

Remuneration annual report and statement 2021/22

1. Introduction

- 1.1 This is the University's remuneration annual report and statement covering decisions made in 2021/22 with respect to the Senior Staff falling within the University's [Senior Staff Remuneration Framework](#). The report is presented to the Governing Body and published in compliance with the Committee of University Chairs' (CUC) *Higher Education Senior Staff Remuneration Code*, which the University has adopted.

2. Operating context and institutional performance

- 2.1 Decisions on senior staff remuneration for 2021/22 were made in light of the university's operating context and performance in 2020/21, which are described in detail in the [Report and Financial Statements](#) for that year. The context is that of an institution which is one of the largest higher education providers in London, with an annual turnover (in 2020/21) of £231m, over 24,500 UK students, over 15,000 students in international partnerships and over 2,000 staff, with activities across three campuses in London and Kent. The University made significant progress during the year as highlighted in the 2020/21 report.

Like other modern universities, Greenwich operates in a highly competitive student recruitment environment. Major risks include continued uncertainty over future government policy towards higher education funding, and the freezing of Home tuition fees; risks to international student recruitment, including geo-political risks in key markets; increasing inflationary pressures (including on staff pay); and pension scheme deficits.

3. The University's approach to senior staff remuneration and pay and reward

- 3.1 In 2021/22 the [Senior Staff Remuneration Framework](#) guided remuneration decisions by the Nominations, Staffing and Remuneration Committee (NSR) sitting as the University's Remuneration Committee. Changes to the Framework to incorporate the performance ratings used in the University's 2020 Appraisal Policy and Procedure (used in Senior Staff appraisals for 2020/21) were approved by NSR Committee on 5 October 2021 and by the Governing Body on 19 October 2021.
- 3.2 In 2021/22, the senior staff whose remuneration was subject to the Framework were the Vice-Chancellor, the Deputy Vice-Chancellors, the Pro Vice-Chancellors, the Chief Financial Officer, the Chief Operating Officer and the University Secretary. These staff are appointed on fixed salaries, with future pay progression determined by the Remuneration Committee on the basis of performance in the previous year in accordance with the Framework. The University's pay and reward structures for other staff are set out in the [Remuneration Annual Report and Statement](#) for 2018/19.

4. The role of the Remuneration Committee and meetings in 2021/22

- 4.1 The terms of reference of the NSR Committee which applied in 2021/22 (until 28 June 2022) are appended to this report. Following a governance review, on 28 June 2022 the Governing Body approved the recommendation of the NSR Committee that the Committee should be replaced by a Nominations, Staffing and Governance Committee and a separate Remuneration Committee, with the latter being responsible for Senior Staff remuneration. The terms of reference of the new Remuneration Committee are available on the University's [website](#).

- 4.2 The University's Remuneration Annual Report and Statement for 2020/21 was approved by the Committee on 26 October 2021 and by the Governing Body on 24 November 2021.
- 4.3 The Committee met once in 2021/22 as the Remuneration Committee, on 26 October 2021, with the meeting attended by the following members: Ms Elizabeth Sideris (Independent Governor, chair of the NSR Committee); Ms Jag Dosanjh-Elton (independent co-opted member); Mr Richard Hicks (Independent Governor); Ms Bronwyn Hill (Independent Governor, Chair of the Governing Body); Ms Denise Larnder (Independent Governor, chair of the Audit and Risk Committee); Ms Aruna Mehta (Independent Governor); and Mr Murray Orr (Independent Governor, chair of the Finance Committee). Apologies were received from Ms Tricia King (Independent Governor). The meeting was attended by the University Secretary, the Director of Human Resources and the Vice-Chancellor, who were not members of the Remuneration Committee. The Vice-Chancellor and the University Secretary did not attend for the discussion relating to their own performance, remuneration and objectives.

5. Decisions on Senior Staff remuneration in 2021/22

Senior Staff other than the Vice-Chancellor

- 5.1 The Committee's meeting on 26 October 2021 considered a series of reports on the remuneration, performance and objectives of individual Senior Staff (other than the Vice-Chancellor) whose remuneration was subject to the Committee's decision. The information provided included: the staff member's salary history over the preceding three years, including any increases in salary; details of pension scheme membership and the University's contributions in 2020/21, and whether the individual was a member of the University's Healthcare Scheme; any performance award made by the Committee in 2019/20 (the last year in which awards were made); any external appointments held and whether external appointments were remunerated; an analysis of comparative salary data taken from the 2020 UCEA Senior Staff Remuneration Survey, reflecting how senior staff salaries compared to comparable posts in institutions in the same income range, region, mission group (University Alliance) and post-92 institutions (the UCEA salary data was appended); the rate of inflation for September 2021 (CPI) and the pay increase for staff covered by national pay negotiations effective from 1 August 2021; the staff member's objectives for 2020/21; the line manager's assessment of the individual's performance in 2020/21 and the performance rating assigned to the individual under the University's Appraisal Policy and Procedure; and the staff member's agreed objectives for 2021/22.
- 5.2 The Committee discussed the performance in 2020/21 of individual Senior Staff other than the Vice-Chancellor, with the Vice-Chancellor contributing to the discussion and assessment of performance, and agreed performance awards under the Senior Staff Remuneration Framework which are summarised in the table at 5.5 below.

The Vice-Chancellor

- 5.3 The Committee (without the Vice-Chancellor present) discussed the remuneration, performance in 2020/21 and objectives for 2021/22 for the Vice-Chancellor. The Committee considered the Vice-Chancellor's remuneration; the Chair of the Governing Body's assessment of the Vice-Chancellor's performance against objectives for 2020/21, including the rating assigned under the University's Appraisal

Policy and Procedure; and comparator data drawn from the UCEA Senior Staff Remuneration Survey, comparing the Vice-Chancellor's salary to other institutions in the same income range, region, mission group (University Alliance) and post-92 institutions (the UCEA salary data was appended). The Committee approved an appropriate performance pay award reflecting the Vice Chancellor's performance during 2020/21. The Vice-Chancellor's performance award is included in the table in 5.5.

5.4 The remuneration of the Vice-Chancellor in 2021/22 is disclosed in the University's financial statements in accordance with the Office for Students (OfS) Accounts Direction.

5.5 The following tables summarises the performance awards made by the Committee according to the scheme in the Senior Staff Remuneration Framework:

Level	Pay increase	Criteria	Equivalent rating in the Appraisal Policy and Procedure	Number of Senior Staff in category & total awarded (£)
1	0%	Capability discussions are being held and a performance improvement plan is in place	<p>D: Significantly below performance standards</p> <ul style="list-style-type: none"> • Overall performance is consistently and significantly failing to meet expectations of the position. • Performance at this level shows the jobholder clearly did not meet their objectives. • There is little demonstration of our values. • Assessment should only be awarded where the formal stage of the Capability procedure will need to commence. <p>C: Areas of improvement needed to meet performance standard</p> <ul style="list-style-type: none"> • Overall performance is not meeting the expectations of the role/post and is having an impact on the work of others. • The performance at this level shows the individual partially met but did not consistently achieve the objectives, including one or more deemed critical. • Not all the university values are demonstrated. • Performance assessment should only be awarded where additional support provided indicates the individual still needs to improve, and without this there will be a need to commence the informal stage of the Capability procedure. 	0 Total awarded: N/A
2	The cost of living pay increase awarded to all staff subject to national pay bargaining (1.5%)	Objectives set in appraisal have been met and the role holder has demonstrated behaviour consistent with the University's values	<p>B: Achieves performance standards</p> <ul style="list-style-type: none"> • Overall performance meets the expectations of the role/post. • Assessment allows flexibility to accommodate those instances where the staff member is deemed competent in their work area, and has achieved the most critical objectives but may not have been able to achieve the more ambitious ones. • The individual demonstrates the university values. 	0 Total awarded: N/A
3	The cost of living pay increase awarded to all staff (see 2) plus 1%	Objectives set in appraisal have been exceeded and the role holder has exceeded expectations regarding behaviour consistent with the University's values	<p>A: Exceeds performance standards</p> <ul style="list-style-type: none"> • Overall performance is above the expectations of the role/post • Individual achieves outcomes beyond the scope of their objectives Assessment recognises the higher degree of effort in meeting ambitious or developmental objectives which support the university's impact. • The role holder demonstrates the university values and influences others with demonstrating these 	4 Total awarded: £4,801 ¹

¹ Covers the lump sum awarded, excludes the cost of living pay increase awarded to all staff.

Level	Pay increase	Criteria	Equivalent rating in the Appraisal Policy and Procedure	Number of Senior Staff in category & total awarded (£)
4	The cost of living pay increase awarded to all staff (see 2) plus 2%	Objectives set in appraisal have been significantly exceeded and the role holder has made a demonstrable contribution to building a collegiate, collaborative and inclusive environment	<p>A*: Significantly exceeds performance standards</p> <ul style="list-style-type: none"> • Overall performance is consistently and significantly above the expectations of the role/post. • Individual has made progress beyond their ambitious objectives. • They support others to achieve success in terms of university impact. • The individual exemplifies the university values. 	4 Total awarded: £13,415 ²

5.6 Two Senior Staff were not eligible for a performance award under the Senior Staff Remuneration Framework as they had served for less than six months in the period being assessed (2020/21). The Committee agreed that, exceptionally, one of these staff should receive the cost of living pay increase awarded to all staff (1.5%) in light of their performance and the fact that they would not be eligible for a performance award again until autumn 2022.

6. Changes in the Vice-Chancellor's remuneration over time

6.1 The University is required by the OfS's Accounts Direction to publish the components of the Vice-Chancellor's remuneration in its [financial statements](#), and has done so for many years. The table below tracks changes in the Vice-Chancellor's basic pay and total remuneration over time in comparison with the data for the higher education sector published by the OfS (the most recent comparator data is for 2019/20):

	University of Greenwich: 2016/17 (£)	University of Greenwich: 2017/18 (£)	University of Greenwich: 2018/19 (£)	University of Greenwich: 2019/20 (£): outgoing Vice-Chancellor ³ (01.08.19 – 31.12.19)	University of Greenwich: 2019/20 (£): incoming Vice-Chancellor ⁴ (01.12.19 – 31.07.20)	University of Greenwich: 2020/21 (£)	University of Greenwich: 2021/22 (£)	HE providers previously funded by HEFCE, 2019/20 mean (OfS) (£) ⁵
Salary	236,655	246,467	245,984	102,000 (annual equivalent: £246k)	159,000 (annual equivalent: £240k)	240,000	243,000	248,182
Taxable benefit	472	-	-	-	1,000	2,000	2,000	

² Covers the lump sum awarded, excludes the cost of living pay increase awarded to all staff.

³ Professor David Maguire.

⁴ Professor Jane Harrington.

⁵ <https://www.officeforstudents.org.uk/publications/senior-staff-remuneration-analysis-of-the-2019-20-disclosures/>

	University of Greenwich: 2016/17 (£)	University of Greenwich: 2017/18 (£)	University of Greenwich: 2018/19 (£)	University of Greenwich: 2019/20 (£): outgoing Vice-Chancellor ³ (01.08.19 – 31.12.19)	University of Greenwich: 2019/20 (£): incoming Vice-Chancellor ⁴ (01.12.19 – 31.07.20)	University of Greenwich: 2020/21 (£)	University of Greenwich: 2021/22 (£)	HE providers previously funded by HEFCE, 2019/20 mean (OfS) (£) ⁵
Performance related pay ⁶	-	-	-	-	-	-	5,000	
Subtotal	237,127	246,467	245,984	102,000	160,000	242,000	250,000	
Employer's pension contributions	37,904	25,269	- ⁷	- ⁷	38,000	57,000	59,000	
Total remuneration	275,031	271,736	245,984	102,000	198,000	299,000	309,000	301,258

6.2 As indicated, the pay awards to Senior Staff made by the Remuneration Committee in October 2021 included an annual increase in pay for 2021/22 of 1.5% to reflect the cost of living, in line with the award offered to staff whose pay is subject to annual collective bargaining, plus non-consolidated performance-related pay awards under the University's Senior Staff Remuneration Framework where appropriate. The national pay award of 1.5% is reflected in the increase in the Vice Chancellor's base salary for 2021/22.

7. The relationship between the Vice-Chancellor's remuneration and that of other staff

7.1 Starting with its 2017/18 financial statements, the University has been required by the OfS to publish the relationship between the Vice-Chancellor's remuneration and that of all other staff, expressed as two pay multiples: the ratio of the Vice-Chancellor's basic pay to the basic pay of all staff, and the ratio of the Vice-Chancellor's total remuneration to the total remuneration of all staff. The table below tracks changes in the University's pay multiples over time and how the University's pay multiples relate to data for the higher education sector published by the OfS (the most recent comparator data is for 2019/20):

⁶ Covers awards made under the Senior Staff Remuneration Framework from 2018/19 onwards.

⁷ No employer's pension contributions were paid for Professor David Maguire in 2018/19 or 2019/20 (up to the end of his appointment) as the Vice-Chancellor opted out of the University's pension scheme. Professor Maguire received no additional payment in lieu of pension contributions.

Pay multiple	Range for all HE providers, 2019/20 (OfS) ⁸	OfS funded HE providers, 2017/18 median (OfS) ⁹	University of Greenwich: 2017/18 financial statements	University of Greenwich: 2018/19 financial statements	University of Greenwich: 2018/19 (restated)	University of Greenwich: 2019/20 financial statements	University of Greenwich: 2020/21 financial statements	University of Greenwich: 2021/22 financial statements
Head of provider's basic salary to median basic pay of all staff	1.0< to 12.5	7.2	5.31	5.87	6.35	6.28 (outgoing Vice-Chancellor ¹⁰) 6.16 (incoming Vice-Chancellor ¹¹)	6.59	6.41
Head of provider's total remuneration to median total remuneration of all staff	1.0 to 17.0	7.7	5.16	5.20	5.57	5.46 (outgoing Vice-Chancellor ⁹) 6.65 (incoming Vice-Chancellor ¹⁰)	6.96	6.89

7.2 The OfS's Accounts Direction for accounting periods beginning on or after 1 August 2019 requires that all staff should be included in the calculation of pay multiples who are required to be in real-time reporting to HMRC. The new method removes the requirement to include agency staff. Consequently, the pay multiples for 2019/20 onwards are not directly comparable to those published in the University's financial statements for earlier years or to the comparative data for 2017/18 published by the OfS. The pay multiples for 2018/19 have been restated according to the methodology used for 2019/20 onwards for comparison.

7.3 The differences between the incoming and outgoing Vice-Chancellors in the pay multiples related to total remuneration in 2019/20 and subsequently reflect the fact that outgoing Vice-Chancellor (Professor David Maguire) opted out of the University's pension scheme and was not in receipt of pension contributions, explaining the lower total remuneration.

8. Income from external appointments

8.1 The [Senior Staff Remuneration Framework](#) sets out the University's policy on the retention of income from external appointments by senior staff and how this should be overseen by the Remuneration Committee. No Senior Staff member received income from external appointments in 2021/22.

⁸ <https://www.officeforstudents.org.uk/publications/senior-staff-remuneration-analysis-of-the-2019-20-disclosures/>

⁹ <https://www.officeforstudents.org.uk/advice-and-guidance/regulation/senior-staff-pay/>. The OfS's analysis of 2019/20 remuneration disclosures does not include average pay multiples for the sector.

¹⁰ Professor David Maguire.

¹¹ Professor Jane Harrington.

9. Senior staff expenses

- 9.1 Senior staff and other staff are subject to the University's [Financial Regulations](#) with respect to expenses, which must be wholly, exclusively and necessarily for business purposes. All claims for the re-imbursalment of allowable business expenses incurred by staff in the course of their duties must be submitted for payment according to the Finance Directorate's procedures and be supported by original receipts.

Approved by the Governing Body on 23 November 2022

Appendix: Nominations, Staffing and Remuneration Committee terms of reference, 2021/22

NOMINATIONS, STAFFING AND REMUNERATION COMMITTEE¹²

Terms of Reference

1. Purpose:

The purpose of the Committee is:

- To keep under review the composition of the Governing Body and its committees and to make recommendations to the Governing Body for appointments;
- To advise the Governing Body on a range of independent membership issues, including recruitment, committee membership, performance review and terms of office;
- To provide governance oversight for strategic staffing matters;
- To oversee policy on staff remuneration and the remuneration of the Executive.

2. Terms of reference:

2.1 Nominations

Selection and Appointment:

- To review criteria for appointments from time to time, having regard to Governing Body policy;
- To formulate the recruitment process for Governors;
- To consider candidates and make recommendations to the Governing Body for the appointment of new Governors;
- To keep under continuous review the overall profile of the membership of the Governing Body with particular regard to skills and competences and the diversity of the Governing Body;
- To ensure that considerations of skills and competencies and diversity are reflected in recommended appointments to the Governing Body.

Induction and Committee Membership:

- To review the composition of the Governing Body and committees to ensure they contain Governors of the highest caliber with the appropriate skills, competencies and experience necessary for good governance;
- To make recommendations to the Governing Body regarding the filling of vacancies on Governing Body committees and to keep under review the length of service on committees, in consultation with the chair of the relevant committee;
- To formulate the recruitment process for co-opted members of committees, to consider candidates for co-opted membership and make recommendations to the Governing Body for the appointment of new co-opted members in consultation with the chair of the relevant committee;

¹² These terms of reference applied until 28 June 2022 when the committee was abolished (see para. 4.1). In February 2022 the Governing Body approved amendments to the terms of reference relating to nominations (2.1); there were no changes during the year to the terms of reference relating to staffing and remuneration or to the committee's membership.

- To make recommendations to the Governing Body regarding the appointments of chairs of committees, the Senior Independent Governor (if not the chair of the Nominations, Staffing and Remuneration Committee) and the Vice-Chair;
- To make recommendations to the Governing Body on the process for appointing the Chair and Vice-Chair;
- To review the induction arrangements for new Governing Body and committee members and check their efficacy.

Performance Review and Terms of Office:

- To consider whether to recommend to the Governing Body that Governors and co-opted members of committees should be offered a further term of office subject to satisfactory performance, the requirements of the University's Articles of Association and (in the case co-opted committee members) consultation with the chair of the relevant committee;
- To make recommendations to the Governing Body on the most appropriate methods to be used for the performance review of Governors and co-opted members of committees and discuss the outcomes of reviews;
- To advise on the succession arrangements for the chairs of committees, the Senior Independent Governor, the Vice-Chair and the Chair of the Governing Body.

2.2 Staffing and Remuneration:

- Monitor the implementation of the People Strategy approved by the Governing Body;
- On behalf of the Governing Body, to determine and review the salaries and terms and conditions (and where appropriate severance payments) of the Vice-Chancellor and other senior officers of the University as determined by the Governing Body, in accordance with the Senior Staff Remuneration Framework;
- To annually review the University's Senior Staff Remuneration Framework for recommendation to the Governing Body, ensuring its compliance with the Committee of University Chairs *Higher Education Senior Staff Remuneration Code*;
- To consider and note matters of strategic significance concerning remuneration and other employment matters;
- To monitor compliance with employment legislation and policy;
- To make recommendations to the Governing Body on the process for appointing the Vice-Chancellor;
- To provide the Governing Body with an annual remuneration report in accordance with the Senior Staff Remuneration Framework and the *Higher Education Senior Staff Remuneration Code*; to review the University's annual remuneration statement and any published statements on senior staff remuneration required by the Office for Students and other bodies.

The Committee will oversee the University's compliance with the CUC *Higher Education Code of Governance* and report on it to the Governing Body.

Constitution:

Membership: The Committee shall comprise the Chair of the Committee and Chair of the Governing Body, the Vice-Chancellor and between two and five other Governors, at least one of whom should be a Staff Governor. Optionally, an independent co-opted member who is not a Governor with experience relevant to the Committee's remit may be appointed from outside the University.

Remuneration Committee Membership: When the Committee sits to consider the remuneration of senior staff the Chairs of the Finance and Audit & Risk Committees will also be present as members. The Vice-Chancellor will not be a member of the committee but may be asked to attend part of the meeting to share information about senior staff but will not be part of the decision making process nor will s/he be present during discussion of his/her own salary. The Staff Governor(s) on the Committee will not attend for the discussion of the performance of senior staff. When sitting as the Remuneration Committee, the Committee must be chaired by an Independent Governor who is not the Chair of Governing Body.

Term of office: Members of the Committee shall serve for a period of three years and are eligible for re-appointment. Membership shall cease on expiry of the Member's term of office on the Governing Body.

Quorum: One half of those Members eligible to attend

Frequency of meetings: The Committee will normally meet four times a year (including at least one meeting as the Remuneration Committee).

Reports to: The Committee reports to the Governing Body as its parent committee and submits its minutes to that body. Decisions relating to the appointment of new Governors and renewal of terms of office are referred to the Governing Body as recommendations for approval.

Review: the Terms of Reference of the Committee will be reviewed annually.

Approved by the Governing Body on 22 February 2022