

UNIVERSITY OF LEICESTER

COUNCIL

4 DECEMBER 2024

REMUNERATION COMMITTEE ANNUAL REPORT

**Purpose:**

Council are asked: -

**TO NOTE and APPROVE:**

- a. The contents of the Remuneration Committee Annual Report 2023/24, and to approve it for publication on the University's website.

**TO APPROVE:**

- b. The Remuneration Committee Terms of Reference for 2024-2025

**Relevant Council Responsibility:** *Governance to check*

7. *To conduct its business in accordance with best practice in higher education corporate governance, and with the principles of public life drawn up by the Committee on Standards in Public Life.*

The Remuneration Committee are required to report on progress through an Annual Remuneration Report and Statement for Council (and the University's Financial Statements) which is transparent and produced in accordance with the requirements of the [CUC Higher Education Senior Staff Remuneration Code](#) (November 2021) and the Office for Students. In addition, the Annual Remuneration Report will be published on the governance pages of the University's website.

**Paper authors:**

Gary Dixon, Chair of Council and Remuneration Committee  
Emma Stevens, Director of Human Resources

**Presented by:**

Dr Sophie Dale-Black, Vice Chair of Council

**Paper Contents:**

1. Annual report 2023/24 with Appendix 1 - Remuneration Committee Terms of Reference and Membership 2023/24
2. Appendix 2 - Remuneration Committee - Terms of Reference and Membership 2024/25

**Key Considerations for Council:**

This report outlines the responsibilities of the Remuneration Committee, and its key activities and decisions, during the year to 31 July 2024, in line with the reporting guidance provided by the Committee of University Chairs in the Higher Education Senior Staff Remuneration Code. As a formal sub-committee of the University Council, the Remuneration Committee provides an annual report of its activities and decisions to Council.

**Prior management/governance consideration:**

Remuneration Committee consideration and approval – November 2024.

**Risk Considerations:**

The Strategic University Risk Register includes a risk that, “we fail to attract and retain a diverse, high performing and engaging workforce.” The Remuneration Committee have a key role to ensure there is appropriate and fair remuneration in line with the [CUC Higher Education Senior Staff Remuneration Code](#).

**External Advice:**

Has advice been taken from any external advisors in relation to this paper? **No.**

**EDI Considerations:** Does this paper, where appropriate, give due consideration to equality and inclusivity and so meet the University’s Public Sector Equality Duty? [Y/N – further details as required]

**Yes.** The Remuneration Committee have a responsibility to promote the University’s responsibilities for equality and diversity by ensuring that relevant issues are given full consideration in all matters relating to the remuneration of all staff falling within the remit of the Remuneration and Senior Staff Pay Committees.

**UNIVERSITY OF LEICESTER  
COUNCIL – 4 December 2024**

**Remuneration Committee Annual Report 2023/24**

**1. Purpose of this report**

- 1.1.** This report outlines the responsibilities of the Remuneration Committee, and its key activities and decisions, during the year to 31 July 2024, and reflects the reporting guidance provided by the Committee of University Chairs (CUC) in the Higher Education Senior Staff Remuneration Code. As a formal sub-committee of the University Council, the Remuneration Committee provides annual reports of its activities and decisions to Council.

**2. University Performance 2023/24**

**2.1. Institutional Performance**

The Remuneration Committee operates in the context of the University's operating environment and institutional performance. It has been a successful year for the University distinguished by outstanding successes in terms of teaching, research, student experience, international engagement, and civic purpose.

The University achieved a Gold ranking overall in the 2023 Teaching Excellence Framework – this is the highest possible award and we are one of few Universities to have achieved a Gold rating in the TEF as well as a Top 30 position in the Times Higher Education Research Excellence Framework (REF) rankings. This stellar achievement means the experience students have, and the outcomes it leads to, are typically outstanding.

The National Student Survey results published by the Office for Students also exemplified our success. Leicester now ranks as a top 30 institution according to the Times Higher league table's positivity measure, consolidating our top 30 REF ranking and TEF Gold status.

Leicester's positivity scores have improved in all seven NSS themes. Medicine and Modern Languages have again performed exceptionally well, both ranking top nationally. In addition, a further six subject areas rank in the top five nationally: Ancient History, Chemistry, Geography, Geology, Natural Sciences and Physiotherapy.

The University also advanced its international collaborations. We have forged partnerships in China and USA, as well as India where we have partnered with Apollo Hospitals Group. Through this, we will initially develop a computer science programme in partnership with The Apollo University (TAU), part of the Apollo Hospitals Group. Leicester and Chongqing Medical University (CQMU) also strengthened our links by launching the first Joint Education Institute (JEI) in central and western China to offer both British and Chinese degrees with a strong clinical focus.

It has been an exceptional year for research, including £14 million which has been awarded to the University to expand its research into the prevention and management of chronic disease through physical activity. The University's transformative work will directly benefit people living in Leicestershire and is the highest amount awarded to any institute.

It has also been a significant year for philanthropy at the University, raising over £7.8 million - our most successful amount in nearly a decade. It includes a record amount raised in a single year from legacy gifts - the extraordinary gesture of those choosing to leave money to the institution in their wills. This is all extremely encouraging, and stands us in good stead as we prepare for the public launch of Leicester's first major fundraising campaign next year.

## **2.2 University Financial Position**

The 2023/24 year has provided a challenging financial environment for the University and the sector with international student recruitment reducing and continued inflation impact on our cost base. The year-end cash position closed with a £16.2m cash balance. No drawdown of short-term debt from our £40m revolving credit facility (RCF) was utilised. As at November 2024, the draft mid-audit position has an operating cash performance of £22.9m (5.9% of income). From an Income and Expenditure perspective, the draft position is an operating deficit of £9.8m, which excludes USS pension adjustments.

## **2.3 Student Education**

The most significant development in education in the 23/24 academic year was the receipt of a TEF Gold award in December 2023. This followed a lengthy process of submission, provisional outcome and representation, and was an excellent result for Leicester as a University, exceeding our expectations. Leicester is now one of just 11 research intensive universities in the country to have a top 30 REF rating and a TEF Gold award. Whilst there is still work to do to improve education, particularly around the consistency of student experience, this award is a significant boost to morale and will help us drive forward further improvements.

23/24 was also a very positive year for National Student Survey scores, with our overall positivity ranking rising to 27th nationally (based on THE methodology). Our student satisfaction scores improved in all question themes, with excellent results for 'Organisation and Management' and 'Student's Union' (decile 1 nationally), and 'Student Voice' (decile 2). In our priority areas of 'teaching on my course' and 'assessment and feedback' there was also improvement (up two decile places and one decile place respectively), although there remains further room for improvement in the coming year.

More broadly, positive work has been done across many areas of the education pillar of the university strategy. In our 'research inspired education' project we have worked with staff and students in every school to define what research inspired education means in their disciplinary context and to map this across the curriculum. We have reviewed key Senate regulations to ensure they remain aligned with sector best practice and are currently implementing our revised assessment strategy. Significant programme design and approval work has been done to support the ongoing development of the University's portfolio. Partnership work with the Students' Union remains strong and we will be building upon the introduction of College Reps in 23/24 in the coming year.

## **2.4 Research Performance**

The University's research endeavour has continued to go from strength to strength this year. Research contribution (from our research awards) increased significantly from 14% (22/23) to 20% (23/24). Research awards (£87.6m) remain at record levels, and included a prestigious

Research England Expanding Excellence in England award (£14m). This will enable us to significantly expand and grow our Lifestyle and Health Research activity which will help multi-ethnic populations with, or at risk of, Multiple Long-Term Conditions (MLTCs). Leicester is now a member of the Alan Turing Institute University Network which recognises institutions for their world-class research in data science, sustainable artificial intelligence, data analytics and modelling.

Activity that supports the development of our next generation of research leaders continues to flourish. We launched a new Research Leaders Academy for early and mid-career academics across the University. We secured two further prestigious UKRI Future Leaders Fellowships in Physics and Cardiovascular Sciences. Leicester retained its HR Excellence in Research Award (12-year renewal) which reaffirms our commitment to support the career development of our researchers and research stars of the future. We also secured an Institutional Funding for Research Culture (IFRC) award from the Wellcome Trust. Our funded project “Inclusive Research Environment Achieved through Culture Change” (I-REACCH) will enable Leicester to further enhance the vitality and sustainability of our research culture.

### **3. Principles and Approach to Senior Remuneration**

- 3.1** The University has a salary scale for Grades 1 – 9 and a Grade 10 pay band. The various policies and procedures associated with pay, including, job evaluation, pension schemes and reward and recognition processes are available on the [University webpage](#).
- 3.2** The University participates in the University and Colleges Employers Association (UCEA) national pay bargaining for all grades of staff.
- 3.3** The University’s [Performance and Development Discussion process \(PDD\)](#) provides a robust basis for reviewing performance and developing staff.
- 3.4** Individuals identified as having exceeded expectations during the prior year, are eligible to be considered for a financial reward (in addition to any automatic increment and any cost of living increase) depending on the financial status of the University in that particular year. The University’s reward and recognition schemes can be [viewed here](#).
- 3.5** The University’s Remuneration Committee is responsible for determining pay and reward for senior staff (as per the Terms of Reference in Appendix 1), including adjusting pay for reasons of equity and retention, as well as reward. In addition, the University has three Reward Committees which consider appropriate rewards for all eligible staff as follows:
  - 3.5.1** University Senior Staff Pay Committee (staff on Grade 10) - chaired by the President and Vice-Chancellor
  - 3.5.2** Academic Promotions Ratification Committee - chaired by the President and Vice-Chancellor
  - 3.5.3** University Staff Pay Committee (staff Grades 1-9) - chaired by the Deputy Vice-Chancellor (Professional Services).

The Chairs of the Reward Committees co-ordinate their work to ensure that reward arrangements across all three Committees are applied consistently.

### **4. Remuneration Committee Terms of Reference and Membership**

- 4.1. The Terms of Reference of the Remuneration Committee are reviewed and revised annually in line with Committee of University Chairs Higher Education Senior Staff Remuneration Code.
- 4.2. The annual review of the Terms of Reference was completed at the meeting in October 2023, ahead of the 2023/24 academic year. This review is designed to ensure that they remain appropriate and compliant with relevant legislation and guidelines, and to ensure that the focus of the Committee's work has addressed these priorities.
- 4.3. The full Remuneration Committee Terms of Reference for 2023/24 are attached at Appendix 1. The Remuneration Committee members are appointed by the University Nominations Committee and are detailed in the Terms of Reference.

## 5. Principles & Approach to Senior Remuneration

- 5.1. The University of Leicester recognises the guidance set out in the Committee of University Chairs Higher Education Senior Staff Remuneration Code, and the Remuneration Committee seeks to ensure compliance with this Code. In exceptional circumstances, where compliance cannot be delivered, the Committee commits to providing meaningful explanations for non-compliance, along with details of how any alternative arrangements meet the principles of the Code.
- 5.2. The University of Leicester is a large, complex and high-profile institution, requiring high-performing, experienced leaders to continue its success and meet its strategic ambitions. When considering matters of remuneration, the Committee is required to balance many factors, including market rates of compensation, the challenging financial circumstances facing universities, the external perceptions of senior pay and internal equity factors.
- 5.3. To assist in delivering this balance, the Committee considers data from a range of sources, including data from relevant HE sector salary surveys (for both senior staff and Vice-Chancellors).
- 5.4. The Remuneration Committee has direct responsibility for determining remuneration-related matters for the President and Vice-Chancellor, Executive Board Members and for senior post holders (over £150k) at the University of Leicester. For the period of this report, the posts comprising the University Executive Board which report directly to either the Chair of Council, President & Vice-Chancellor, or the Deputy Vice-Chancellor, consisted of the following individuals:
  - President and Vice-Chancellor, Professor Nishan Canagarajah;
  - Deputy Vice-Chancellor (Professional Services), Ms Kerry Law;
  - Provost and Deputy Vice-Chancellor, Professor Henrietta O'Connor
  - Pro-Vice-Chancellor for Research and Enterprise, Professor Phil Baker;
  - Pro-Vice-Chancellor for Education, Professor Liz Jones;
  - Pro-Vice-Chancellors and Heads of College, Professor Tom Robinson, Professor Sarah Davies and Professor Lisa Smith;
  - Registrar and Secretary, Mr Geoff Green;
  - Chief Financial Officer, Mr Paul Gowdridge;
  - Chief Marketing and Engagement Officer, Ms Angelina Bingley from 21 February 2023 until 25 January 2024.

5.5. The University Senior Staff Pay Committee (SSPC), which considers remuneration and payment awards (for those at Grade 10 level – Professors and Senior Professional Services Staff), took place in September 2023 and considered achievements in the 2022 calendar year. The Remuneration Committee also receives updates on remuneration-related matters affecting senior members of staff, and other groups of staff at the University of Leicester, as appropriate. This enables the Committee to fulfil its responsibility for ensuring that the organisation's overall framework for remuneration is proportionate, appropriate, and enables the attraction and retention of the talented individuals necessary to ensure the University meets its strategic ambitions.

## 6. Report on meetings held in 2023/24

6.1. During 2023/24, the Committee met three times, in October 2023, January 2024 and May 2024, in order to carry out its responsibilities in a timely manner. All meetings were diarised in the University Almanac, with one taking place remotely via Microsoft Teams (January 2024) and the other two as hybrid meetings via Teams and in-person. Items were also circulated via email for virtual consideration by members, in lieu of the March and July 2024 meetings.

### 6.2 Agenda Items

The Committee addressed a number of agenda items, as follows:

- (a) Reviewed and noted the data on performance and remuneration for Executive Board members including the President & Vice- Chancellor.
- (b) The Committee discussed and approved several items in relation to Executive Board members, including:
  - i. An extension to the term of office of the Pro-Vice-Chancellor & Head of College (CSE);
  - ii. Recruitment plans in relation to a replacement for the role of Pro-Vice-Chancellor & Head of College (CSSAH);
  - iii. The appointment of the new Head of College role for the new fourth College (College of Business);
  - iv. Reviewed and approved revisions to the Paid External Activities Policy and senior staff declarations;
  - v. A move to a biennial remuneration / bonus review for Executive Board members.
  - vi. Role planning for the Executive Board members;
- (c) Received the annual £100k and over report, incorporating EDI data, trend data and external benchmarking data in relation to staff earning over £100k per annum during the 2022/23 academic year.
- (d) Reviewed the decisions of the 2022/23 Senior Staff Pay Committee with particular regard to the equality analysis.

## 7. Remuneration & Salaries

- 7.1. Following input from the Chair of Council (for the President and Vice-Chancellor) and the President and Vice-Chancellor (for Executive Board members), the Committee considered the performance of all Executive Board members for the academic year 2023/24. The nationally agreed percentage pay increase in 2023/24 was paid to Executive Board members at 5%. To support the rise in cost of living, an interim uplift of 2% was paid from 1 February 2023, with the remaining proportion paid from 1 August 2023. The 2024/25 national pay award provided an overall increase of 2.5% for Senior Staff with a phased implementation from 1 August 2024 and 1 March 2025.
- 7.2. When reviewing salary levels for both the President and Vice-Chancellor, and senior post-holders, the Committee will be particularly mindful of the salary review principles being applied across the rest of the institution. This will include consideration of the anticipated level of the nationally negotiated cost of living award and the average percentage increase for incremental progression across university pay scales.
- 7.3. Salary determination at individual level will take account of
- **Individual performance** – in the case of senior post-holders, as determined by the President and Vice-Chancellor against individually agreed personal objectives; in the case of the President and Vice-Chancellor, as determined by the Chair of Council in consultation with members of Council, including members of the Remuneration Committee.
  - **Organisational performance** – University performance, as determined against key internal and external indicators, as articulated in the University's strategic KPIs.
  - **Relevant market data** – on pay levels in comparable roles within comparable organisations.
  - **Affordability** – the budget available for increases, in line with the principles articulated above.
  - **Retention issues** – either at an individual role level, or across a particular professional or disciplinary field.
- 7.4. **Bonuses** – In line with the approach taken with the wider University staff population, exceptional performance may result in the payment of a non-consolidated, non-pensionable payment.
- 7.5. **Pensions** – Senior post-holders are eligible to participate in a pension fund under the same conditions that apply to all University staff.
- 7.6. **Benefits** – The University does not offer additional benefits such as private health cover, nor car payments, as a standard part of the remuneration offer. On rare occasions, decisions relating to the need to offer any such benefits are considered on an individual case basis at the time of appointment, and are only made if it is considered necessary to secure the appointment of the University's preferred candidate. Examples may include a contribution towards the cost of rented accommodation during a period of transition to the University.
- 7.7. **Consultancy and External Income** – The University operates a [Consultancy Policy](#) which applies equally to all staff. In addition from the 1 August 2022 the University introduced a [Paid External Activities Policy](#). All senior post-holders are obliged to declare any such income,



and the Remuneration Committee will review any payments made, and ensure compliance with the Consultancy Policy going forward.

**7.8. Expenses** – Senior post-holders are required to comply with the University’s Expenses Policy.

## 8. Remuneration Matters Relating to the President and Vice-Chancellor

The table below outlines five years of remuneration data (figures rounded) for the President and Vice-Chancellor of the University of Leicester.

	Prof Nishan Canagarajah					Prof Edmund Burke
	2023-24	2022-23	2021-22	2020-21	2019-20	2019-20
					Nov-Jul	Aug-Oct
<b>Salary<sup>1</sup></b>	328	288	254	250	187	57
<b>Employer pension contributions<sup>2</sup></b>	9	18	51	53	39	1
<b>Taxable benefits in kind</b>	-	-	-	-	3	-
<b>Performance payments</b>	-	5	-	-	-	10
<b>Non-taxable benefits (accommodation)</b>	-	-	-	-	-	-
<b>Total remuneration</b>	<b>337</b>	<b>311</b>	<b>305</b>	<b>303</b>	<b>229</b>	<b>68</b>
<b>Basic salary pay ratio<sup>3</sup></b>	8.5	7.7	6.9	6.7	7.0	6.1
<b>Wesley Group mean<sup>4</sup></b>	N/A	8.5	8.9	8.3	8.1	8.1
<b>Total remuneration pay ratio<sup>3</sup></b>	7.9	7.1	7.1	6.9	7.3	6.2
<b>Wesley Group total remuneration mean<sup>4</sup></b>	N/A	8.5	8.6	7.8	8.1	8.1

\* The figures for 2023/2024 are N/A because that data is not yet available – it will be reported into the next CUC survey, which we usually receive in December, for submission in January.

**8.1 Salary<sup>1</sup>:** Following consideration of appropriate benchmarking data, the Remuneration Committee agreed the salary of the President and Vice-Chancellor be increased, to £327,500 (rounded for the purposes of the table above) in August 2023.

**8.2 Employer pension contributions<sup>2</sup>:** Contributions were lower for Professor Nishan Canagarajah in 2022/2023 and 2023/2024 and Professor Edmund Burke, as they elected to opt out of the USS pension, contributions were only made for the incapacity and death in service benefits offered by the scheme.

**8.3 Pay ratios<sup>3</sup>:** The Office for Students requires universities to publish two key ratios to show the relationship of the remuneration of the President and Vice-Chancellor to that of staff within the institution. The President and Vice-Chancellor’s basic and total remuneration is compared to the median figures for the staff population, where the median pay is calculated on a full-time equivalent basis for the salaries and other remuneration provided by the University to its staff. The President and Vice-Chancellor’s ratios are closely monitored against benchmark data.

**8.4 Wesley Benchmark pay ratios<sup>4</sup>:** Scottish universities are required to report the total remuneration ratio only. Where more than one individual has held the Vice-Chancellor post in

year, the ratio for the individual in post at 31 July has been used. The 2023/24 benchmark data will be available in spring 2025, once all providers have published their audited financial statements. The benchmark data demonstrates a downward trend since the reporting requirements were introduced by the Office for Students.

(The Wesley Group\* are a group of 11 similar sized Universities, many of whom were in the old 1994 Group that was disbanded).

**8.5 External Income:** The President and Vice-Chancellor held external appointments, and declared these in line with the University's Register of Interests Policy. In 2023/24, the President and Vice-Chancellor did not receive remuneration for the appointments declared.

**8.6 Expenses:** The President and Vice-Chancellor complied with the University's Expenses Policy.

## **9. Action required**

**9.1.** Council is asked to **note** the contents of this report, and to **approve** it for publication on the University's website.

**Gary Dixon, Chair of Council and Remuneration Committee**  
**Emma Stevens, Director of Human Resources**  
**November 2024**

## UNIVERSITY OF LEICESTER REMUNERATION COMMITTEE

### Terms of Reference and Membership 2023/24

#### 1. Scope of Remuneration Committee

- a) The University Remuneration Committee operates in line with the CUC Higher Education Senior Staff Remuneration Code, November 2021, and compliance is checked by Governance and reported to the Remuneration Committee.
- b) Senior post holders at Leicester University who fall under the remit of the Remuneration Committee are:
  - The President and Vice-Chancellor (VC)
  - Executive Board members
  - Staff earning a full-time equivalent salary of (or more than) £150k (The £150k salary level is defined as the basic contractual salary without any temporary allowances and/or externally funded payments e.g. Head of Department allowances, Clinical Excellence Awards)
  - Severance packages for staff earning a full-time equivalent salary of (or more than) £100k per annum
  - Any other staff who the governing body has deemed to be within the remit of the Remuneration Committee.

In addition, information regarding other senior staff paid more than £100,000 per annum would be presented to Remuneration Committee, on an annual basis, for information only.

#### 2. Salary Definition

For the purposes of the terms of reference and undertaking the Remuneration Committee's responsibilities, where salary is referenced, this is defined as the basic contractual salary without any temporary allowances and/or externally-funded payments e.g. Head of Department allowances, Clinical Excellence Awards, and on a full-time equivalent basis.

#### 3. Role & Responsibilities:

##### Executive Board

- a) To discuss, determine and review the remuneration, benefits and conditions of employment for members of the Executive Board (EB):
  - President and Vice-Chancellor
  - Provost and Deputy Vice-Chancellor
  - Deputy Vice-Chancellor (Professional Services)

- Chief Financial Officer
- Registrar and Secretary
- Pro-Vice-Chancellor for Research and Enterprise
- Pro-Vice-Chancellor for Education
- 3 Pro-Vice-Chancellors and Heads of College
- Chief Marketing and Engagement Officer

Taking account of affordability, comparative information on the remuneration, benefits and conditions of employment in the University sector and elsewhere as appropriate.

- b) To receive and discuss an annual report relating to the performance for members of the Executive Board in order to consider and approve any salary increases and/or unconsolidated additional annual payments.

**Staff earning a full-time equivalent salary of (or more than) £150k**

- c) To consider and approve recommendations for salaries that result in remuneration that exceeds £150k per annum (based on 1.0 FTE).

**Severance Payments**

- d) To approve any severance or other payments made to members of EB and staff where salaries are in excess of £100k, taking into account both the [CUC Higher Education Senior Staff Remuneration Code](#) November 2021 and the [CUC Guidance on Decisions Taken about Severance Payments in HEIs](#).

**Senior Staff earning a full-time equivalent salary of (or more than) £100k**

- e) To receive an annual report, for information, with the number of staff in receipt of salaries in excess of £100k per annum (based on 1.0 FTE) during the previous 12 months.

**Senior Staff Pay Committee**

- f) To review the decisions of the Senior Staff Pay Committee and to approve any discretionary revisions made to the levels of remuneration as a result of retention issues that result in salary levels in excess of £150k, having particular regard to the University strategy, market position, equality duties and the need for transparency of process.

**Paid External Activities Policy**

- g) To review and approve the Paid External Activities Policy for staff within the scope of the Remuneration Committee. To receive an annual report of activity, time and income retained for senior staff in relation to the Paid External Activities Policy.

**Specific Considerations**

- h) To review the policy and parameters for the determination of the remuneration and benefits of senior officers of the University who fall within the remit of the Senior Staff Pay Committee, having given due regard to the University strategy, market position, equality duties and the need for transparency of process.

- i) To promote the University's responsibilities for equality and diversity by ensuring that relevant issues are given full consideration in all matters relating to the remuneration of all staff falling within the remit of the Remuneration and Senior Staff Pay Committees.
- j) To take account of the context in which the University operates, including any consideration of the relevance of fair pay for all. Fair and appropriate remuneration requires three key elements that include:
  - A fair, appropriate and justifiable level of remuneration;
  - Procedural fairness; and
  - Transparency and accountability.

#### **Annual Remuneration Committee Reporting**

- k) To agree an annual framework of work and to review and report on progress through an Annual Remuneration Report and Statement for Council (and the University's Financial Statements) which is transparent and produced in accordance with the requirements of the CUC Higher Education Senior Staff Remuneration Code (November 2021) and the Office for Students.
- l) To publish the Annual Remuneration Report on the governance pages of the University's website.

#### **4. Reports to:**

Council – with full delegated powers to determine salary increases, bonuses and severance payments without reference to Council, unless it thinks fit.

#### **5. Constitution & Membership:**

- a) The Chair of Council (Chair) (*Mr G Dixon*)
- b) The Treasurer (*Ms C Ellis*)
- c) Up to three lay members of Council, appointed by the Nominations Committee (*Dr S Dale-Black, Ms Mehmooda Duke*)
- d) When the President and Vice-Chancellor's salary is being considered, the role of Chair of the Remuneration Committee will transfer to the Treasurer for this item only. In the absence of the Treasurer, the role of Chair will pass to another member of the Committee for this item only.

#### **6. Duration of Appointment:**

a) and b) are ex-officio. Members appointed under c) shall serve for three years, renewable but maximum length of service is normally six years.

#### **7. Procedures**

- a) The Committee will invite the President and Vice-Chancellor and Director of Human

Resources to attend part of the Committee's meetings, as required, to consider the University's Reward Strategy and practices and to provide information and answer any questions from the Committee.

b) The University's Director of Human Resources will act as secretary to the Committee.

**8. Frequency of Meetings:**

The Committee will meet, as required, on the following dates during the period in question:

**2023/24**

- Tuesday 24 October 2023 1.30pm to 3pm
- Thursday 25 January 2024 2pm to 3pm (if required)
- Tuesday 19 March 2024 2pm -3pm (if required)
- Wednesday 8 May 2024 2pm -3pm (if required)
- Tuesday 2 July 2024 2pm -3pm (if required)

**9. Quorum:**

Three members.

October 2023

## UNIVERSITY OF LEICESTER REMUNERATION COMMITTEE

### Terms of Reference and Membership 2024/25

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- a) The University Remuneration Committee operates in line with the [CUC Higher Education Senior Staff Remuneration Code](#), November 2021, and compliance is checked by Governance and reported to the Remuneration Committee.
- b) Senior post holders at Leicester University who fall under the remit of the Remuneration Committee are:
  - The President and Vice-Chancellor (VC)
  - Executive Board members
  - Staff earning a full-time equivalent salary of (or more than) £150k (The £150k salary level is defined as the basic contractual salary without any temporary allowances and/or externally funded payments e.g. Head of Department allowances, Clinical Excellence Awards)
  - Severance packages for staff earning a full-time equivalent salary of (or more than) £100k per annum
  - Any other staff who the governing body has deemed to be within the remit of the Remuneration Committee.

In addition, information regarding other senior staff paid more than £100,000 per annum would be presented to Remuneration Committee, on an annual basis, for information only.

#### 2. Salary Definition

For the purposes of the terms of reference and undertaking the Remuneration Committee's responsibilities, where salary is referenced, this is defined as the basic contractual salary without any temporary allowances and/or externally-funded payments e.g. Head of Department allowances, Clinical Excellence Awards, and on a full-time equivalent basis.

#### 3. Role & Responsibilities:

##### Executive Board

To discuss, determine and review the remuneration, benefits and conditions of employment for members of the Executive Board (EB):

- President and Vice-Chancellor
- Provost and Deputy Vice-Chancellor
- Deputy Vice-Chancellor (Professional Services)
- Chief Financial Officer
- Registrar and Secretary
- Pro-Vice-Chancellor for Research and Enterprise

- Pro-Vice-Chancellor for Education
- 4 Pro-Vice-Chancellors and Heads of College

Taking account of affordability, comparative information on the remuneration, benefits and conditions of employment in the University sector and elsewhere as appropriate.

- a) To receive and discuss an annual report relating to the performance for members of the Executive Board in order to consider and approve any salary increases and/or unconsolidated additional annual payments.

#### **Staff earning a full-time equivalent salary of (or more than) £150k**

- b) To consider and approve recommendations for salaries that result in remuneration that exceeds £150k per annum (based on 1.0 FTE).

#### **Severance Payments**

- c) To approve any severance or other payments made to members of EB and staff where salaries are in excess of £100k, taking into account both the [CUC Higher Education Senior Staff Remuneration Code](#) November 2021 and the [CUC Guidance on Decisions Taken about Severance Payments in HEIs](#).

#### **Senior Staff earning a full-time equivalent salary of (or more than) £100k**

- d) To receive an annual report, for information, with the number of staff in receipt of salaries in excess of £100k per annum (based on 1.0 FTE) during the previous 12 months.

#### **Senior Staff Pay Committee**

- e) To review the decisions of the Senior Staff Pay Committee and to approve any discretionary revisions made to the levels of remuneration as a result of retention issues that result in salary levels in excess of £150k, having particular regard to the University strategy, market position, equality duties and the need for transparency of process.

#### **Paid External Activities Policy**

- f) To review and approve the Paid External Activities Policy for staff within the scope of the Remuneration Committee. To receive an annual report of activity, time and income retained for senior staff in relation to the Paid External Activities Policy.

#### **Specific Considerations**

- g) To review the policy and parameters for the determination of the remuneration and benefits of senior officers of the University who fall within the remit of the Senior Staff Pay Committee, having given due regard to the University strategy, market position, equality duties and the need for transparency of process.
- h) To promote the University's responsibilities for equality and diversity by ensuring that relevant issues are given full consideration in all matters relating to the remuneration of all staff falling within the remit of the Remuneration and Senior Staff Pay Committees.



- i) To take account of the context in which the University operates, including any consideration of the relevance of fair pay for all. Fair and appropriate remuneration requires three key elements that include:
- A fair, appropriate and justifiable level of remuneration;
  - Procedural fairness; and
  - Transparency and accountability.

#### **Annual Remuneration Committee Reporting**

- j) To agree an annual framework of work and to review and report on progress through an Annual Remuneration Report and Statement for Council (and the University's Financial Statements) which is transparent and produced in accordance with the requirements of the [CUC Higher Education Senior Staff Remuneration Code](#) (November 2021) and the Office for Students.
- k) To publish the Annual Remuneration Report on the governance pages of the University's website.

#### **4. Reports to:**

Council – with full delegated powers to determine salary increases, bonuses and severance payments without reference to Council, unless it thinks fit.

#### **5. Constitution & Membership:**

- a) The Chair of Council (Chair) (*Mr G Dixon*)
- b) The Treasurer (*Ms C Ellis*)
- c) Up to three lay members of Council, appointed by the Nominations Committee (*Dr S Dale-Black, Ms Mehmooda Duke*)
- d) When the President and Vice-Chancellor's salary is being considered, the role of Chair of the Remuneration Committee will transfer to the Treasurer for this item only. In the absence of the Treasurer, the role of Chair will pass to another member of the Committee for this item only.

#### **6. Duration of Appointment:**

- a) and b) are ex-officio. Members appointed under c) shall serve for three years, renewable, but maximum length of service is normally six years.

#### **7. Procedures**

- a) The Committee will invite the President and Vice-Chancellor and Director of Human Resources to attend part of the Committee's meetings, as required, to consider the University's Reward Strategy and practices and to provide information and answer any questions from the Committee.
- b) The University's Director of Human Resources will act as secretary to the Committee.

**8. Frequency of Meetings:**

The Committee will meet, as required, on the following dates during the period in question:

**2024/25**

- 16 October 2024 1:30-3:00pm
- 23 January 2025 2:00-3:00pm
- 18 March 2025 2:00-3:00pm
- 7 May 2025 2:00-3:00pm (if required)
- 1 July 2025 2:00-3:00pm

**9. Quorum:**

Three members.

October 2024