

**University of Cumbria**  
**REMUNERATION COMMITTEE**

*this being applied from 1 August 2023 following RemCo approval of refreshed framework and the full and final 2023/24 pay award recommendation.*

The Committee unanimously approved the decision; the opportunity for a meeting to discuss any aspects of concern was offered but not taken up.

### **Approach to Remuneration**

12. The Committee takes a holistic approach to setting the remuneration of the Vice Chancellor and senior post holders, taking the responsibilities of the job, institutional and personal performance, the national pay agreement, the external environment and comparative information into account in the decision making.

13. The Committee considers the balance that is required between recruiting, retaining and rewarding the best staff for the institution and its key stakeholders, while demonstrating effective use of resources.

14. Performance of the individual cannot be wholly separated from that of the institution, however well-articulated personal objectives enable the individual's contribution and leadership to be appropriately balanced against the institutional performance metrics. Established processes are in place for setting objectives for the Vice Chancellor and all staff across the institution.

Performance against these objectives is reviewed annually. The process is designed to ensure that performance is measured against the institution's strategic objectives and that the individual's contribution is appropriately balanced against the institutional performance metrics. Established processes are in place for setting objectives for the Vice Chancellor and all staff across the institution.



(paragraphs 26 to 31 inclusive).

26. The University has adopted the Committee of University Chairs' Higher Education Senior Staff Remuneration Code, published in June 2018, in full. One aspect of this, the annual Remuneration Committee report to the Board for the 2022/23 financial year, can be found [here](#)<sup>1</sup>. In line with the publication requirements of the Office for Students' Accounts Direction, the element of this report that covers the process for setting the Vice Chancellor's remuneration and the justification of this remuneration is set out below.
27. When determining the initial remuneration package for the Vice Chancellor on appointment in 2016, the Remuneration Committee took account of the university's circumstances, and noted a range of comparative data on remuneration of vice chancellors elsewhere in the sector.
28. Since her appointment Remuneration Committee have taken the starting point for the annual review of the Vice Chancellor's remuneration to be the nationally agreed pay award. The Committee has then taken a range of inputs into account in determining any additional uplift – these have included: comparative data from the Universities and Colleges Employer Association's Senior Staff Remuneration Survey; detailed information provided by the Committee of University Chairs' Vice-Chancellor Salary Survey; the external operating environment; plus the performance of the Vice Chancellor and the university over the past year.
29. The mechanism adopted to judge the performance of the Vice Chancellor is based on two processes: the first is an appraisal, between the Chair of the Board and the Vice Chancellor, on progress against her objectives for the year; the second is from interviews between the Chair of the Board and all board directors on a one to one basis, to obtain their feedback on the 'health' of the University and the contribution made by the Vice Chancellor. This is then fed into the Remuneration Committee by the Chair of the Board.
30. In determining the Vice Chancellor's remuneration for 2021/22 the Committee had looked to set a reasonable 'steady state' salary for the role to serve as the baseline for the future. As part of its deliberations for 2022/23, having reviewed the benchmark data, the Committee confirmed that its decisions in 2021/22, and the Vice Chancellor's salary that had come from them, had been reasonable, taking into account all relevant factors including the size and income of the University of Cumbria and the Vice Chancellor's level of experience.
31. With respect to the pay award for 2022/23, it was agreed that, whilst not the only driver for the salary of the Vice Chancellor, the performance of the University was relevant. Over the last year some aspects of the University's performance had been positive but others less so, with the Vice Chancellor continuing to be an enthusiastic advocate for the University and to lead it well, accepting that not all of the outcomes were as wished for. Bearing this in mind, it was agreed that the Vice Chancellor be given the same pay award as the majority of staff on the National Pay Framework pay-scale i.e. 3%. This amounted to a salary of £213,210 for 2022/23.

### **External Appointments and Expenses**

32. The Vice Chancellor's contract specifies that 'The Vice-Chancellor may undertake occasional additional duties for the University, or other external bodies provided that she obtains the prior written consent of the Chair of the University Board to do so and subject to annual review. The Chair shall report all such matters to the Remuneration Committee. Any remuneration payable to the Vice-Chancellor by such external bodies may be retained by her, but shall be reported annually by her in writing on a confidential basis to the Chair of the Board, who may from time to time initiate a review of the extent and suitability of these additional duties.'
33. In 2022/23 the Vice Chancellor was not in receipt of any income from external appointments.
34. All members of University staff, including the Vice Chancellor, follow the expenses policy that

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<sup>1</sup> <https://www.cumbria.ac.uk/about/publications/>

can be found on the internal Staff Hub. The Quick Guide is attached at Appendix B, the full document will be provided on request.

## Appendix A:

### UNIVERSITY OF CUMBRIA UNIVERSITY BOARD OF DIRECTORS

#### REMUNERATION COMMITTEE

#### TERMS OF REFERENCE AND MEMBERSHIP

The Remuneration Committee is responsible to the Board of Directors for discharging its responsibilities with respect to the remuneration and terms and conditions of employment of the Vice Chancellor, senior post holders, University Secretary and posts designated as Corporate Leaders and those on point 52 of the pay spine, while there remain staff in post on this point.

The University has adopted the Committee of University Chairs (CUC) Higher Education Senior Staff Remuneration Code in full. Remuneration Committee is responsible for ensuring that the Code is complied with, both to the letter and in the spirit with which it undertakes its duties.

The University has adopted the CUC 'Guidance on Decisions taken about Severance Payments in HEIs'. Remuneration Committee is responsible for ensuring that the Guidance is complied with.

Remuneration Committee should have oversight of the remuneration and terms and conditions of employment of all other staff at the University, as determined by the People, Performance and Culture Committee of the Board of Directors, to ensure that it undertakes its work within the context of the institution as a whole.

#### Terms of Reference:

1. To determine and review the remuneration, terms and conditions (and, where appropriate, severance payments) of the Vice Chancellor, other 'senior post holders' as the University Board of Directors deems appropriate and the University Secretary.  
  
'Senior post holders' must include the Vice Chancellor and should include the most senior roles in the institution. The staff defined as 'senior staff' by the Office for Students' Accounts Direction must also be included. The senior posts, and post holders, should be listed as an appendix to these Terms of Reference and updated as and when necessary.
2. To approve the pay and grading framework for Corporate Leader posts and point 52 of the pay spine and to keep its implementation under review.
3. To approve and review the terms and conditions for Corporate Leader posts and point 52 of the pay spine.
4. To approve, on the recommendation of the Vice Chancellor, the pay award proposals for Corporate Leader posts and point 52 of the pay spine.
5. To seek comparative information on salaries and other benefits and conditions of service in the higher education sector (such as the CUC and UCEA).
6. To receive sufficient information on the pay and grading framework for all staff at the University not within the Committee's remit, their terms and conditions and their remuneration, including pay awards, to set its work in the context of the institution as a whole.

7. To advise and make recommendations to the University Board of Directors, after consultation with holders of senior posts, rules and procedures for the suspension or dismissal of holders of senior posts and for the consideration of appeals against dismissal.
8. If considering severance arrangements for senior staff, the Committee must comply with the guidance issued by the CUC. AI (l)-11.2 (s260A)0.9 (th)-1.5 ( d2 (i)0.9 1.6 (c)6.76 (a660

Appendix A: Senior Posts:

The Articles of Association define senior posts as 'the post of Vice-Chancellor and such other





Authorisation	Expenses should not be incurred without authorisation in advance, but submitted expense claims will be sent to your line manager for authorisation.
Exceptions	Where an expense claim does not comply with policy, justification for this must be provided with the claim - An example of this is a late booking of a hotel where the cost restrictions could not be complied with.
Payment	Expense claims authorised by the 10 <sup>th</sup> of the month, excepting in December and at Easter liod ecu (m)1.1 (b).6 (E)-2.6c