University of Salford – Annual Remuneration Report 2024/25

1. Introduction

The report below is the Annual Remuneration Report to the University Council in respect of financial year 1 August 2024 to 31 July 2025.

In November 2021, the Committee of University Chairs (CUC) reissued "The Higher Education Senior Staff Remuneration Code", which requires universities to publish an annual remuneration statement.

The University has used the Office for Students (OfS) Regulatory Advice 9: Accounts Direction and the Committee of University Chairs (CUC) Higher Education Remuneration Code 2021 as a basis for this report.

The University is reporting on the remuneration of senior colleagues prescribed in the remit of the Remuneration Committee, where they are either decision makers on behalf of Council or are required to ratify decisions on behalf of the University Leadership Team (ULT). This report will focus on the Vice-Chancellor and the ULT but will also reference remuneration approaches for the wider colleague population, as required.

2. Remuneration Committee

The Terms of Reference (ToR) for the Remuneration Committee are displayed externally on the University website. The ToR is reviewed on an annual basis; the most recent review took place at the October 2024 meeting of the Remuneration Committee.

The following points of good practice within the Higher Education (HE) sector are embedded within the ToR:

- The requirements of the <u>CUC Higher Education Code of Governance (revised September 2020)</u>
 for the consideration of pay for the Vice-Chancellor.
- The requirements of the <u>CUC Higher Education Senior Staff Remuneration Code 2021</u> for the consideration of the reward and recognition of senior staff.
- Diversity and inclusion, with consideration of the <u>Gender Pay Gap Report 2024</u> and the <u>Equity</u>, Diversity and Inclusion Annual Report 2024.
- Responsibility for the oversight of settlement agreements in line with the HEFCE letter of 15 June 2017, including the requirement for the Chair of Council's approval for all severance payments made to colleagues earning more than £100,000.

The appointment of the Remuneration Committee lies with Council, as stated within Statute 5.2.3 and the Committee was created upon the advice of the Governance, Nominations and Ethics Committee (GNEC), which advises Council on the establishment, terms of reference, composition, membership and disestablishment of its standing committees.

To ensure that there is no potential for a conflict of interest, the Remuneration Committee comprises non-University members. University colleagues are only in attendance as deemed appropriate by the Chair of the Remuneration Committee.

For the avoidance of doubt, no University colleagues are present for the discussion or determination of their own remuneration and as such there is no conflict of interest. Similar provision is in place for

the Chair of Council, however, it should be noted that although there is the potential for this post to be remunerated, the current incumbent has relinquished their right to remuneration, therefore removing any requirement to implement this approach.

The Remuneration Committee members for the period covered by this report are as follows:

Name	Role	Notes
Helen Taylor	Chair of the Remuneration Committee	
Lord Keith Bradley	Chair of Council and ex officio Committee Member	
Merlyn Lowther	Deputy Chair of Council and exofficio Committee Member	
Claire Sproston	Committee Member	
Elsa Zekeng	Committee Member	New Member from November 2024

The schedule of meetings and attendance during 2024/25 was as follows:

Name	10 Oct 2024	28 Nov 2024	27 Feb 2025	*25 Apr 2025	12 Jun 2025	Total (scheduled)	Total (all)
Helen Taylor (C)	$\sqrt{}$	apologies	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	3/4	4/5
Lord Keith Bradley	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	4/4	5/5
Merlyn Lowther	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	\checkmark	4/4	5/5
Claire Sproston	V	V	apologies	apologies	V	3/4	3/5
Elsa Zekeng	n/a	$\sqrt{}$	$\sqrt{}$	$\sqrt{}$	apologies	2/3	3/4

^{*}Special meeting

3. Approach to Remuneration

3.1 Remuneration principles

In August 2023, the Remuneration Committee approved the implementation of the Remuneration Committee Remuneration Policy, which was subsequently reviewed in June 2004 and again in June 2025. The Policy complements the Remuneration Committee ToR and aims to demonstrate leadership and governance in respect of senior colleague remuneration, whilst providing assurances to key stakeholders and partners, including the student community and wider society, on the implementation of the CUC Higher Education Senior Staff Remuneration Code.

When setting remuneration for senior colleagues, the Remuneration Committee takes into consideration the following:

- The overall performance of the University of Salford as measured by the institutional KPIs and taking into consideration organisational benchmarking against recognised measures including:
 - Research Excellence Framework (REF).
 - Teaching Excellence Framework (TEF).
 - National Students Survey (NSS).
- The wider pay environment including pay increases for other colleagues in the University see Appendix A.

- Regional and national market conditions.
- The size and complexity of the University.
- Individual performance measured against predetermined objectives.
- The business context in which the University is operating and any associated trends.
- The recommendations made in the annual Gender Pay Gap Report.

Salary benchmarking data is used to support decision making from the following sources:

- Pay benchmarking for senior colleagues is aligned to data provided by Korn Ferry Hay as a
 primary source following senior-level job evaluation exercises to determine the job size. This
 ensures pay is commensurate with the level of responsibility and the broader external market.
- The UCEA Senior Staff Remuneration Survey data acts as a secondary source for pay benchmarking specific to the HE sector, giving increased assurance and validation of decisions relating to pay. Benchmarking against appropriate and comparable institutions and determinants including the pre-92 group, institutional income and regional variation.
- The annual CUC Vice-Chancellor's Salary Survey is also used as a benchmarking source.

In addition, the Vice-Chancellor Reward and Recognition framework requires the Remuneration Committee to act in accordance with the Nolan principles and clearly sets out the rationale and justification for the determination of the remuneration and associated costs of the office of the Vice-Chancellor.

3.2 2024/25 Remuneration considerations

The University has a total group income of £285m and employs an FTE of over 2,843, excluding Hourly Paid Academics (HPAs). The Council has outlined our strategy and operational review in the Integrated Report which is published annually.

The University operates within Greater Manchester, which has over 20 Higher Education (HE) providers, including six universities registered with the Office of Students (OfS) and headquartered in Greater Manchester, five private universities with a campus in the area (e.g. BPP, University of Law, BIMM) and nine Further Education colleges that also offer Level 4 and above courses.

Slightly further afield, there are over 30 HE providers in the North West. Specialist HE colleagues have a wide choice of places to work within easy reach. As a region, the density of providers is only surpassed by Greater London and the South East.

Within this competitive environment, we are not only competing for colleagues, but crucially we are competing for students, therefore ensuring we are able to attract, retain and develop the best talent is essential. The University is mindful of developing approaches to remuneration that enable us to deliver the expected student experience along with the strategic priorities of the University.

4. The Vice-Chancellor's Performance and Remuneration 2024/25

The Vice-Chancellor commenced employment on 1 October 2023. In making the appointment, the Remuneration Committee referred to the requirements of the Vice-Chancellors Reward & Recognition framework. Salary arrangements relating to the appointment were approved by the Remuneration Committee.

In addition to the Vice Chancellor's basic salary, the Vice-Chancellor receives a £27,000 per annum pension allowance, in lieu of employer pension contributions. The Vice-Chancellor does not have a company car, accommodation or loans of any description, including mortgage subsidies.

During the 2024/25 financial year, following the implementation of the nationally negotiated New JNCHES 2024/25 pay award, the Vice-Chancellor received the University-wide pay award, which was implemented in two phases: from 1 August 2024, an uplift of £900 a year, then from 1 March 2025, the balance was added to complete the uplift of 2.5%. The Vice-Chancellor did not receive any further salary increases, nor any non-consolidated performance-related payments.

The salary of the Vice-Chancellor equates to a ratio of 96%, relative to the median (midpoint) of Heads of Provider within the HE-sector UCEA pay benchmarking data, considering institutions which have been deemed relevant comparators, due to the constitution of the institution, and the total income generated.

4.1 Vice-Chancellor Remuneration Table 2023/24 and 2024/25

Financial year	2023/24 – Former VC	2023/24 – Current VC	2024/25 – Current VC
	£'000	£'000	£'000
Salary	27	225	274
Pay in lieu of employer pension contributions	-	22.5	27
Performance related pay bonus relating to previous academic year	-	-	-
Benefits in Kind	3	-	-
Pension contribution	-	-	-
Total	30	247.5	301

Notes:

The salary recorded is the amount paid in respect of the period employed during the financial year. The 2023/24 total emoluments have been reanalysed for the current Vice-Chancellor, splitting out pay in lieu of employer pension contributions from basic salary.

5. University Leadership Team (ULT) performance and remuneration 2024/25

Following the implementation of the nationally negotiated New JNCHES 2024/25 pay award, ULT members received the University-wide pay award, which was implemented in two phases: from 1 August 2024, an uplift of £900 a year, then from 1 March 2025, the balance was added to complete the uplift of 2.5%.

The Remuneration Committee has delegated authority to make decisions, under the current senior pay framework, on annual non-consolidated pay bonuses of between 0% and 5%. ULT members

under the remit of the Remuneration Committee did not receive any non-consolidated performance-related payments during the reporting period.

6. The pay multiple of the Vice-Chancellor's earnings against the median of all colleagues

Appendix B provides an overview of the methodology in relation to the pay multiples calculation.

In the Integrated Report 2024/25, Financial Statements for the year ended 31 July 2025, the University will report the following pay multiples, which will be published once the audit has concluded:

- The Vice-Chancellor's **basic salary** is **8.1** [2023-24; 7.5*] times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University and its subsidiaries to its staff.
 - The Vice-Chancellor's basic salary is 6.3 [2023-24; 6.2*] times the median salary of the University but excluding the subsidiaries.
- The Vice-Chancellor's **total remuneration** is **8.2** [2023-24; 7.6] times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the University and its subsidiaries to its staff.
 - The Vice-Chancellor's total remuneration is 6.3 [2023-24; 6.3] times the median total remuneration of staff for the University but excluding the subsidiaries.

The table below shows pay multiple information available at other local universities, where accessible:

University	2023/24 Relationship between the Vice- Chancellor's total remuneration and all other employees, expressed as a pay multiple of the median pay at the University:
University of Salford	7.6
Manchester Metropolitan University	7.5
University of Manchester	8.5
University of Greater Manchester	6.8
University of Liverpool	7.5

7. External appointments and expenses

A register of interests is kept by the University Secretary in which any third party pecuniary or non-pecuniary interests may be registered if the member of Council or senior post holder considers that a conflict of interest could arise or be perceived to arise. It is the individual responsibility of all colleagues to ensure their personal entries on the Register of Conflicts of Interest is kept up to date. This is reviewed by the University Secretary and Council on an annual basis.

The University has a framework to enable all colleagues to undertake consultancy and provide professional services to industry. The University's Consultancy Policy governs the types of activity

^{*}The median pay multiple for basic pay for 2023/24 for the University group and University, excluding subsidiaries, has been restated following the reanalysis of Vice-Chancellor's remuneration detailed in 4.1.

and provides guidance on the processes for all University colleagues. The University has a Travel and Expenses Policy in place, which is applicable to all colleagues.

Currently, any additional external roles held by the Vice-Chancellor require the agreement of the Chair of Council. The Vice-Chancellor does not receive income from any external bodies.

8. Severance Payments

The Committee of University Chairs (CUC) <u>Higher Education Remuneration Code 2021</u> requires that any severance payments must be 'reasonable and justifiable', noting that in making severance payments, institutions must meet their contractual obligations and be able to explain the reasons for any payments made.

In order to achieve this, the Remuneration Committee has oversight of, and ensures, the appropriate operation of the University Guidance on Settlement Agreements, including settlement payments and the augmentation of pensions benefits. Controls are in place to ensure that any use of a settlement agreement has been approved by an appropriate level of authority, and any associated settlement quantum is justifiable and proportionate based on the circumstances of the case.

During the 2024/25 financial year, a limited number of severance payments were made to senior level colleagues under the remit of the Remuneration Committee. The majority of severance payments were made to employees on the New JNCHES single pay spine.

Appendix A: The wider University pay environment

This section describes our approach to benchmarking, job evaluation, pay awards and pension schemes applicable to the rest of the workforce.

The University sees pension provision as an important and integral part of the total remuneration package for all colleagues and has five schemes available for different groups to access. These are:

- Universities Superannuation Scheme (USS)
- Teachers' Pension Scheme (TPS)
- Greater Manchester Pension Fund (GMPF)
- University of Salford Pension Plan (USPP)
- National Employment Savings Trust (NEST)

The University currently has a Merit Award process in place which is predicated upon a business case being made that identifies exceptional performance or behaviours, for an award to be made for up to a maximum of £1,000 net payment.

New JNCHES pay spine

The majority of our colleagues are employed on the New JNCHES 51 point pay spine, which is nationally negotiated each year by the University and Colleges Employer Association (UCEA) and the five HE sector trade unions. The University uses the Higher Education Role Analysis (HERA) job evaluation methodology to size all posts that are part of the national pay bargaining (New JNCHES) pay scales. This process evaluates the role to determine the appropriate grade, which then confirms the pay for the post.

For all those covered by New JNCHES, pay agreements are negotiated nationally and are then implemented at a local level.

The University is an accredited Real Living Wage Employer and, therefore, where the nationally agreed pay scales are below the Real Living Wage the University implements the Real Living Wage rates.

The Real Living Wage for 2024/25 was implemented effective 1 November 2024 at £12.60 per hour. Subsequently, the University proceeded with implementing changes to grade boundaries across Grades 1 to 6, effective 1 July 2025. Implementation of these grade boundary changes represented a significant financial investment by the University, demonstrating our commitment towards the principles of creating social justice and a fair and equitable society for all.

There is also currently incremental progression across the pay scales on an annual basis for colleagues within a Grade 1 to 10 (51-point spine) HERA-evaluated role. Where increment acceleration is recommended, a business case would be required to demonstrate exceptional performance.

Colleagues above the New JNCHES pay spine

For colleagues above point 51 of the pay spine, we have a 15 point Professorial/ Senior Support Management pay spine. Colleagues in this group are subject to either the Professorial Review process or the Senior Pay Review process.

Korn Ferry Hay is used to evaluate roles above 51 of the pay spine.

The University considers benchmarking data using three main sources for this group:

- Korn Ferry Hay
- UCEA Annual Senior Staff Remuneration Survey
- UCEA/ Brightmine Salary Survey of Higher Education Staff.

The benchmarking data from Korn Ferry Hay is used alongside the UCEA Annual Senior Staff Remuneration Survey and UCEA/ Brightmine Salary Survey of Higher Education Staff. Benchmarking data is provided based on appropriate and comparable institutions and determinants including the pre-92 group, institutional income and regional variation.

All this data is used to provide primary benchmarking as it represents the most comprehensive and reliable source of data both internal and external to the sector, enabling cross institutional and sectoral comparisons to be made.

Appendix B – Pay multiples methodology

There is an Office for Students (OfS) requirement to externally report the Vice-Chancellor's earnings against the median for all colleagues; therefore, the intention is to provide detail of the ratio, narrative around how this is calculated and year on year trends with HE sector comparisons. We have used the OfS methodology to allow us to use the same figures in our financial accounts as well as this report

The University publishes data which demonstrates the Vice-Chancellor's basic salary and total salary as a pay multiple of the median pay of colleagues, where the median pay is calculated on a full-time equivalent basis for the salaries paid by the University and its subsidiaries to its colleagues. Total remuneration includes basic pay plus pay in lieu of employer pension contributions, employer pension contributions, non-consolidated bonus/merit awards and redundancy and retirement benefits.

As above, the University has adopted the OfS 2019-20 guidance in respect of calculating the median salary so has excluded agency staff and staff paid under the IR35 legislation from the respective calculations. The calculations also do not include some one-off staff payments where colleagues are paid for a specific piece of work which were not paid for on an hourly basis, and colleagues on long term sick where they are no longer on full pay. The reasons for non-inclusion of these groups in the median calculation are the University had not required the recording of the number of hours taken for individuals who are paid in accordance with the delivery of a piece of work and the University considers that inclusion of staff on long term sick who receive reduced pay would distort the calculation.