

## **2021/2022 Annual Report of the Remuneration Committee**

### **Introduction**

This report summarises the business of the Remuneration Committee for the academic year to 31 July 2022 and sets out how the Committee has discharged its responsibilities as set out within the approved, and published, [terms of reference](#).

The report is prepared for members of the Board of Governors, but it is also published on the University website as part of our ongoing efforts to ensure the transparency of governance processes within the institution.

### **Terms of Reference and Membership**

#### Purpose

The Remuneration Committee is responsible to the Board of Governors for setting a framework for the pay and conditions of all staff and the appointment, assignment, grading, appraisal, suspension, dismissal and determination of the pay and conditions of service of holders of senior posts. The Remuneration Committee also has oversight of developments regarding the Vice-Chancellor's senior team, the Vice-Chancellor's direct line reports and the Pro Vice-Chancellors.

#### Membership

The Remuneration Committee is composed of six Independent Governors: the Chairs of the Board of Governors and its three major committees: Audit, Risk and Assurance, Finance, Estates & IT and People, Culture, Quality and Standards. An Independent Member nominated by the Chair of the Board of Governors and agreed by the Board serves as Chair of the Committee.

Accordingly, the members of the Committee for the period were:

Richard Bacon  
Jenny Body  
Laura Claydon (Chair)  
David Lamb  
Ian MacKenzie

Laura Claydon, Independent Member, became Chair of the Committee following ratification by the Board of Governors on 21 September 2021, replacing Clive Lewis, who resigned from his position as an Independent Member of the Board of Governors on 1 August 2021.

Jenny Body became Deputy Chair of the Board of Governors on 21 September 2021 and continued as Chair of the People, Culture, Quality and Standards Committee, hence there being 5 and not 6, members.

The Clerk to the Board of Governors, Dr Jodie Anstee attends the meetings of the Committee and, where appropriate, the Director of Human Resources & Organisational Development, Alison McIver also attends. Martin Augustus, Head of Employee Relations (formerly Head of HR Consultancy), attends meetings of the Committee in support of the Director.

For a fifth year the Committee secured the services of Julie Alderdice, a representative of Korn Ferry, Hay Group, to ensure the provision of independent expert advice. With the exception of the meeting held on 7 July 2022, Ms Alderdice attended all other meetings held during the year.

At the Committee's invitation, during the year the Vice-Chancellor attended for items related to the following:

- ◆ Loss of office payments.
- ◆ Senior manager pay progression.
- ◆ Review of performance of senior post holders.
- ◆ Items relating to external appointments of senior staff.
- ◆ Senior staff expenses.
- ◆ Succession planning.

The Committee was supported during the year by Christine Gledhill, Head of Governance and Deputy Clerk to the Board of Governors.

#### Declarations of Interest

The Committee routinely received declarations of interest from the Clerk to the Board of Governors and the Director of HROD, with a decision made on a case-by-case basis as to whether the individual should remain in the meeting.

Both individuals absented themselves from discussions that directly related to their performance and/or emoluments. They were also not present during any discussions related to the review of the performance of holders of senior posts and senior team pay progression.

The Head of Employee Relations and Ms Alderdice also absented themselves during discussions relating to the performance of holders of senior posts and senior team pay progression.

### **Committee Meetings**

The Remuneration Committee met three times during the 2021/2022 academic year, on:

Tuesday 19 October 2021.

Thursday 13 January 2022.

Thursday 7 July 2022.

The Committee was quorate on each occasion.

The minutes of the meetings held in October and January were shared with the Board of Governors at its meetings in November 2021 and March 2022 respectively when the Committee Chair provided Members with a commentary of discussions held. The minutes of the meeting held in July were not ready in time for the Board meeting held the following week, but the Committee Chair again provided Members with a commentary of discussions.

All meetings were held virtually using Microsoft Teams.

## **Business during the Year**

### 19 October 2021

The primary purpose of this meeting was to:

- Review the Terms of Reference, Membership and operating arrangements for the Committee.
- Review the annual summary of the External Appointments held by Tier 1 and Tier 2 staff, including new appointments for Tier 2 staff approved by the VC and the DVC and Provost.
- Finalise the Committee's annual report to the Board of Governors.
- Review the remuneration commentary for inclusion in the University Annual Report and Financial Statements for 2020/2021.
- Review the University's Remuneration Policy for Senior Staff.
- Review loss of office payments made since the previous meeting.

### 13 January 2022

The primary purpose of this meeting was to consider the following:

- Review of performance of and objectives setting for Tier 1 post holders.
- Senior manager pay progression.
- Review of the updated Committee of University Chairs' (CUC) HE Senior Staff Remuneration Code.
- Office for Students' Senior Pay Report.
- Termly summary of new Tier 2 External Appointment requests made to the VC and DVC and Provost.
- Loss of office payments made since the previous meeting.

### 7 July 2022

The primary purpose of this meeting was to consider the following:

- National pay negotiations latest position.
- Review of VC performance and objectives setting.
- Review of VC and DVC remuneration.
- Termly summary of new Tier 2 External Appointment requests made to the VC and DVC and Provost.
- Succession planning.
- Loss of office payments made since the previous meeting.

## **Institutional Performance and Market Position**

UWE Bristol is a modern civic university, with students at the heart of everything it does. The University's priority is to deliver an outstanding university experience for its students through innovative, practice-led, research informed learning. Our ambitious 2030 strategy is focused on transforming futures – from powering the future workforce to helping local economies thrive, to shaping the health and sustainability of our communities and creating solutions to solve global challenges.

UWE Bristol is a large and complex university which offers over 600 courses at undergraduate and postgraduate levels, and in professional development, delivered across a number of campuses in Bristol and through transnational education (TNE) provision across the globe. The University provides TNE opportunities through 15 partner institutions in 10 different countries. In 2021-2022 over 9,000 students were studying with the University through its TNE provision, a ten-fold increase in the last decade.

The University has over 38,800 students from 163 countries and is consistently rated highly for student satisfaction, achieving 77% in the National Student Survey (NSS) in the context of the challenging circumstances created by the global pandemic. The University's graduates are also consistently ahead of the market for both highly skilled employment and salary measures. 84% of research is rated as having an outstanding or considerable impact – including the development of personally adaptive robotic systems to support independent living for the elderly and reaching millions of young people with body confidence education.

The University has maintained strong financial performance against target, with EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) at 15.9% and cash flow generation (net of financial costs) at 20.8% of total income. The University is approved on the Office for Students Register of Providers with no ongoing conditions of registration. In terms of financial size and performance, UWE Bristol is one of the larger British universities.

The University employs over 4,000 staff and contributes over £500m a year to the local economy. This includes leading the development of the highly successful multi-million pound University Enterprise Zone (UEZ) which opened in 2016 to offer offices, labs and co-working spaces for entrepreneurs, innovators and high tech businesses.

Professor Steve West, CBE has been the University's Vice-Chancellor since 2008, and has developed and led an ambitious strategy for the University to achieve the successes highlighted above and is driving forward a £600m infrastructure investment programme.

Under Professor West's leadership the University has also demonstrated its commitment to, and strong track record of, working in partnership in the region to address educational and social inequalities.

Professor West has led the University through the uncertainty of the global Coronavirus pandemic and has continued to play an important role in the national effort to tackle Coronavirus, being instrumental in repurposing the 'Nightingale Hospital' in the University's

Exhibition and Conference Centre to a mass vaccination centre for the region. He has been recognised for his work on the recovery both regionally and nationally.

Professor West has also established a sector-leading role for mental health and held a number of non-executive positions in 2021-22 including President of Universities UK.

## **Approach to Remuneration**

Over time the Committee has continued to apply a strong, evidence-based ethos to its discussions and, in addition to supporting national pay negotiations, its agreed four key principles:

- i. clear alignment between remuneration packages of holders of senior posts and the organisational culture of the University;
- ii. whilst the University would be aligned to general regulatory and legislative changes, these would not necessarily dictate the University's remuneration framework for all staff;
- iii. where individuals exercised choice which provided the University with a financial benefit, there should not be an expectation for the University to share that benefit with the individual;
- iv. the university should not provide, or pay for, employee tax or pension advice.

The Committee also continues to apply the advice and guidance of the CUC HE Senior Staff Remuneration Code on how to set fair and appropriate remuneration for Vice Chancellors and other senior members of staff.

The primary sources of data, agreed by the Remuneration Committee for the purposes of benchmarking VC and DVC remuneration, are the Universities and Colleges Employers Association (UCEA) 'Senior Staff Remuneration Survey', the CUC's Annual Survey of VC Remuneration and information provided by benchmark institutions in their annual financial reports (as they are required to report by the OfS Accounts Direction). The following may also be drawn upon to underpin discussions:

- i. Reports and reviews from external experts commissioned by the Committee, as appropriate;
- ii. Internal analysis of salary distributions, performance and contribution to the strategy of the University.

The CUC HE Senior Staff Remuneration Code now sets out that remuneration committees consider benchmarking VC and DVC remuneration against international comparators, in particular, institutions in the USA and Australia; international benchmark data for these countries were considered therefore for the first time this year.

The Committee is aware that given the increased differential use of pensions and other benefits, 'total emoluments'<sup>1</sup> is becoming an increasingly useful comparator and that, at present, total emoluments figures are not included within the UCEA Survey.

In order to maintain the competitive positioning of UWE's reward packages the Committee routinely seeks to benchmark the University's 'S' Grade roles (S1-S6) within the upper quartile of the remuneration offered within comparator institutions.

At the summer term meeting each year, the Committee is provided with benchmark data in relation to the remuneration of the Vice Chancellor (VC) and the Deputy Vice Chancellor, (DVC). One of the data sets supplied relates to remuneration data for the VCs of a number of benchmark institutions. The agreed list of benchmark Higher Education Institutions (HEIs) adopted by the Committee is below:

The Nottingham Trent University  
Leeds Beckett University  
University of Plymouth  
Liverpool John Moores University  
Sheffield Hallam University  
The University of Portsmouth  
University of Northumbria at Newcastle  
University of Hertfordshire  
Birmingham City University  
The University of Central Lancashire  
Coventry University  
Manchester Metropolitan University  
Oxford Brookes University.

The agreed list of institutions was produced by considering the following data and indicators:

1. Institution income.
2. Staff numbers.
3. Student numbers.
4. Whether or not the proposed HEI has a business school.
5. Whether or not the proposed HEI has a medical school.
6. The TEF status of each of the proposed benchmark HEI.

In addition to remuneration benchmarking from a number of data sources, Remuneration Committee also takes advice on the Vice-Chancellor's pay from internal and external remuneration experts.

In considering the benchmark figures, from whatever source, the Committee remains aware that these should be considered carefully, and particularly so for this year, because:

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<sup>1</sup> Total emoluments include base salary and all other elements of pay, such as bonus and pension payments. The figure is, in effect, the total amount of 'profit' which an individual derives from their employment.  
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- i. A significant number of VCs have decided to exit pension schemes in the last few years, due to changes in taxation arrangements.
- ii. For VCs who remain members of the Teachers' Pension Scheme (TPS), employer's contribution rates for TPS increased in September 2019.
- iii. Many VCs waived their entitlement to bonuses in 2020 and either agreed a decrease in pay or a freeze on cost-of-living increases, due to the financial pressures caused by the COVID-19 pandemic.

When considering changes to the remuneration of Holders of Senior Posts the Committee also seeks to maintain a steady ratio between senior leaders within the University and the median pay of all staff within the institution noting that the [Hutton Review of Fair Pay in the Public Sector](#)<sup>2</sup> (2011) found that "median earnings are a more representative measure of the pay of the whole workforce".

The Vice-Chancellor is not a member of the Remuneration Committee and takes no part in any discussions on his remuneration.

#### Vice-Chancellor's Emoluments

The Committee also considers arrangements for the Vice-Chancellor's remuneration.

**The Vice-Chancellor's remuneration is set within the principles that it must be fair, appropriate and justifiable.**

The Committee monitors the relationship between the Vice-Chancellor's pay and that of the median UWE Bristol salary. At UWE Bristol the Vice-Chancellor's basic salary is 7.9 times higher, where the median pay is calculated on a full-time equivalent basis for the salaries paid to staff.

Under Professor West's leadership, against the backdrop of continued uncertainty within the higher education market and global economy, the University has maintained itself as a financially viable and sustainable institution, in addition to supporting a period of significant investment at the University.

At its meeting on 7 July 2022 the Committee recognised and commended the Vice-Chancellor's reputation as a very strong, capable and respected leader.

In recent years, the Vice-Chancellor's basic pay has increased only in line with the national pay award for other University staff. At the same meeting, REMCO agreed that the Vice-Chancellor again receive a basic pay increase in line with the national pay award. The Committee is satisfied that the Vice-Chancellor's pay remains proportionate when compared to that of his peers and in light of his performance to progress the University's Strategy 2030.

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<sup>2</sup> See <http://goo.gl/t9uehE>  
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## External appointments and expenses

The Committee recognises the importance of the senior team having a strong external profile and monitors the level of commitments external to the University held by individuals.

The Committee also routinely reviews and web-publishes expenses claimed by senior staff.

The 2021/2022 expenses summary is provided as an appendix to this report.

## **External Advisers**

The Committee retains the services of external advisers solely to advise on remuneration as required.

## **Governance**

Members are collectively of the opinion that the Remuneration Committee continues to effectively discharge its responsibilities as set out in the published terms of reference and in doing so supports the governing body to fulfil its obligations under Article 3(1)(d)(e) of the Articles of Governance.

## **Recommendation**

Members are invited to discuss the report and endorse the Committee's approach to remuneration.

**Laura Claydon**  
**Chair of the Remuneration Committee**

**October 2022**



**Appendix: Summary of Senior Staff Expenses and Business Costs** Subject to consideration of 1 Jan to 31 July 2022 information by REMCO on 24 October 2022

Remuneration Committee, as a matter of routine, examines regular summaries of the expenses of senior staff. The summary details for expenses processed in the period 1 August 2021 to 31 July 2022 are shown below. Reimbursements are accounted for.

**Staff Expenses**

	<b>Total</b>	<b>Subsistence</b>	<b>Misc.</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Steve West Vice-Chancellor	249.57	249.57	Nil
Amanda Coffey Deputy Vice Chancellor & Provost	Nil	Nil	Nil
Raymond McDowell Interim Head of College, Business and Law (until 30 Sept 2022)	Nil	Nil	Nil
Tod Burton Interim Executive Dean, Faculty of Environment and Technology (until Dec 2021)	Nil	Nil	Nil
James Lee Interim Executive Dean, Arts, Creative Industries and Education (until 31 Aug 2022)	Nil	Nil	Nil
Marc Griffiths Pro Vice-Chancellor and Executive Dean, Health and Applied Sciences	12.25	12.25	Nil
Martin Boddy Pro Vice-Chancellor, Research & Enterprise	Nil	Nil	Nil
Elena Marco Pro Vice-Chancellor and Executive Dean, Faculty of Environment and Technology (from Dec 2021)	Nil	Nil	Nil
Jo Midgley Registrar & Pro Vice-Chancellor, Student Experience	132.71	132.71	Nil
Paul Olomolaiye Pro-Vice Chancellor, Equalities & Civic Engagement	Nil	Nil	Nil
William Liew Chief Financial Officer	22.00	22.00	Nil
Richard Strange Chief Digital Information Officer	Nil	Nil	Nil
Chief People Officer – position vacant			

## Business Costs

	Total £	Air/Rail/Travel £	Hospitality £	Mileage £	Accommodation £	Misc. £	Other <sup>1</sup> £
Steve West Vice-Chancellor	18946.49	15297.02	1754.85	266.85	1428.22	28.00	171.55
Amanda Coffey Deputy Vice Chancellor & Provost	522.84	200.00	Nil	14.85	328.99	Nil	9.00
Raymond McDowell Interim Executive Dean, Faculty of Business and Law	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Tod Burton Interim Executive Dean, Faculty of Environment and Technology (until Dec 2021)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
James Lee Interim Executive Dean, Arts, Creative Industries and Education	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Marc Griffiths Pro Vice-Chancellor and Executive Dean, Health and Applied Sciences	1483.84	462.35	660.00	343.09	Nil	Nil	18.50
Martin Boddy Pro Vice-Chancellor, Research & Enterprise	18.90	Nil	Nil	18.90	Nil	Nil	Nil
Elena Marco Pro Vice-Chancellor and Executive Dean, Faculty of Environment and Technology (from Dec 2021)	445.91	130.70	233.50	Nil	75.76	Nil	5.95
Jo Midgley Registrar & Pro Vice-Chancellor, Student Experience	5104.50	4852.86	Nil	Nil	201.64	50.00	Nil
Paul Olomolaiye Pro-Vice Chancellor, Equalities & Civic Engagement	Nil	Nil	Nil	Nil	Nil	Nil	Nil
William Liew Chief Financial Officer	240.84	Nil	Nil	240.84	Nil	Nil	Nil
Richard Strange Chief Digital Information Officer	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Chief People Officer – position vacant							

Note 1 visas, parking, tolls, etc.

## Commentary on larger entries

Steve West

Travel and accommodation costs, University Alliance Future Leaders Programme, USA, 2-8 April 2022.

Travel costs, Global College of Engineering and Technology (GCET) graduation ceremonies, Qatar, 28 September 2022.

Travel costs, Villa College graduation ceremonies, Male, 15-19 September 2022.

Jo Midgley

Travel and accommodation costs, University Alliance Future Leaders Programme, USA, 2-8 April 2022.