

## 1.0 Introduction

The Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code requires the Remuneration Committee to produce an 'Annual Statement of Senior Postholders Remuneration' to the Board of Governors on an annual basis.

This report is designed to provide sufficient assurance to the Board of Governors that the Remuneration Committee has effectively discharged its responsibilities.

## 2.0 Background

Higher Education Institutions (HEIs) have a major impact on the economy of the UK. HEIs make a valuable contribution to the social and cultural life of their communities. UK HEIs provide cost-effective, world-renowned research and have many global institutions and companies as partners. They act as vital anchor institutions in their regions, working alongside public sector and commercial organisations in driving productivity and creating a sense of place. HEIs are also global businesses.

UK HEIs are large and complex organisations: the sector is diverse. All of this is delivered within an increasingly competitive environment both nationally and internationally, where student demand for places both at subject and institutional level is increasingly volatile. HEIs face constant challenges and increasing competition, to which they continue to respond by enhancing their presence and reputation internationally, nationally and locally, while at the same time maintaining and improving the learning and teaching they offer and the research they undertake.

With this agenda, it is vital that they should attract, recruit and retain the best possible staff. The risk of not securing the very best academic and professional leadership for institutions is an important consideration for the Board of Governors. In this context, it is important that any decisions on levels of remuneration must balance the need to demonstrate effective use of stakeholder funds with the need to recruit, retain and fairly reward those staff. Although not in the public sector, HEIs receive a significant amount of investment from taxpayers, students and other stakeholders and accordingly need to demonstrate to those that provide financial support that decisions made in respect of remuneration are evidence-based, proportionate and necessary to enable the HEI to continue to deliver effective outcomes in a competitive environment.

## 3.0 Remuneration Committee

The [Terms of Reference for the Remuneration Committee](#) are available to view online. These are reviewed annually and were last approved at the meeting held on 29 September 2020, as part of this annual review cycle.

The following members of the Board of Governors have served on the Remuneration Committee during the 2019-20 academic year:

- Chair of the Remuneration Committee: John Henderson (Deputy Chair of the Board)
- Members of the Remuneration Committee: Colin Hughes (Chair of the Board)  
Jonathan Vardon (Chair of Sustainability and Resources Committee)

During the academic year 2019-20, the Remuneration Committee did not employ additional services of any consultants to advise on remuneration considerations. Prior to September 2018 the Vice Chancellor was a Member of the Remuneration Committee. Since this date, the Vice Chancellor has been removed as a Member of the Committee and is now deemed as "in attendance" for specific agenda items. It

should be noted that the Vice Chancellor has not been present for consideration of her own salary at Remuneration Committee, irrespective of the membership status. This continues to be the case.

The Remuneration Committee met on the following occasions during 2019-20:

- 08 October 2019
- 12 May 2020

Membership of the Committee has not changed for the 2020-21 academic year.

As at the date of this report, the Remuneration Committee had met once, on 29 September 2020.

Minutes of the Remuneration Committee are classed as confidential and are not available publicly. This report however provides an overview of decisions made on Senior Postholders' remuneration for the academic year.

#### **4.0 The Approach to Remuneration Committee Deliberations on Senior Staff Remuneration**

The Remuneration Committee has considered the remuneration of the following postholders:

- Vice Chancellor and Chief Executive
- Deputy Vice Chancellor
- Chief Financial Officer
- Chief Operating Officer
- Pro Vice Chancellor – Student Experience (contract ended 29.02.20)
- Pro Vice Chancellor – Place and Engagement
- Pro Vice Chancellor - Digital

Remuneration deliberations are made in the context of the Remuneration of Senior Postholders Policy approved by the Remuneration Committee on 03 September 2018 and reviewed and updated on 08 October 2019. The [full policy is available on the University website](#).

#### **5.0 Annual Review of the Salary for the Roles**

##### ***5.1 Vice Chancellor and Chief Executive***

##### ***5.1.1 Background to the Remuneration Committees Discussions on Vice Chancellor's Pay***

To retain staff, the Remuneration Committee consider the market position of the Vice Chancellor and Chief Executive's role, reviewing this against comparator institutions/organisations. The choice of these comparators is linked to institutional strategy. The comparators are as follows:

- Birmingham City University
- University of Derby
- Wolverhampton University
- UCLAN
- Huddersfield University
- Liverpool John Moores
- Coventry
- Keele
- Leicester De Montfort
- Sunderland

For these purposes the Remuneration Committee utilises the CUC Annual Survey of Vice Chancellors' Remuneration.

In addition to this, the Remuneration Committee also use the University and Colleges Employers Association (UCEA) Annual Survey of Senior Postholders.

The University complies with the accounts direction provided by the Office for Students.

### 5.1.2 Vice Chancellor Comparator Information

The Remuneration Committee considers the market position of the Vice Chancellor and Chief Executive's role, reviewing against comparator institutions. For 2019-2020, the Vice Chancellor's total pay is currently above median against the UCEA Remuneration Survey but below the average when comparing total pay. The Vice Chancellor's salary is currently below all but two of the comparator institutions used in the CUC 2019-20 Survey.

### 5.1.3 Vice Chancellor Pay Multiples

The pay multiple of the Vice Chancellor and the median earnings of the institution's whole workforce, illustrating how that multiple has changed over time is shown below. To assist with consistency and comparison, the definition for the multiple is based on the methodology used by the Office for Students:

Median basic pay ratio (OfS Methodology)	Staffordshire University	Sector Overall	Post 92 Part of the Sector
2017-2018	6.3	7.2	6.7
2018-2019	6.5	7.0	6.6
2019-2020	Not available	Not available	Not available

Median total remuneration ratio (OfS methodology)	Staffordshire University	Sector Overall	Post 92 Part of the Sector
2017-2018	7.1	7.7	7.1
2018-2019	7.3	7.3	7.0
2019-2020	Not available	Not available	Not available

### 5.1.4 Performance of the University and the Contribution of the Vice Chancellor

The Remuneration Committee also considers the performance of the institution when reviewing remuneration of the Vice Chancellor and Chief Executive. Most notably, in the Strategic Plan from 2016-2021 there were three high-level key performance indicators. These were Teaching Excellence and Student Outcome Framework (TEF) Gold, top 50% position in the main UK league tables and financial sustainability.

Following resubmission in the TEF process, the University, based on its much-improved metrics, was awarded Gold standard in the Teaching Excellence and Student Outcome Framework (TEF) in 2019. The University currently has earned the following league table positions:

- Complete University Guide (75<sup>th</sup>)
- Guardian League Table (44<sup>th</sup>)
- Sunday Times Good University Guide (57<sup>th</sup>)

In addition, the following achievements are recorded:

- Second consecutive year in the THE World Rankings in 2019

- Shortlisted for the University of the Year Award at the Sunday Times Awards 2019 and shortlisted for THE University of the Year Award in 2020
- Winner of Midlands University of the Year Award in 2020

As part of the Queen's Birthday Honours, the Vice Chancellor received a CBE for her contribution to Higher Education in 2019. In addition, in recognition of her leadership, the Vice Chancellor was nominated for and completed the Cabinet Office National Leadership Centre Programme, for those who are recognised as amongst the most talented, high-potential leaders in their sector, nominated by the Department for Education. In 2020, the Vice Chancellor was also awarded the Deputy Lieutenant of the County.

## **5.2 All Other Senior Postholders**

To retain staff, the Remuneration Committee consider the market position of senior postholder's roles, reviewing this against comparator institutions/organisations. For these purposes the Remuneration Committee utilises the UCEA Annual Survey of Senior Postholders.

The deliberations and outcomes of the Remuneration Committee are in accordance with the Remuneration of Senior Postholders Policy.

## **6.0 Additional Benefits**

In addition to the base pay for the role, the Vice Chancellor and Senior Postholders also receive the following benefits:

- Increased death in service payment of 1 x salary
- Private medical provision for the role holder

Together with other contractual benefits such as annual leave, sickness payments and notice period. These have not changed during this academic year.

## **7.0 Additional External Income**

It is important for institutions that Senior Postholders represent the University on various bodies and boards and carry out academic and civic responsibilities at other organisations, e.g. non-executive director roles. The University's position on such income is outlined in the Remuneration of Senior Postholders Policy.

## **8.0 Expenses**

Within the Financial Regulations are the detailed guidance for the claiming of expenses incurred with fulfilling the requirements of the role. The authorisation of such expenses is as follows:

- Vice Chancellor to be authorised by the Chair of the Board of Governors
- Other Senior Postholders authorised by the Vice Chancellor

The Remuneration Committee, at its autumn meeting, reviewed the expenses claimed by Senior Postholders and were satisfied that these were at an appropriate level for the conduct of University business.

## **10.0 Severance Payments**

There were no severance payments made to Senior Postholders during this academic year.

## **11.0 Staff Not Within the Remit of the Remuneration Committee**

Staff who are not covered by the remit of the Remuneration Committee have their annual pay uplift determined through the national JNCHES Negotiating Committee, comprised of the seven recognised trade unions within the Higher Education sector and UCEA, representing the Universities as employers. There was no Cost of Living pay award, payable with effect from 1 August 2020 as the national pay discussions were not undertaken due to the impact of COVID19. In addition to the usual Cost of Living pay award, all other staff are employed within grades, which have incremental progression to the maximum of the scale, subject to satisfactory performance within the role. Individual's roles are placed within the correct grade using the HERA factor-based job evaluation scheme. The full range of contractual benefits for staff are available on the University's website.

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*Statement approved by the Remuneration Committee on 29 September 2020 and presented to the Board of Governors on 24 November 2020.*