

For consideration and noting

Solent University

To: Board of Governors

Meeting Date:
06/12/2022

Agenda item:
07

Paper Ref:
22/BG/53

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Written by: Helen Jones

This paper provides the Remuneration Annual report in line with the requirements of Committee of University Chairs (CUC) Remuneration Code.

ANNUAL REMUNERATION REPORT 2021-22 TO BOARD OF GOVERNORS

The Board is asked to:

1. Note the information below.

Resources and Value for Money

2. N/A.

Risk Implications

3. Risks associated with the remuneration and severance arrangements are identified as part of the people and development risk register.

Background

4. The Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code, dated November 2021, states in Element III (Transparency & Accountability) that:

'Each institution must publish a readily accessible annual statement, based on an annual report to its governing body, containing:

- a) a list of post-holders within the remit of Remuneration Committee;*
- b) membership of the Remuneration Committee;*
- c) its policy on the remuneration for post-holders within the remit of Remuneration Committee;*
- d) its choice of comparator institutions/organisations;*
- e) its policy on income derived from external activities;*

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f) the pay multiple of the HoI and the median earnings of the institution's whole workforce, illustrating how that multiple has changed over time and, if it is significantly above average, an explanation of why; and

g) an explanation of any significant changes.'

Post-holders within the remit of Remuneration Committee (SLT) for 2021/22:

5. Chief Financial Officer
Deputy Vice-Chancellor (Resources)
Senior Deputy Vice-Chancellor (Academic)
Dean, Faculty of Business, Law and Digital Technologies
Dean, Faculty of Creative Industries, Architecture and Engineering
Dean, Faculty of Sport, Health and Social Sciences
Pro Vice-Chancellor, Research and Knowledge Exchange
Pro Vice-Chancellor, Students and Teaching
University Secretary & Registrar
Chief Operations Officer
Chief Marketing Officer
Director, Solent Business School
Director, Warsash Maritime School
Director, Solent Law School
Head of Estates and Facilities
Head of Student Experience

Post-holders within the remit of Remuneration Committee (VC):

6. Vice-Chancellor

Members

7. For 2021/22, the membership of the Remuneration Committees (SLT & VC) was as follows:
Stephen Bolton, Independent Governor - Deputy Chair and Resources Chair
Georgina Corbett, External Committee member
Phil Cotton, Independent Governor & Chair of the Board
Philip de Klerk, Independent Governor & Audit Chair
Neil Hayward, Independent Governor & Chair of Remuneration Committees
Dame Professor Julie Lydon DBE, Independent Governor

The following were in attendance:

Professor Karen Stanton, Vice-Chancellor (SLT Committee only)
Andrea Thompson, Deputy Vice-Chancellor (Resources) – replaced by Helen Jones from the April 2022 meeting onwards

Approach to Remuneration

8. It is recognised that the University is operating, as are all HEIs in a competitive environment and market. This environment has become increasingly challenging over the last 12-months given the financial challenges linked to the global economic

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context and pandemic. This committee and the framework it operates within are designed to ensure that the reward of the University's most senior staff is fair, equitable and responsive in this highly competitive market and are in the context of the CUC HE Senior Staff Remuneration Code (November 2021) and the CUC HE Code of Governance (September 2020).

9. For the majority of staff at the University fair and equitable salaries are regulated by the use of job evaluation via Higher Education Role Analysis (HERA), UCEA for national pay awards and via the provision of 4 pension schemes based on contract type, Teachers' Pensions, USS (in limited circumstances), Aviva and Local Government Pension Scheme. Senior leadership Team salaries are based on reference to the annual UCEA Senior Staff Remuneration Survey findings and use the median for comparator Universities +/- 5%.
10. For all staff consideration where appropriate is given to the market via the Market Supplement Policy (Annex 1).
11. All members of the Senior Leadership Team as detailed in the attached ToR are eligible for a Performance Related Bonus (PRP) of up to 5% of their annual salary, normally payable in September of each year. The percentage is based on the performance of the previous year as assessed by Performance Development Review (PDR) and as reviewed and agreed by the Vice-Chancellor. As in 20/21, due to the current financial position, there will be no PRP bonus payments for 21/22.
12. The 2021 VC salary versus median salary of all other employees is 5.8 for total remuneration. This is slightly higher than in 2020 when it was 5.4 for total remuneration but remains consistently lower than the average ratio of Vice-Chancellor's pay to the median basic pay of all other staff at 7.2 as outlined in the CUC report of Vice-Chancellor's remuneration 2021.

Institutional performance

13. Performance Related Pay is based on performance against PDR objectives to achieve the institutional strategy, <https://www.solent.ac.uk/strategy-2025/what-does-it-mean-to-be-future-ready> . Performance in PDR is rated as either exceeds expectations, meets expectations and below expectations. All decisions made will be subject to affordability each year. Where non-consolidated bonuses are paid the total value of all such payments will not exceed a set amount calculated each year as follows:

Total value of salaries paid to eligible employees	X	National pay award for the sector
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No funds were allocated for PRP bonuses for 21/22.