

## **AN OVERVIEW OF THE FRAMEWORK FOR SETTING THE PAY OF SENIOR POSTHOLDERS**

- 1 The University has established a framework that outlines a number of clear principles that will be followed to ensure that decisions on the levels of remuneration for senior postholders are evidence- based and are transparent, fair and equitable.

### **Setting the Initial Salaries of Senior Staff**

- 2 When setting the initial salaries of senior staff the University will take account of:
  - (i) Benchmarking data gathered via the annual independent UCEA survey of senior staff remuneration within the higher education sector, with a particular focus upon:
    - Institutions with a turnover of £202m to £400m
    - Institutions within the membership of the University Alliance mission group
  - (ii) The relative performance of the University in comparison with other institutions and the salaries offered for comparable posts at similarly performing institutions, especially within the University Alliance mission group.
  - (iii) Benchmarking data, where this is available, for comparable senior posts in other sectors.
  - (iv) Comparison with the salaries of other senior postholders within the University, taking into consideration the relative responsibilities and accountabilities of each senior post.
  - (v) The need to apply an inflationary adjustment to take account of time lags in the publication of benchmarking data.
  - (vi) The need to offer a competitive reward package to attract and secure candidates with the necessary experience, taking account of the relevant market intelligence.

### **Reviewing the Salaries of Senior Staff**

- 3 When making changes to the salaries of senior staff the University will take account of:
  - (i) Their sustained performance and contribution during the preceding year(s).

- (ii) The percentage increase in salary awarded to staff on national paycales as a consequence of national negotiations.
- (iii) The average percentage increase in salary received by staff on national paycales to reflect incremental pay progression.
- (iv) Maintaining the relative value of salaries when compared with benchmarking data in the annual UCEA survey of senior staff remuneration within the higher education sector, with a particular focus upon:
  - Institutions with a turnover of £202m to £400m
  - Institutions within the membership of the University Alliance mission group
- (v) The overall affordability of any proposed increases to senior salaries, taking account both of the University's financial performance and the need to offer salaries that compare favourably with competitor institutions.
- (vi) Any material changes in roles and responsibilities since the previous review period.

#### **Non-consolidated payments**

- 4 One-off, non-consolidated payments may also be made to acknowledge exceptional individual contribution and to ensure the delivery of strategic imperatives.

#### **Probationary Periods**

- 5 Staff will receive no increase in salary until the successful completion of their probationary year.

#### **Pay Relativities within the institution**

- 6 The University will ensure that its highest paid staff member will not earn more than 20 times the full time equivalent salary of its lowest paid staff member. This is consistent with a proposal considered by the Hutton Review of Fair Pay in the Public Sector.

#### **Application of this Framework**

- 7 This framework applies to all staff designated as senior postholders by the Board of Governors. The Vice Chancellor will take account of its principles when setting the remuneration of other senior staff.