**Report from Remuneration Committee**

**Introduction**

The Remuneration Committee is responsible for determining the Reward strategy of the University and for setting the remuneration and the terms and conditions of the Vice-Chancellor and other senior members of staff.

The Remuneration Committee comprises independent lay members of the Board of Governors who possess relevant knowledge and expertise.  The Vice-Chancellor and Director of People and Culture are in attendance at Remuneration Committee meetings, but the Vice-Chancellor is not in attendance for and does not play a part in the discussions and decisions of their own remuneration. Furthermore, no member of staff is present for the discussion of their own remuneration.

The Remuneration Committee takes account of affordability and comparative information on the remuneration, benefits, and conditions of employment of the Higher Education sector, and wider where appropriate.

In determining the remuneration awarded, the Remuneration Committee considers the University’s approach taken to recognising performance for all roles in scope and refers to sector benchmarking information provided from the Universities and Colleges Employers Association (UCEA) Senior Salary Survey.

The Remuneration Committee ensures that it complies with its terms of reference and the requirements of the Committee of University Chairs (CUC) Higher Education Code of Governance and more specifically the CUC Senior Staff Remuneration Code which focusses on the three key elements: a) a fair, appropriate and justifiable level of remuneration; b) procedural fairness and c) transparency and accountability.

In line with its terms of reference and the CUC Higher Education Senior Staff Renumeration Code, to ensure a fair and transparent process, the remuneration for the Vice-Chancellor and the senior Leadership team are reviewed annually using a fair process that reflects the performance of each individual in the context of the University’s performance.

**Approach to Remuneration**

The University’s approach to the remuneration of senior post holders is detailed in a [Senior Staff Remuneration Policy Framework](https://www.bing.com/ck/a?!&&p=87f7375228add5d4JmltdHM9MTY5MzM1MzYwMCZpZ3VpZD0zMDI1MTQxMS0wZTY3LTYwYzYtMjc5ZS0wNzRlMGY4NzYxZmQmaW5zaWQ9NTE5NA&ptn=3&hsh=3&fclid=30251411-0e67-60c6-279e-074e0f8761fd&psq=cardiff+metropolitan+university+senior+staff+remuneration+framework+2223&u=a1aHR0cHM6Ly93d3cuY2FyZGlmZm1ldC5hYy51ay9hYm91dC9zdHJ1Y3R1cmVhbmRnb3Zlcm5hbmNlL0RvY3VtZW50cy9LZXklMjBEb2N1bWVudHMvc2VuaW9yLXN0YWZmLXJlbXVuZXJhdGlvbi1wb2xpY3ktZnJhbWV3b3JrLTIyMjMuZG9jeA&ntb=1).  The Framework is reviewed annually by the Remuneration Committee and was reviewed in November 2023.

**Remuneration 2023-2024**

Each year the Director of People and Culture prepares for the Remuneration Committee a paper benchmarking the base salary of the Vice-Chancellor and other senior postholders against the annual salary of institutions of comparable size and scope.

This data is drawn from the annual Universities and colleges Employer Association (UCEA) Senior Staff Remuneration Survey, and the annual CUC Vice-Chancellor Salary Survey.

The Remuneration Committee considers a number of factors when considering performance reward proposals.  These include but are not limited to:

* Performance in support of the University’s strategic objectives in the

areas of teaching; research; innovation and engagement; leadership and management; leadership of staff; partnerships and external relations internationally, nationally and locally; major initiatives and projects;

* The size and complexity of the University;
* The nature of the HE markets and issues of recruitment and retention;
* The University’s objectives in relation to the diversity of the workforce;
* Salary benchmarking data.

The senior postholder jobs are supported by the Hay Job evaluation methodology and the posts were last reviewed in 2022. The Hay job evaluation methodology is the most widely used job evaluation scheme in the world.

During the year 2023-24 the Remuneration Committee awarded a 3% cost of living salary increase to the Vice-Chancellor and the Senior staff in August 2023.  This was in line with the nationally agreed HE sector pay award for staff on the New JNCHES pay spine and covered by the University’s Grading structure which consists of 9 grades.  These grades are supported by the Higher Education Role Analysis (HERA) job evaluation methodology.

**Vice-Chancellor Remuneration**

The Remuneration Committee decides the remuneration package of the Vice-Chancellor, taking account of the breadth of leadership and financial responsibilities and delivery against the University’s strategic objectives.

In meeting the University’s vision as a progressive university, working with purpose, impact and compassion to make economies more prosperous, societies fairer, cultures richer, environment greener and communities healthier, it is essential that the university offers a competitive remuneration package for the Vice-Chancellor role.  This also recognises the diverse and complex nature of the organisation with over \*25,000 student enrolments, over \*1500 paid staff and an income of £145m (\* based on Cardiff Met 2022/23 HESA data).

In considering the Vice-Chancellor’s remuneration package, the Remuneration Committee considers the organisational context, alongside the Vice-Chancellor’s performance, general pay movement for all University staff, retention, and any relevant market considerations, and is informed by salary benchmarking information with comparator universities.

The Vice-Chancellor’s performance is assessed by the Chair of the Board of Governors after taking soundings and feedback from all members of the Board of Governors.  It is based on leadership, the achievement of key strategic objectives, measurement against agreed targets, the overall performance of the University and the external context in which the university operates. Each year the Remuneration Committee receives a report by the Chair of the Board of Governors on the Vice-Chancellor’s Performance and Development Review and agreed objectives for the following year.

The Vice-Chancellor’s base salary is reviewed in line with national pay awards for the Higher Education sector. Where supported by evidence, the Remuneration Committee may, at its discretion, agreed a consolidated increase to the Vice-Chancellor’s base pay.  Any such increase would be reported through the financial accounts in the following year.

The University does not operate a performance related bonus scheme.

The Vice-Chancellor's Reward package is detailed below.

|  |  |  |  |
| --- | --- | --- | --- |
|   | VC from 01.02.2024 Year Ended 31 July 2024  | VC until 31.01.2024 Year Ended 31 July 2024  | VC until 31.01.2024 Year Ended 31 July 2023  |
| Emoluments of the Vice-Chancellor  | £  | £  | £  |
|   |   |   |   |
| Salary  | 130,000  | 145,084  | 268,476  |
| Payments in lieu of pension contributions  | -  | 25,915  | 49,719  |
|   | 130,000  | 170,999  | 318,195  |

The University has had two Vice-Chancellors in the period 2023/24.

The Vice-Chancellor's basic salary in 2023-24 is 6.0 times the median pay of staff, compared to 6.4 times in 2022-23.  The staff median salary in 2023-24 is £42,978.

The Vice-Chancellor's total remuneration is 6.0 times the median pay of staff, compared to 7.5 times in 2022-23. The staff median total remuneration in 2023-24 is £43,587.

The former Vice-Chancellor's basic salary in 2023-24 is 6.8 times the median pay of staff, compared to 6.4 times in 2022-23.  The staff median salary in 2023-24 is £42,978.

The former Vice-Chancellor's total remuneration is 7.8 times the median pay of staff, compared to 7.5 times in 2022-23. The staff median total remuneration in 2023-24 is £43,587.

The former Vice-Chancellor was under opt out arrangements within the Universities Superannuation Scheme (the USS). The current Vice-Chancellor does not have opt out arrangements from the pension scheme.

**Senior Staff Remuneration**

The performance of Senior members of staff is assessed by the Vice-Chancellor, after taking soundings and feedback from the Chair and members of the Board of Governors.  It is based on leadership, the achievement of key strategic objectives, measurement against agreed targets, the overall performance of the University and the external context in which the university operates. Each year the Remuneration Committee receives a report by the Vice-Chancellor on the Senior Staff Performance and Development Reviews and agreed objectives for the following year.

The base salary for Senior staff is reviewed in line with national pay awards for the Higher Education sector. Where supported by evidence, the Remuneration Committee may, at its discretion, agree a consolidated increase to the Senior Staff’s base pay.

In 2023-24 the Remuneration Committee considered the pay of five members of Senior staff; the Deputy Vice-Chancellor; the Pro Vice-Chancellor (Research and Innovation); the Pro Vice-Chancellor (Student Engagement); the Chief Officer (Resources) and the Interim University Secretary.  All were awarded a base pay increase of 3% with effect from 1 August 2023.  In addition, one senior staff member received a non-consolidated award in recognition of taking on additional responsibilities. One senior staff member received a base salary increase with effect from May 2024 to reflect the size and scope of the role and market data. A honorarium was awarded to one senior staff member in recognition of taking on additional interim responsibilities and a new Vice-Chancellor was appointed with effect from February 2024.

The numbers of staff paid above £100k per annum are published in the financial statements (note 7), broken down into £5k pay bands.  In 2023-24 there were 16 members of staff with a basic salary over £100k per annum, compared with 12 in 2022-23.

|  |  |  |
| --- | --- | --- |
| Higher Paid Staff | Year Ended31 July 2024 | Year Ended31 July 2023 |
|  |  |  |
|  | No. | No. |
| £100,000 to £104,999 | 3 | 4 |
| £105,000 to £109,999 | 5 | - |
| £110,000 to £114,999 | 1 | 2 |
| £115,000 to £119,999 | 2 | - |
| £120,000 to £124,999 | 1 | 1 |
| £130,000 to £134,999 | 1 | - |
| £140,000 to £144,999 | 1 | 2 |
| £160,000 to £164,999 | - | 1 |
| £165,000 to £169,999 | - | 1 |
| £170,000 to £174,999 | 1 | 1 |
| £174,000 to £179,999 | 1 | - |
|  |  |  |
|  | 16 | 12 |

**Remuneration for other staff groups**

The majority of other staff are on the New JNCHES pay spine and covered by the University’s Grading Structure which consist of nine grades.  These grades are supported by the Higher Education Role Analysis (HERA) role evaluation methodology.

Staff on the New JNCHES pay spine gain incremental pay increases annually based on skills, knowledge and experience, until they reach the top of the grade’s range.  They are also subject to any nationally agreed pay awards.

The University offers a comprehensive range of both financial and non-financial workplace benefits.

**Living Wage Employer**

The University is an accredited Living Wage employer and as a result all staff receive at least the Living Wage foundation rate of pay.

**Exit Policy**

All settlement agreements, including voluntary severance, for senior staff are agreed by the Remuneration Committee. Any redundancies related to academic and senior staff are subject to the University’s redundancy processes.