

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 04 October 2022, as part of this annual review cycle.

The following members of the Board of Governors have served on the Remuneration Committee during the 2021-22 academic year:

- Chair of the Remuneration Committee: Jonathon Vardon (Deputy Chair of the Board)
- Members of the Remuneration Committee: Colin Hughes (Chair of the Board)
Sara Williams (Chair of Strategy & Performance Committee)

During the academic year 2021-22, 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 his 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 2021-22:

- 05 October 2021
- 10 May 2022

For the 2021-22 academic year, membership of the Committee changed to replace the Chair of Sustainability and Resources with the Chair of Strategy and Performance Committee (with the Committee Terms of Reference amended and approved accordingly). This has continued and consequently for 2022-23, the membership of the Committee remains the same.

As at the date of this report, the Remuneration Committee had met once during the 2022-23 academic year, on 04 October 2022.

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 (contract started on 01.03.22)
- Chief Financial Officer & Deputy Chief Executive
- Chief Operating Officer
- Pro Vice Chancellor – Education
- Pro Vice Chancellor – Digital Transformation (contract started 01.07.22)

Remuneration deliberations are made in the context of the Remuneration of Senior Postholders Policy approved by the Remuneration Committee on 03 September 2018 and last reviewed on 04 October 2022. 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 2021-22, the Vice Chancellor's total pay is currently below the lower quartile of the UCEA Remuneration Survey. The Vice Chancellor's salary is currently below all of the comparator institutions used in the CUC 2021-22 Survey, although it should be noted that the comparator institutions record a higher turnover.

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
2018-2019	6.5	7.0	6.6
2019-2020	6.6	7.0	6.9
2020-2021	6.6	6.8	6.6
2021-2022	<i>Available March 2023</i>		

Median total remuneration ratio (OfS methodology)	Staffordshire University	Sector Overall	Post 92 Part of the Sector
2018-2019	7.3	7.3	7.0
2019-2020	6.7	7.2	7.0
2020-2021	6.7	7.2	7.0
2021-2022	<i>Available March 2023</i>		

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 the remuneration of the Vice Chancellor and Chief Executive. Since the new Vice Chancellor was appointed in January 2022 the focus has been upon the following areas:

- Creation, development and delivery of the new 'Catalyst for Change' Strategic Plan, supported by a refreshed set of 15 key performance indicators, to shape the strategic direction and measure performance for the five-year period 2022- 2027.
- Creation, development and delivery of Five-Year Business Plans for the academic schools/institutes and the development of detailed new Strategic Priorities which support the delivery of the Strategic Plan.
- Recruitment of a number of senior roles to lead the delivery of the new strategic plan at both Executive, University Executive Board and Senior Leadership Team level.
- Leadership of major estates projects, as part of the developing campus masterplan, such as the opening of Catalyst, the opening of the Centre for Health Innovation at Stafford and the imminent opening of the Nursery and Forrest School.
- Foundation building work in the re-pivoting of the university to further develop its innovation and enterprise activities, as part of our civic agenda and supporting our strategy on income diversification together with a re-pivot of our student recruitment profile to have a greater focus on the 18-year-old market, with increased internationalisation through enhanced international student recruitment.
- Strengthening local, regional and national connections and partnerships to support the delivery of the 'Catalyst for Change' Strategic Plan.

During the 2021-2022 academic year, the University has secured the following achievements:

- Named Nurse Education Provider of the Year (Post-registration) at the Student Nursing Times Awards 2022.
- Awarded a 'Good' rating by the regulator Ofsted for quality of our apprenticeship provision.
- REF 2021 recognised more of our research as "internationally excellent" and "world leading". Overall, 68% of Staffordshire University's research was judged 3* "internationally excellent" and 4* "world leading", up from 37% in 2014 when the last REF results were announced. In addition, 87% of the University's research impact has been rated as "very considerable" or "outstanding".
- Named 4th in the Best UK Universities category at the StudentCrowd University Awards, the only independent awards based entirely on verified student reviews. Staffordshire University made the Top 20 in four of the 11 categories in the 2022 Awards including a 9th place for Job Prospects, 14th for Course Content and 16th for Teaching Quality.
- Winner of the Excellence in University/Industry Collaboration category at the TIGA UK Games Education Awards 2021.

The University has dropped in the main university league tables as a consequence of both changed metrics, in which the university performance has been less strong, and continued metrics where performance has dropped. The current league table positions are: Guardian University Guide 2023 - 68th place; Complete University Guide 2023 - 102nd place; and The Times/Sunday Times Good University Guide 2023 - 106th place.

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. The Cost of Living pay award, payable with effect from 1 August 2022, was determined as 3% for the majority of staff, with those in lower grades receiving a higher increase as a consequence of the national negotiation process. 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 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.

Statement approved by the Remuneration Committee on 04 October 2022 and by the Board of Governors on 16 November 2022.