

## Remuneration Annual Report

### Institute of Development Studies

April 2025

(unless otherwise stated all information relates to financial year 2023/4)

#### 1. Introduction

- 1.1. The IDS Board of Trustees has adopted the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code.
- 1.2. The Committee of University Chairs (CUC) last updated its Higher Education Senior Staff Remuneration Code in November 2021. This revision aimed to enhance the principles of fairness, independence, and transparency in determining senior staff remuneration. The updated code emphasizes that remuneration should be fair, appropriate, and justifiable; determined through a fair and transparent process; and that institutions should be transparent and accountable in their remuneration practices. You can access the revised Remuneration Code on the CUC's at [Remuneration-Code-Revised-November-2021-final.pdf](#)
- 1.3. The Institute has committed to following the Code's guidance as best practice. As all aspects of the Code may not apply to IDS, the Board has committed to the 'apply or explain' concept in the code, which means that:  
  
*IDS will either state that they have complied with the minimum requirements of the code or will provide a meaningful explanation for non-compliance and how alternative arrangements meet its principles.*
- 1.4. The intention of the code is to apply to all remuneration decisions affecting the emoluments of the Director and other senior posts as prescribed in constitutional documents or by the governing body as being within the remit of the Remuneration Committee. Additionally, the principles of the code will apply to all remuneration policy and practice at IDS.
- 1.5. IDS endorse the code's three key elements for fair and appropriate remuneration, these being:
  - I. A fair, appropriate and justifiable level of remuneration;
  - II. Procedural fairness; and
  - III. Transparency and accountability.
- 1.6. IDS is also bound by the requirements of the charity commission who provide guidance via the SORP which establishes how the Institute must report remuneration in IDS statutory accounts. the SORP requires IDS to publish the pay of all employees earning over £60k in £10k brackets and sets out that:

*"All charities must disclose the total amount of any employee benefits received by trustees and its key management personnel for their services to the charity. The trustees of charities, particularly larger charities (charities subject to charity audit), should give consideration to the information needs of their funders and other stakeholders in making their accounting disclosures. For example, it may be helpful to provide details of the employee benefits received by the charity's Chief Executive*

*Officer or highest paid staff member, or alternatively a charity may choose to disclose the amount of employee benefits paid to its key management personnel on an individual basis.”*

1.7. Furthermore, IDS is aware of the OfS accounts direction Regulatory Advice note 9) which states:

*“A justification for the total remuneration package for the head of the provider. The justification must include reference to the context in which the provider operates, and be linked to the value and performance delivered by the head of the provider. It should contain an explanation of the process adopted for judging their performance. The justification should explain both the processes and oversight arrangements involved in making remuneration decisions and why the level of remuneration awarded to the head of provider is justified.”*

1.7 IDS delivers knowledge and policy solutions that can make a tangible difference in the world. Our world-class research is conducted and applied via equitable and sustainable partnerships with governments, philanthropic foundations, academic institutions and civil society organisations. Along side this IDS teaches at both Masters and PhD level.

1.8 Each of our researchers and research clusters raise funds and have a funding target to enable this research, through project, grant and consultancy fundraising alongside teaching. Fellows have a funding target of 180 days.

1.9 The IDS statutory accounts can be found at :  
<https://www.ids.ac.uk/about/governance/organisational-policies/>

## **2. The Remuneration Committee Terms of Reference**

3.1 IDS has two Remuneration Committees, Committee A and Committee B. We have two committees to ensure separation in decision making and ensuring that the Director of IDS is not a member of the committee setting the remuneration for the Director's post. Committee A is responsible for considering the Director's salary, package and performance. Committee B oversees the overall remuneration policy and practice within IDS. The committee's terms of reference have recently been updated to reflect improvements to the IDS salary scales and policies. The terms of reference can be found here <https://www.ids.ac.uk/about/governance/organisational-policies/>

2.1. All the members of Remuneration Committee A are independent trustees:

- **Chair:** Tamsyn Barton
- **Chair of the Board:** Professor Deepak Nayyar
- **Chair of the Resources, Audit, and Risk Committee:** Natasha Houseman
- **One external member:** Vacant
- **One additional Board member:** Awo Ablo

The Secretary for Committee A is the Director of HR. The Director of IDS does not attend. This committee meets annually in December.

2.3 Remuneration Committee B members include the Director as well as four independent trustees.

- **Chair:** Tamsyn Barton
- **Chair of the Board:** Professor Deepak Nayyar
- **Director:** Professor Peter Taylor
- **Chair of the Resources, Audit, and Risk Committee:** Natasha Houseman
- **One external member:** Vacant
- **One additional Board member:** Awo Ablo

The Secretary for Committee B is the Director of HR. This committee meets twice a year, in December and March.

2.4 The last substantive meeting of committees A and B was 14<sup>th</sup> of December 2024.

2.5 Committee B has an additional focus on those employees whose total pay (salary, bonus, incentives but not pension) is over £100k. This is to provide additional oversight over the outcome of the IDS Remuneration policy and practice. At IDS, including the Director, this would include six posts for the financial year 2023/24.

Name	Base Salary	Bonus	Incentive Payment	Ex-Gratia Payment
Individual 1	£154,687	£3,879	£0	£1,500
Individual 2	£113,421	£0	£14,416	£1,500
Individual 3	£110,683	£0	£0	£1,500
Individual 4	£98,780	£0	£8,675	£1,500
Individual 5	£96,171	£0	£5,601	£1,500
Individual 6	£96,172	£0	£7,344	£1,500

### 3. Approach to Remuneration

3.2 In the 2020-25 IDS strategy IDS is committed to:

*Fostering equality, diversity, and inclusion. We will work to eliminate discrimination by implementing and embedding our equality, diversity, and inclusion action plan. We will develop and deliver a reward, pay and benefits system that reflects our values and that enables us to deliver our strategic aims.*

3.3 IDS undertook a Reward Review, overseen by the Remuneration Committee of IDS, with comprehensive staff and union consultation. The reward review set out principles for reward at IDS:

- **Equity:** Ensuring that all staff are treated fairly and equitably in terms of pay and rewards.
- **Collegiality:** Promoting a sense of community and collaboration among staff.
- **Wellbeing:** Supporting the overall wellbeing of staff through fair and transparent reward systems.
- **Transparency:** Ensuring that the processes and criteria for determining pay and rewards are clear and communicated to all staff.

- **Financial Sustainability:** Aligning the remuneration system with the financial sustainability of IDS.

- 3.4 IDS introduced a revised salary structure in September 2024. The new structures apply to all staff, excluding the director. The new structure comprises an eight-band pay spine and five-point pay bands with automatic incremental progression, including professorial pay bands. It is based on the Upper Quartile of relevant market comparisons, encompassing the wider HE sectors, charities, and both the private and the public/not for profit sector. The decision to move to an upper quartile structure for all staff addressed historical salary levels at IDS and ensures effective recruitment and retention.
- 3.5 The new structures were implemented in September 2024 after a two-year development and negotiation period. Increases in salary were backdated to January 2024 for all staff. A small number of staff were red circled as part of the transition and IDS provided enhanced pay protection for a three-year period. We have received a small number of appeals relating to HERA evaluations and these are currently being finalised.
- 3.6 All roles at IDS are evaluated analytically using the Higher Education Role Analysis (HERA) as a job evaluation tool. In 2024, a new pay policy was implemented in accordance with the revised IDS Salary Scales, [IDS Bands](#). This policy strives to ensure equitable practices, guarantee equal pay for work of equal value, and maintain competitiveness in recruiting and retaining staff.
- 3.7 Our staff typically receive a cost of living award (COLA) increase, negotiated and decided at the national level by the Universities and Colleges Employers' Association (UCEA) and the relevant trade union, which is implemented annually on August 1st. IDS supports the Living Wage campaign to ensure that all staff have sufficient wages to meet daily needs, with all staff members remunerated above the Living Wage.
- 3.8 Additionally, salary benchmarking exercises will be conducted biennially.
- 3.9 An equal pay review will also occur every two years to uphold the principle of equal pay for work of equal value. IDS has published pay gender pay gap data and in 2025 we will publish our racial pay gap.
- 3.10 Currently, IDS does not offer performance-based pay as part of our salary scales for staff other than the director; however, incremental progression can be withheld due to capability issues.
- 3.11 As part of the reward review and implementation of the new salary structure, IDS aimed to ensure it met their values related to equality, diversity, and inclusion and commissioned a full external equality impact assessment. The assessment provides insights into pay across various protected characteristics and their impacts, showing a positive impact of the new salary structures.
- 3.12 IDS currently has a number of key policies relating to the current IDS reward framework and these are overseen by the Remuneration Committee. These describe the framework within which decisions are made. As a unionised employer, a number of these are collective agreements with the two recognised trade unions, UCU and Unison.

The main policies are: Pay Policy, Market Rate Pay Supplement policy, HERA Job Evaluation Policy.

3.13 All policies can be found at: <https://www.ids.ac.uk/about/governance/organisational-policies/>

#### 4. Costs, COLA and IDS Bonus Schemes

4.1 The total salary bill for 2023/4 was as follows:

- Wages and Salaries: £11,141,000
- Social Security: £1,185,000
- Apprenticeship Levy: £39,000
- Pension Costs: £1,944,000
- Redundancy: £13,000

4.2 In 2024/5 the COLA was between 4% and 2.5% depending on band. This applied to all staff including senior staff and the Director.

4.3 IDS revised the all-staff bonus scheme in 2024, the scheme is based on the collective performance of IDS. In 2023/4 no bonus was paid.

4.4 IDS offers Fellows expected to meet financial targets an incentive scheme. The scheme includes measures if targets are not reached. Remuneration committee B considers the overall payments from the scheme. The total payments for 2023/24 are as follows:

Total	Range	Average	Median
£191,545	£18,000 to £500	£6,800	£7,500

	Number	Average	Median
Women	17	£5,500	£5,500
Men	11	£9,000	£8,000

#### 5. Director's remuneration

5.1 The role has been evaluated by Korn Ferry, and ECC using HERA and benchmarked by Korn Ferry and Income Data Research (IDR). The evaluation took into account the details of the role, the size and complexity of the organisation, and the skills required to undertake the role. The committee also considered the UCEA senior pay survey results. This information will continue to contribute to the development of the Director's salary package as part of the current recruitment of a new Director for IDS. Regular benchmarking takes place and enables the committee B to continue to monitor the salary against the market. The Director pay in 2023/4 was

Year	Salary	Bonus paid	Ex Gratia Payment	Employer contribution to Pension Costs
2023/4	£154,686	£3,879	£1,500	£26,851

5.2 The Director received an ex-gratia payment in 2023/24 focused on addressing the cost of living crisis, in line with all staff.

5.3 The Director's performance is assessed by the Chair of the Board of Trustees, through a self-assessment by the Director and an annual performance appraisal including feedback from staff and trustees. The objectives are set by the Chair of the Board of Trustees and reflect the IDS strategy. In 2023/4 Remuneration Committee A considered the Director's performance, identifying if a salary increase was payable and bonus payable to the director. The consolidated performance increase was 2.5% and the bonus paid was 2.5%.

## 6 Pensions

6.1 IDS offers four pension schemes. Universities Superannuation Scheme, USS; IDS Pension and Savings Scheme, IDS PPS; University of Sussex Pension Scheme, USPAS (now closed to new members and IDS has left membership of the scheme in March 2024), and NEST. The following table provides details of eligibility and benefits of each scheme:

Scheme	Eligibility	Benefits
USS	<ul style="list-style-type: none"> <li>All employees grade 1-10 with continuous service prior to 1<sup>st</sup> September 2018.</li> <li>All academic and related employees who are subject to promotion through FRPB.</li> </ul>	<ul style="list-style-type: none"> <li>DC and DB elements</li> <li>14.5% employer contribution.</li> <li>6.1% employee contribution.</li> <li>Death in service benefits.</li> <li>Ill Health retirement benefits.</li> </ul>
IDS PPS	<ul style="list-style-type: none"> <li>All professional employees with continuous service from 1<sup>st</sup> September 2018.</li> </ul>	<ul style="list-style-type: none"> <li>DC</li> <li>10% or 12% employer contributions.</li> <li>3,4,5, or 6+% employee contributions.</li> <li>Life assurance of 5X salary</li> <li>Critical Illness cover of 50% of salary at the end of occupational sick pay period (after 12 months).</li> </ul>
USPAS	<ul style="list-style-type: none"> <li>Small number of professional employees in 2023/24, No employees in the</li> </ul>	<ul style="list-style-type: none"> <li>DB</li> <li>Final salary benefits.</li> </ul>

	scheme from March 2025. <ul style="list-style-type: none"> <li>• Closed to new members since 2009</li> <li>• Multi employer scheme with University of Sussex, IDS has now left the scheme.</li> </ul>	
NEST	<ul style="list-style-type: none"> <li>• Government Scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Used for Auto enrolment of casual workers.</li> </ul>

## 7 Pay Multiples at IDS

7.1 IDS historically has a low pay multiple, and these have remained broadly static over the last few years, reflecting the values of the Institute. The sector has an average of 6.8, and the local government 5.7 and the NHS 5.8. The pay multiples for the new salary structure remain intentionally low..

7.2 The median pay at IDS on the 30<sup>th</sup> of April 202 is £43,391

7.3 The Director's salary including bonus paid on the 30<sup>th</sup> of April 2024, is £159,074

7.4 The pay multiple is 3.67

## 8 External appointments and expenses

8.1 IDS have a contractual term that sets out that full time employees cannot earn more than £1500 for a specific piece of external work, without the express agreement of the Director.

8.2 The Director received no payments for external work.

8.3 Expenses are only paid on receipt and the IDS expenses policy can be found at:  
<https://www.ids.ac.uk/about/governance/organisational-policies/>

On Behalf of the IDS Remuneration Committee  
 March 2025