

Remuneration Annual Report 2024

Introduction

The University believes that pay should be attractive, equitable, competitive, and managed through a robust and consistent framework. In addition, it believes that the performance of staff may be enhanced through appropriate reward arrangements for outstanding performers. Governance of pay, terms and conditions and employee benefits is therefore vitally important to ensure that the University offers a compelling employment package, whilst ensuring equality, equity, consistency, fairness and risk management.

The University is a top 10 UK university and uses remuneration as one of the tools to attract and retain academic and professional services talent.

Remuneration for senior staff at the University (i.e. those on grade 9¹) is governed by the Remuneration Committee, which reports to Council. The Committee comprises three lay members of Council and is chaired by the Senior Pro Chancellor and Chair of Council. An alternative lay Pro Chancellor chairs the meeting while the Vice-Chancellor's pay is being considered. The Chair may invite the Vice-Chancellor and Deputy Vice-Chancellor to attend part of the meeting to share information related to the remuneration of senior staff who report through them. The Vice-Chancellor and Deputy Vice-Chancellor will never be asked to attend for any discussion about, or decision on, their own remuneration. Further details about the Remuneration Committee including current and past membership, terms of reference and meeting dates are available from: <http://www.lboro.ac.uk/committees/remuneration/>.

Approach to Remuneration

The University has a salary scale for grades 1 – 8 and the various policies and procedures associated with pay, including guidance on starting salaries, job evaluation and pension schemes, are available from the University's HR website: <http://www.lboro.ac.uk/services/hr/>.

¹ Grade 9 includes all professorial staff and a small number of senior appointments within Professional Services.

The University also participates in the University and Colleges Employers Association (UCEA) national pay bargaining.

The University's Performance and Development Review (PDR) system provides a robust basis for managing performance, developing staff and helping to inform remuneration decisions. Review is taking place of the existing arrangements for performance and development management and reward and recognition as part of development of a Total Reward Strategy. Members of Remuneration Committee will continue to have opportunity to input into these discussions and as proposals are developed, they will be shared with the Committee as appropriate.

The University's Remuneration Committee is responsible for determining pay and reward for senior staff including adjusting pay for reasons of equity and retention as well as reward. In addition, the University held a single Reward Committee during 2024 to consider consolidated rewards for staff (other than senior officers). A Reward framework is in place [Reward Framework | Human Resources | Loughborough University \(lboro.ac.uk\)](#). Given the current financial climate the financial envelope was reduced this year. Non-consolidated rewards, e.g., small gifts and one-off lump sum payments are devolved to schools and services.

The Remuneration Committee is responsible for determining the most appropriate pay as well as addressing any equity or retention issues for the University's most senior officers, namely:

- Vice-Chancellor
- Deputy Vice-Chancellor
- Chief Operating Officer
- Chief Financial Officer
- Pro Vice-Chancellor (Research and Innovation)
- Pro Vice-Chancellor (Education and Student Engagement)
- Pro Vice-Chancellor (Sport)

In considering the appropriate reward for the senior officers, Remuneration Committee will ensure that the reward arrangements set out by the University are applied consistently and fairly to this group of staff. Remuneration Committee will also consider the following:

- The institution's performance against the University Strategy and its strategic ambitions
 - We will be more ambitious in our research and innovation endeavour
 - We will strengthen our sector-leading position for education and student experience
 - We will be more diverse, equitable and inclusive

- We will intensify and extend the reach of our international engagement and impact
- We will excel in sport and use our pre-eminence to create new opportunities
- We will develop meaningful partnerships locally, regionally, nationally and internationally

(Note that particular consideration to priority elements of the strategy are considered on a year by year basis.)

- The size and complexity of the organisation
- The external market and the University's performance against its competitors
- The University's success (or otherwise) in attracting and retaining the most talented people at the highest level
- University and Colleges Employer Association's Senior Staff Remuneration Survey with a particular focus on Russell Group institutions
- Committee of University Chairs' Vice-Chancellor Salary Survey with a particular focus on Russell Group institutions

Institution Performance

Achievements include:

- 6th out of 130 UK Universities in the Complete University Guide 2025
- Best University for Sports related subjects in the global QS higher education league table in 2024.
- 10th in the Guardian League Table 2024
- 10th out of 131 UK Universities in the Times and Sunday Times University Guide 2024
- 1st for University Facilities Whatuni Student Choice Awards 2024

The University also has a number of other achievements which are worthy of noting:

- Continued robust financial management despite turbulent economic conditions means we are on track to deliver a financial breakeven position for 23/24.
- World-first lead-acid battery electrolyser awarded the international award for Academic Excellence and International Collaboration at the 2024 Hydrogen Awards
- We have entered the top 100 universities in the world for sustainability rising to 64th place out of 1,403 institutions.
- Personal Best student skills programme showcased by the Office for Students as one of only six TEF case studies and example of best practice.

Senior Reward

The performance of the University's six Senior Officers (excluding the Vice-Chancellor) was reviewed.

The Executive Team's pay was reviewed in relation to the data available through the UCEA Senior Staff Salary Survey. The Committee APPROVED the Vice-Chancellor's recommendation that given the current financial climate, no additional performance awards would be made this year, which was not a reflection on individual performance. Those in post on 1st August 2024 would receive an increase in line with the national pay award only.

Vice-Chancellor's Reward

The Vice-Chancellor's pay was reviewed in relation to the data provided by the UCEA Senior Staff Salary Survey and the CUC Salary Survey. The Committee APPROVED the Chair of Council's recommendation that the Vice Chancellor should receive an increase in line with the national pay award.

	2023/24	2022/23	2021/22	2021/22	2021/22	2020/21	2019/20
			*RA	NJ	*CML		
Salary	324,450	315,180	49,595	250,000	33,247	297,570	297,570
Excellence reward	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Benefits	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Subtotal	324,450	315,180	49,595	250,000	33,247	297,570	297,570
Additional for pension	42,526.38	38,633	5,051	31,875	2,966	30,342	30,427
Pension costs	NIL	NIL	2,898	NIL	2,572	17,333	17,090
Taxable relocation	NIL	NIL	NIL	£24,000	NIL	NIL	NIL
Total	366,976.38	353,813	57,544	305,875	38,785	345,247	345,087

*Donates interim postholders during part year 2021/22

Payments Made to Lay Members of Council

No payments (other than receipted expenses) were made to lay members of Council during 2023/24.

External Appointments and Expenses

The University's expenses policy for all staff is available from:

<https://internal.lboro.ac.uk/info/finance/staff/forms/>

The University's policy in external work for all staff is available from:

<https://www.lboro.ac.uk/services/hr/conditions-of-service/external-work/>

The Vice-Chancellor receives no benefits in kind. For example, the University does not own a car or employ a driver for the Vice-Chancellor's use. The University does not maintain a residence for the use of the Vice-Chancellor: he lives in his own property.

Any external work undertaken by the Vice-Chancellor and his executive team during 2023/24 has followed the required procedure and has been shared with the Remuneration Committee.

Pay Multiples

Loughborough University is a campus university, operating retail and catering outlets and maintaining significant university-owned student accommodation. The University retains many in-house support services that have been outsourced at other institutions, for example cleaning, catering, security or facilities management functions. The University has also included in its calculations a significant number of staff who will have received remuneration during the year on the basis of atypical claims contracts. These factors may adjust downwards the median salary of staff compared to other institutions and pay multiples should be considered carefully in that context.

A summary of pay multiples for this year and previous years is provided below:

Year	Mean Salary	Median Salary	Mean Total Remuneration	Median Total Remuneration
2018/19	-	10.8	-	10.7
2019/20	9.38	9.1	9.12	11.2
2020/21	8.9	10.66	8.3	10.06
2021/22	18.22	11.7	17.71	11.7
2022/23	9.22	11.6	8.67	10.7
2023/24	9.09	11.6	8.74	10.7

Source: UCEA website – VC Median pay ratio dashboard.