognisant of the salary increases made to staff.

On the recommendation of the Remuneration and Staffing Committee, in April 2024 the Board approved a Senior Staff Remuneration Policy which set out the School's approach to the remuneration of its senior postholders.

#### Remuneration of the CEO and Principal

The table below sets out the remuneration of the Principal for the past three years.

	2021-22*	2022-23*	2023-24
Salary	£79,751	£94,531	£101,241
Performance Related Pay	£3,000	Nil	Nil
Benefits	Nil	Nil	Nil
<b>Sub Total</b>	<b>82,751</b>	<b>94,531</b>	<b>101,241</b>
Pension Costs	19,274	22,385	25,716
<b>Total</b>	<b>£102,025</b>	<b>£116,916</b>	<b>£126,957</b>

\*Per Annual Accounts

### Pay Multiple: Principal to Median and Lowest Paid Employee

The following table details the pay multiple of the Principal when compared to the median pay of all employees.

	2020-21*	2021-22*	2022-23*	2023-24
School - Basic Pay of Principal to median Pay	2.25	2.55	2.72	2.93
School - Total Remuneration of Principal to median Remuneration	2.36	2.64	2.84	3.09
HE Sector - Basic Pay of Principal to median Pay (published by OfS)	5.68	5.60	5.59	Not published
HE Sector - Total Remuneration of Principal to median Remuneration (published by OfS)	6.11	6.21	6.14	Not published

### Retention of Income from External Bodies

All DSP contracts contain an exclusivity of service clause, and the Remuneration and Staffing Committee is not aware of any instances of remunerated external work taking place. A policy on the retention of income from external bodies was approved by the Remuneration and Staffing Committee in October 2021. This will be reviewed and presented at a forthcoming sub committee during the 2024.25 year.

### Explanation of any significant change

There are no significant changes to report.

## Northern School of Contemporary Dance

### Terms of Reference

#### REMUNERATION AND STAFFING COMMITTEE

1.	<b>Membership</b>	1.1	Four Board Members (excluding staff and student members) including the Chair of the Board of Governors.
		1.2	The Committee may, if it considers it necessary or desirable, appoint up to two External Experts.
		1.3	The Chair of Finance and Resources Committee should normally be a member.
2.	<b>Quorum</b>	2.1	Two, with Board members in the majority.
3.	<b>Frequency of Meetings</b>	3.1	At least twice per year.
4.	<b>Attendance at meetings</b>	4.1	The Principal, and HR Manager shall normally attend meetings at the invitation of the Committee except where their remuneration package is being considered. The COO and Director of Finance may also attend meetings where appropriate. The Committee shall have the power to invite such other persons, including senior post holders, to attend meetings as may be desirable and necessary.
		4.2	Other Board members shall have the right of attendance, save that the Committee may, when they are satisfied that it is appropriate, meet without staff or student members being in attendance. Such persons shall not have a vote.
5.	<b>Authority</b>	5.1	The Committee is authorised by the Board to investigate any activity within its Terms of Reference. It is authorised to seek any information it requires from any Board Member, Committee or employee of the School and all Board Members and employees of the School are directed to co-operate with any request made by the Committee.
		5.2	The Committee is authorised by the Board to obtain outside legal or other independent professional advice provided that the Committee may not incur direct expenditure in this respect without prior approval of the Chair of the Board.
6.	<b>Duties</b>	6.1	Review and recommend to the Board policies on remuneration (including senior post-holders) so as to: <ul style="list-style-type: none"><li>• ensure that staff are fairly rewarded; and</li><li>• give due regard to the interests of the public and of the financial health of the School.</li></ul>

		6.2	<ul style="list-style-type: none"> <li>Determine the specific remuneration packages of the Principal and other senior post-holders annually in line with the Senior Staff Remuneration Policy.</li> </ul>
			<ul style="list-style-type: none"> <li></li> </ul>
		6.4	<p>Determine any compensation (including the augmentation of pension benefits) which may be payable in the event of the early termination of the employment of the Principal or any other senior post-holder with the broad aim of:</p> <ul style="list-style-type: none"> <li>avoiding rewarding poor performance.</li> <li>dealing fairly with cases where early termination is not due to poor performance.</li> </ul>
		6.6	<p>Review the Board's policies in relation to all aspects relating to the remuneration and employment of the Principal and other senior post-holders including</p> <ul style="list-style-type: none"> <li>Senior staff remuneration policy (see also 6.1).</li> <li>Policy on income derived from external activities</li> <li>Grievance and Disciplinary policies for senior staff</li> </ul>
		6.7	Advise the Board regarding annual pay awards for all staff (other than Senior Post Holders).
		6.8	Consider those risks allocated to the Committee for oversight.
		6.9	<ul style="list-style-type: none"> <li></li> </ul>
		6.10	To comply with the CUC HE Remuneration Code, produce and publish a readily accessible annual statement, based on an annual report.
		6.11	Considering and recommending the School's HR Strategy to the Board.
		6.12	Reviewing and monitoring key performance indicators in relation to the School's HR functions and staff development
		6.13	Reviewing and monitoring significant changes to the School's employment policies and procedures and framework of pay and conditions for staff.

		6.14	Reviewing and monitoring the School's HR arrangements to ensure they conform with its policies on Equality and Diversity
		6.15	Reviewing and considering any proposed significant staffing changes, referring any proposals with substantial additional resource implications to the Finance and Resources Committee.
		6.16	Reviewing and considering any proposals for restructuring within the organisation, in particular those where collective consultation is required or where redundancies may be made.
		6.17	Reviewing and monitoring the health and wellbeing of staff, including consideration of any reports on staff surveys.
<b>7.</b>	<b>Performance Monitoring</b>	7.1	The Committee will consider its own performance against agreed performance indicators and report on this to the Board of Governors annually.
<b>8.</b>	<b>Chair</b>	8.1	The Chair of the Committee will be appointed by the Board of Governors but shall not be the Chair of the Board
<b>9.</b>	<b>Committee Servicing</b>	9.1	The Committee shall be serviced by the Clerk to the Governors, except where his/her remuneration package is being considered.
<b>10.</b>	<b>Reporting Procedures</b>	10.1	Approved minutes will be presented to the next available Board Meeting.
<b>11.</b>	<b>Appointing Authority</b>	11.1	Members shall be appointed by the Board of Governors.
<b>12.</b>	<b>Approval and Reviews</b>	12.1	These Terms of Reference will be reviewed and approved by the Board of Governors biennially.  Date approved: November 2023 Review due: November 2025