ARTS
UNIVERSITY
BOURNEMOUTH

THE BOARD OF THE ARTS UNIVERSITY BOURNEMOUTH HIGHER EDUCATION CORPORATION

ANNUAL REMUNERATION REPORT 2024/2025

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1. Introduction

1.1 The Remuneration Committee (RemCo) provides an annual remuneration report to the Board of Governors as part of its remit to provide assurance to the Board on the conditions of service and remuneration of the University's senior postholders[1] and spot salary staff[2].

1.2 Senior postholders are defined as members of the Vice-Chancellor's Executive (VCE).

1.3 Spot salary staff are those staff who are remunerated outside of the National Framework Agreement and new JNCHES process.

1.4 This annual remuneration report complies with the requirements of the Committee of University Chairs' (CUC) Higher Education Senior Staff Remuneration Code.

2. Remuneration Committee Terms of Reference

2.1. The Terms of Reference for AUB's RemCo are located on the University's intranet and website.

2.2 The following served on RemCo for 2024-25:

- Misan Nwokorie (Chair of the RemCo, Vice-Chair of the Board of Governors)
- Dorothy MacKenzie (Chair of the Board of Governors)
- Jan Juillerat (Independent Governor and Chair of the Human Resources Committee)
- Malcolm Groat (Independent Governor and Chair of the Finance and Resources Committee)

[1] AUB's Senior Postholders in 2024-25: Principal and Vice-Chancellor, Vice-Chancellor & CEO, Executive Director Operations and Planning, Executive Director Academic Innovation, Director of Finance/Chief Financial & Operating Officer, and University Secretary.
[2] Spot salary staff are those staff who are remunerated outside of the National Framework Agreement and new JNCHES process.

3 The Business of the Remuneration Committee

3.1 The RemCo usually meets once a year in the autumn term. Other meetings can be arranged as deemed necessary by the Chair of the RemCo.

3.2 Salaries of senior postholders and spot salary staff are approved at the autumn term RemCo meeting. In considering recommendations for salary increases for senior postholders and spot salary staff, the RemCo takes into account line manager reports and individual performance against objectives for the review period, changes in job responsibilities, internal equity and external benchmarking.

3.3 The dates of the RemCo meetings, records of attendance and minutes are located on the University's website.

3.4 The University's Remuneration Framework is located on the University's intranet and website.

4 Guiding Principles of Remuneration at AUB

4.1 AUB recognises the need for highly talented, competent, committed and motivated employees, to deliver its strategic plan for the benefit of students, staff, the community and the economy at large. AUB must reward and recognise employees competitively, appropriately and fairly.

4.2 Remuneration:

- must be competitive and take account of the commercial pressures of the HE marketplace through relevant benchmarking, where required. Benchmarking against the HE sector will take into account the performance of the University within its peer group, which we define as Post-92 Institutions with a comparative turnover.
- will be determined fairly and objectively with due consideration of remuneration throughout the University and the wider higher education sector.
- will be linked to the imperatives of the strategic plan and viewed as a total remunerations package comprising pay and non-pay benefits.
- decisions for senior postholders and spot salary staff are approved by the University's RemCo and will match the individual's role and level of performance as delivered against their individual annual objectives.

4.3 The salary and benefits of senior postholders and spot salary staff are determined by taking into account the line manager reports on individual performance against objectives for the relevant review year, any changes in job responsibilities, internal equity and external benchmarking of compensation. Benchmarking information for comparable roles both within and outside the higher education sector will be considered as deemed appropriate by the Director of People and Chair of the RemCo.

4.4 Other benchmarking data for comparable roles outside the higher education sector may be considered if relevant. The information provided to the RemCo on an annual basis makes clear, for each senior postholder and spot salary staff, what the current salary against benchmark is and the reasons for any difference in the benchmarking.

5 Remuneration Approach for other AUB Staff

5.1 The University and Colleges Employers' Association (UCEA) works with the sector trade unions as part of the Joint Negotiating Committee for Higher Education Staff (JNCHES), which negotiates the annual cost of living, increase applicable to the salary points within the Framework Agreement.

5.2 As part of the JNCHES process, the salary points for the following year are decided in the form of an annual cost of living increase. If applicable, a new salary scale takes effect on 1 August each year.

5.3 In addition, for those staff aligned to the salary scale, incremental progression is available which is subject to satisfactory performance as evaluated by the line manager. Incremental progression to the top of the individual's job grade point is applicable once a year and effective from 1 August.

5.4 The University utilises the Hay Guide Chart - Profile Method job evaluation scheme, a widely used and recognised job evaluation framework that assesses job roles against a points-based range of criteria, to ensure job descriptions are remunerated fairly and equally. This method provides an evaluated way of aligning jobs to the University's salary scale.

6. Pensions

6.1 AUB has a statutory duty to automatically enrol all staff into a pension scheme. The Teachers' Pension Scheme applies to academic staff and the Local Government Pension Scheme applies to professional services and technical services staff.

6.2 A non-consolidated cash payment, equivalent to the level of pension contribution that would otherwise be made, adjusted to ensure cost neutrality for the University, may be paid in the event that an employee has accrued the maximum level of tax-efficient pension savings. Such payment, which would be subject to tax and national insurance deductions, would be subject to the individual taking professional advice, proof of pension savings, and AUB receiving confirmation by an Independent Financial Adviser that withdrawing from the relevant pension scheme is appropriate.

7 Pay Ratio

7.1 AUB is required to provide two pay ratios of the Vice-Chancellor & CEO's (VC) salary against the median salary of all staff, in accordance with the requirements of the Office for Students.

7.2 The first pay ratio is a basic salary ratio, which is based on the VC's salary as a ratio of the median basic salary of all staff, expressed as a full time equivalent. The second pay ratio is a total remuneration ratio, which is based on the VC's total remuneration as a ratio of the median total remuneration of all staff, expressed as a full time equivalent. At AUB, because there are no dividends, performance related pay, bonus payments or market supplements this ratio includes employer pension contributions and payments in lieu of pension contributions as well as private medical insurance.

7.3 The following table sets out the pay ratios over a three-year period:

Year	Basic Pay Ratio	Total Remuneration Ratio
2024-25	5.47	5.91
2023-24	6.71	6.94
2022-23	6.94	7.15

8 Institutional Performance 2024-25

8.1 Institutional performance over the past year is summarised as follows:

- AUB saw improved results across all seven key themes of the NSS Survey, including Teaching on my course, Academic Support, and Learning Resources. Satisfaction with the library reached 94.9%, ranking among the highest in the country. Students rated teaching staff at 91% for how well they explain things, and 85% for support for learning. 82% of students felt their course prepared them for the future. The 2024/25 survey reflects a continued positive trend in student experience at the institution.
- A new Learning, Teaching and Assessment Framework (LTAF) was fully implemented in all AUB courses for 2024-25 setting out the core principles of education at AUB, the regulatory framework which underpins all awards, and offers detailed advice and guidance on delivery.
- AUB was awarded funding of £1.64m in 2024 for 5 years to establish the Research Centre for Plastics Innovation and Curation, supported through Research England's Expanding Excellence in England (E3) Fund.

- The university published the "Boys Who Care" report in 2025, a collaborative research project investigating the experiences of young male carers in education.
- Eight new undergraduate courses were introduced for the 2024/25 academic year, including new offerings within the School of Arts, Media, and Creative Industries Management.
- AUB reached 20th in the UK in the 2024/25 People & Planet league, achieving a "First" class rating and becoming the top-ranked institution of its size (under 5,000 students) with an 100% score in Environmental Auditing and Management Systems, our highest ever ranking. It was also a finalist in the 2024 Green Gown Awards.
- In September 2024, AUB was awarded the Inclusive Employers Standard Silver accreditation, becoming the only UK university to achieve this level, demonstrating our sector leading commitment to equality, diversity and inclusion.
- AUB incurred a deficit after tax and exceptional item for the year ended 31 July 2025 of £2.3M as compared to a prior year deficit of £3.5m, representing a 35% improvement.
- Overall total income decreased by 6% to £51.7m (2024: £54.9m). Tuition fees decreased by 6%, with most of the decrease against undergraduate and international students. Funding Council grants increased marginally because of additional research grant funding. Other Income decreased by £0.8m due to a reduction in halls accommodation income and lower catering income.
- Staff Costs went up by 1% to £25m (2024: £24.8m). The effective increase in pay costs was mainly due to increase in Teachers Pension Scheme charge as well as cost of living and staff increment increases.

9 Special Payments

9.1 The University does not operate a performance pay scheme; however, its Remuneration Framework does have a provision for special payments, which sometimes may be required to reflect an employee's outstanding performance or significant additional responsibility. This would be recognised in the following ways:

9.1.1 Non-consolidated bonus. Outstanding performance may be rewarded by the award of a one-off payment. Where it is used, the payment will be directly linked to outstanding performance in the achievement of strategic, financial and non-financial objectives which are linked to the achievement of the Strategic Plan, and which is outside of the normal day-to-day responsibilities of the individual.

9.1.2 Temporary Responsibility Allowance. A payment for additional responsibilities paid as an honorarium where the additional responsibility is being undertaken for a period of no less than three months.

10. Performance and remuneration of the Principal and Vice-Chancellor, and Vice-Chancellor & CEO

10.1 RemCo noted that the Principal and Vice-Chancellor left AUB on 31 December 2024 and the current VC&CEO commenced employment on 1 January 2025 for a fixed term period of 18 months to 31 July 2026.

10.2 In deciding the remuneration recommendation for the Principal and Vice-Chancellor (for the period 1 August 2024 to 31 December 2024), the RemCo considered:

a) Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million.
b) Comparative data of equivalent role from the CUC annual survey of the remuneration of Vice-Chancellors.
c) UCEA Senior Staff Remuneration Survey 2024 Executive Pay Briefing.
d) CUC 2024 Survey of Vice-Chancellors' Remuneration Paper.
e) Internal compensation equity to other AUB Senior Postholders.
f) Organisational and individual performance against objectives as provided by the Chair of the Board.
g) The elevated nature of the VC&CEO's starting salary on his appointment to AUB.

10.3 Taking all factors into account, the Committee decided on a 1.5% salary increase, backdated to 1 August 2024. In making this decision the Committee recognised the Principal and Vice-Chancellor's commitment, immense hard work and contributions to the sector. Subsequent to the RemCo's decision, in light of AUB's financial position with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Principal and Vice-Chancellor declined RemCom's decision to increase their salary by 1.5%.

10.4 A pay in lieu of pension payment continued to be applied, equal to the Teachers' Pension Scheme employer's contribution of 20.81% as the Principal and Vice-Chancellor waived their right to the 5% TPS employers' contribution increase. Additionally, the Principal and Vice-Chancellor continued to receive private health cover.

10.5 Further to the unexpected retirement of the Principal and Vice-Chancellor on 31 December 2024, the Board appointed AUB's DVC to the VC&CEO role on a fixed term basis from 1 January 2025 to 31 July 2026. RemCo agreed the salary for the VC&CEO based on the following considerations:

h) Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million.
i) Comparative data of equivalent role from the CUC annual survey of the remuneration of Vice-Chancellors.
j) UCEA Senior Staff Remuneration Survey 2024 Executive Pay Briefing.
k) CUC 2024 Survey of Vice-Chancellors' Remuneration Paper.
l) Internal compensation equity to other AUB Senior Postholders.
m) The elevated nature of the Principal and Vice-Chancellor's starting salary on his appointment to AUB.
n) The level of experience of the new VC&CEO.

10.3 The following table sets out the remuneration of AUB's VC over the past three years:

Remuneration of the VC	01/01/25 - 31/07/25	01/08/24 – 31/12/24	2023-24	2022-23
Salary	96,250.00 (*165,000 pro-rata for 7 months*)	95,000.00 (*228,000.00 pro-rata for 5 months*)	228,000.00	£228,000.00
One off Payment	N/A	N/A	N/A	N/A
Pay in Lieu of Pension	N/A	19,768.00 *(47,443.00 pro-rata for 5 months*)	47,443.00	£47,443.00
Total	96,250.00 (*165,000.00 pro-rata for 7 months*)	114,768 (*275,443 pro-rata for 5 months*)	275,443.00	£275,443.00

11 AUB Staff Remunerated at £100,000 and above

11.1 The following table shows the number of staff, per salary banding, earning the relevant salary in the reporting period:

Salary Band	Number of Staff
£101,000 - 110,000	1
£111,000 - 120,000	0
£121,000 - 130,000	0
£131,000 - 140,000	0

12. External Appointments and Expenses

12.1 Staff may represent the University on various bodies and boards and carry out academic, professional and civic responsibilities at other organisations. Where such appointments occur the University requires that the employee follows University Policy, in the first instance obtaining authorisation from the line manager for the activity.

12.2 The University's VC is not expected to retain benefits and/or payments for such activities and did not receive any such payment in 2024-25.

12.3 All staff are required to adhere to the University's policy[3] in respect of the receipt of payment for expenses incurred in the course of University business.

[3] AUB's Travel and Subsistence details are within AUB's Financial Regulations on the University's Intranet