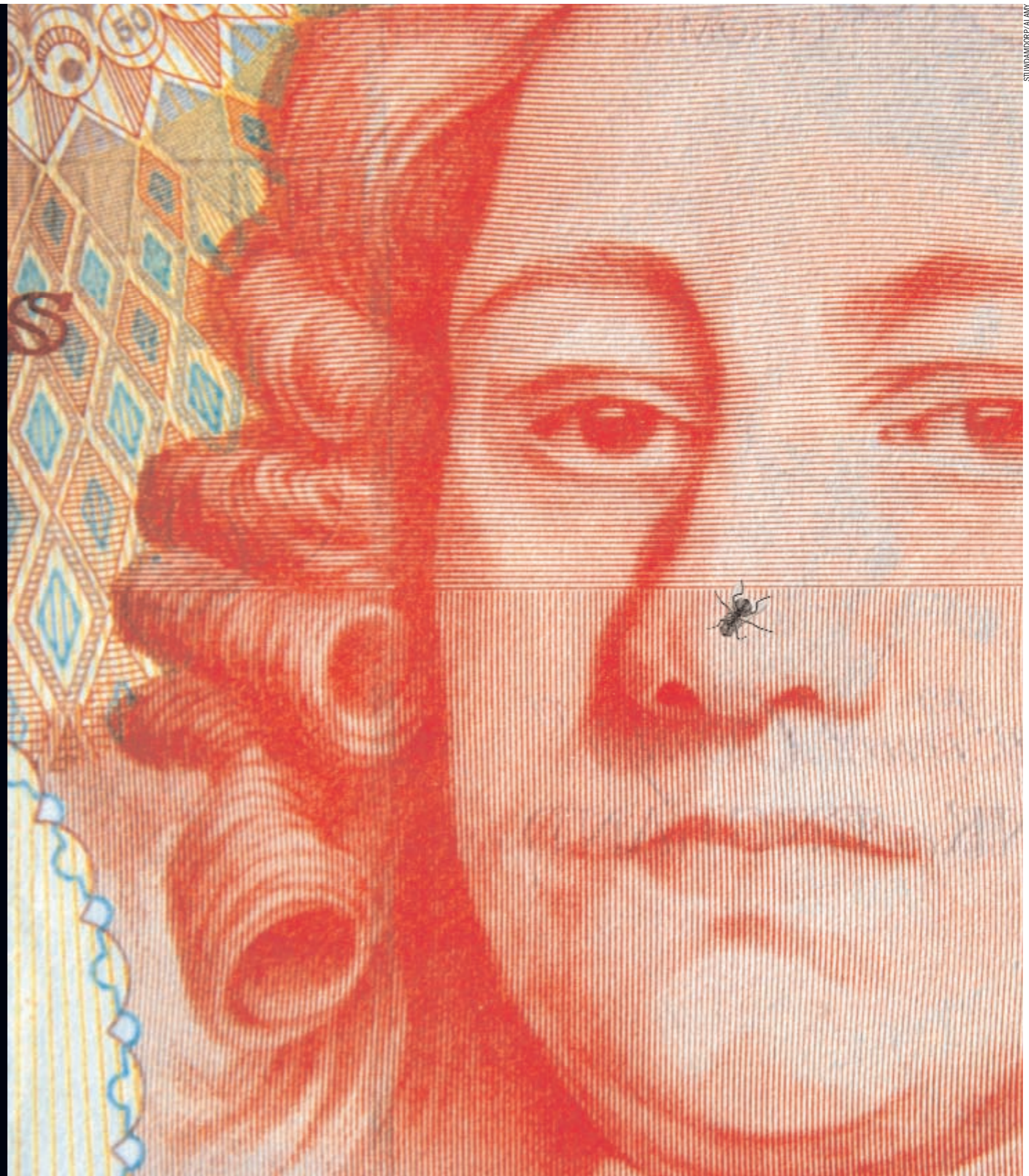


It was fun while it lasted

Both vice-chancellors and academics enjoyed healthy pay rises in 2008-09, although they may seem a distant memory to those now feeling the pinch. Using an exclusive analysis by **Grant Thornton**, **John Morgan** and **Hannah Fearn** look at who got what in the last year of plenty



VICE-CHAN CELLORS' ANNUAL PAY AND BENEFITS, 2008-09

| Rank 08-09 | Rank 07-08 | Institution | Vice-chancellor/ chief executive (Names listed may not include all post holders over the period) | 2008-09 | | | | | 2007-08 | | | | |
|------------|------------|---|---|-------------------|------------------|-----------------------------------|-------------|------------------|---------------------------------|-------------------|----------------|-----------------------------------|---------------------|
| | | | | Salary (£) | Benefits (£) | Total salary excluding pension | % increase | Pension (£) | % increase including pension | Salary (£) | Benefits (£) | Total salary excluding pension | Pension (£) |
| 121 | 139 | Trinity University College, Carmarthen | M. Hughes | 155,008 | 13,850 | 168,858 | 29.9 | 22,097 | 28.4 | 116,973 | 13,051 | 130,024 | 18,695 |
| =122 | 123 | Bucks New University | R. Farwell | 168,000 | | 168,000 | 9.8 | 22,000 | 9.8 | 153,000 | | 153,000 | 20,000 |
| =122 | 120 | St George's, University of London | P. Kopelman | 168,000 | | 168,000 | 5.7 | 32,000 | 13.0 ² | 159,000 | | 159,000 | 18,000 ² |
| 124 | 128 | UHI Millennium Institute | R. Cormack | 164,961 | 2,880 | 167,841 | 12.8 | 22,783 | 12.7 | 145,979 | 2,799 | 148,778 | 20,437 |
| 125 | 124 | Liverpool Hope University | G. Pillay | 165,097 | | 165,097 | 9.0 | 22,396 | 9.0 | 151,514 | | 151,514 | 20,480 |
| 126 | 130 | University of Winchester | J. Carter | 164,434 | 0 | 164,434 | 11.8 | 22,020 | 11.4 | 147,098 | | 147,098 | 20,300 |
| 127 | 122 | Royal Academy of Music | J. Freeman-Attwood | 139,235 | 24,164 | 163,399 | -12.8 | 31,375 | -26.4 | 163,214 | 24,215 | 187,429 | 77,322 ² |
| 128 | 143 | Central School of Speech and Drama | G. Henderson | 162,000 | 1,000 | 163,000 | 30.4 | 23,000 | 30.1 | 124,000 | 1,000 | 125,000 | 18,000 |
| 129 | 135 | Ravensbourne College | R. Baker | 162,500 | | 162,500 | 18.0 | 1,984 | 6.4 | 137,658 | | 137,658 | 17,004 |
| 130 | 131 | University of Chichester | P. Robinson/R. Baker | 161,335 | 0 | 161,335 | 11.3 | 22,587 | 11.3 | 144,921 | | 144,921 | 20,289 |
| 131 | 125 | Aberystwyth University | N. Lloyd | 161,000 | | 161,000 | 6.6 | 23,000 | 7.0 | 151,000 | 0 | 151,000 | 21,000 |
| 132 | 140 | London School of Hygiene & Tropical Medicine | A. Haines | 158,000 | | 158,000 | 21.5 | 32,551 | 20.3 ² | 130,000 | | 130,000 | 28,454 ² |
| 133 | 146 | University for the Creative Arts | E. Thomas | 156,818 | 0 | 156,818 | 29.0 | 19,828 | 29.2 | 120,895 | 649 | 121,544 | 15,222 |
| 134 | 133 | School of Pharmacy, University of London | A. Smith | 154,501 | | 154,501 | 10.3 | 18,536 | 10.2 | 140,019 | | 140,019 | 16,937 |
| 135 | 129 | University College Plymouth St Mark & St John | D. Baker/M. Noble | 153,975 | 0 | 153,975 | 4.4 | 20,785 | 5.0 | 147,461 | | 147,461 | 19,003 |
| 136 | 136 | University of Wales, Newport | P. Noyes | 150,000 | 1,000 | 151,000 | 11.0 | 21,000 | 11.0 | 135,000 | 1,000 | 136,000 | 19,000 |
| 137 | 138 | Harper Adams University College | W. Jones/D. Llewellyn | 137,972 | 12,474 | 150,446 | 12.2 | 20,819 | 12.4 | 122,642 | 11,448 | 134,090 | 18,256 |
| 138 | 132 | Swansea Metropolitan University | D. Warner | 136,000 | 13,000 | 149,000 | 4.2 | 21,000 | 5.6 | 128,000 | 15,000 | 143,000 | 18,000 |
| 139 | 137 | Arts University College, Bournemouth | S. Bartholomew | 142,000 | 6,896 | 148,896 | 9.7 | 20,022 | 9.7 | 130,032 | 5,681 | 135,713 | 18,335 |
| 140 | 148 | Glasgow School of Art | S. Reid | 138,000 | | 138,000 | 17.9 | 21,000 | 16.9 ³ | 117,000 | | 117,000 | 19,000 |
| 141 | 141 | St Mary's University College, Twickenham | A. Naylor | 132,000 | 3,000 | 135,000 | 4.7 | 19,000 | 4.8 | 126,000 | 3,000 | 129,000 | 18,000 |
| 142 | 145 | Newman University College | P. Taylor | 130,000 | | 130,000 | 6.9 | 18,330 | 7.5 | 121,600 | | 121,600 | 16,441 |
| 143 | 150 | Royal Agricultural College | C. Gaskell | 126,516 | | 126,516 | 10.2 | 16,524 | 10.7 | 114,762 | | 114,762 | 14,460 |
| 144 | 142 | Royal College of Music | C. Lawson | 124,537 | 1,609 | 126,146 | 0.3 | 18,721 | 1.2 | 124,537 | 1,212 | 125,749 | 17,435 |
| 145 | 153 | Bishop Grosseteste University College Lincoln | M. Robinson | 114,910 | 5,304 | 120,214 | 9.4 | 16,202 | 9.3 | 105,788 | 4,068 | 109,856 | 14,916 |
| 146 | 151 | Norwich University College of the Arts | S. Tuckett/J. Last | 119,154 | 1,045 | 120,199 | 6.6 | 16,801 | 6.6 ¹ | 112,000 | 746 | 112,746 | 15,792 |
| 147 | 152 | Royal Scottish Academy of Music and Drama | J. Wallace | 117,000 | | 117,000 | 4.5 | 16,000 | 4.7 | 112,000 | | 112,000 | 15,000 |
| 148 | 154 | Writtle College | D. Butcher | 111,000 | 1,000 | 112,000 | 6.7 | 15,000 | 5.8 | 104,000 | 1,000 | 105,000 | 15,000 |
| 149 | 155 | Leeds Trinity University College | F. Bridge | 111,607 | | 111,607 | 6.5 | 15,738 | 6.5 | 104,810 | | 104,810 | 14,778 |
| 150 | 156 | Liverpool Institute for Performing Arts | M. Featherstone-Witty | 110,414 | | 110,414 | 7.8 | 15,568 | 7.8 | 102,457 | | 102,457 | 14,446 |
| 151 | 134 | Royal Northern College of Music | E. Gregson/J. Stockdale | 108,000 | | 108,000 | -35.3 | 14,000 | -35.4 ¹ | 165,000 | 2,000 | 167,000 | 22,000 |
| 152 | 149 | Rose Bruford College | A. Pearce | 106,423 | 1,527 | 107,950 | -6.5 | 15,006 | -6.3 ¹ | 112,000 | 3,485 | 115,485 | 15,792 |
| | | Average salary for head of institution | | 207,318 | | 219,156 | | | | | | | |
| | | Total | | 31,512,380 | 1,799,346 | 33,311,726 | 10.6 | 4,177,575 | 10.0 | 29,496,111 | 620,203 | 30,116,314 | 3,976,721 |

Accounts were not available for London Metropolitan University, the University of Cumbria and the University of Gloucestershire
Accounts for University College Birmingham and the Edinburgh College of Art were made available too late to be included in the table
Notes

* Ranking based on figures subsequently corrected

1 Includes cost of more than one office holder during the year

2 Excludes payments not funded by institution

3 Includes exceptional payments, eg, compensation for loss of office, early retirement, backdated payments etc

4 Includes payments in respect of pension enhancements

5 The University of Chester's 2008-09 accounts were for a 16-month period, running from 1 April 2008 to 31 July 2009. The vice-chancellor's remuneration for the academic year 2008-09 was £183,000.

Tables compiled and audited by Grant Thornton strictly from the accounts signed off by institutions on behalf of Times Higher Education.

post holders were paid on the basis of an annual salary of £182,000. For a period of time the two posts were overlapping.

"For the purpose of your league table the vice-chancellor annual salary for the 2008-09 financial year was £182,000.

"Heads of institutions' pay reflects the skills required and demands involved in leading complex, successful, multimillion-pound organisations. They operate in a global market.

"A sum of £250,000 was paid as compensation for loss of office."

UEA had the third-highest package. Macmillan took early retirement from the vice-chancellorship at the end of the 2008-09 academic year after a period of sick leave. The university spent £489,000 on him, a rise of 129.6 per cent on its spending on the vice-chancellor in the previous year.

A UEA spokeswoman says: "The university purchased, by way of a lump-sum contribution of £265,000, additional pensionable service, recognising his retirement before normal retirement age. This is not a payment of salary to the vice-chancellor, and it would be misleading to use it in any comparison with his salary figure for 2008."

The London Business School had the fourth-highest executive reward package, spending £427,000 on the holders of its dean's office in 2008-09, an increase of 17.3 per cent on the previous year. Sir Andrew Likierman took over from Robin Buchanan, who became president, during that year.

A spokeswoman says the changeover in leadership "resulted in some additional costs", as "effectively there were two salaries from the dean's office".

The fifth-largest package was paid by University College Falmouth. It spent £392,118 on Alan Livingston in the year he

Pay reflects what it takes to attract and retain individuals of sufficient calibre and experience to ensure UK universities continue to transform lives and remain world leaders



retired as rector after 22 years' service. That represented a rise of 129.5 per cent on executive recompense over the previous year.

A Falmouth spokeswoman says: "The final salary and pension entitlement of £392,118 comprises Livingston's annual salary of £164,781; performance-related pay of £18,837 for 2007-08; performance-related pay of £20,500 for 2008-09 (which because of his retirement date are both accounted for in the 2008-09 financial year) and a pension enhancement of £188,000 that was negotiated with the board of governors in 2000 as part of his contract of employment. This £188,000 was budgeted for annually over eight years and the total became payable at his retirement."

University College London laid out the sixth-biggest executive package on its provost, Malcolm Grant. It spent £376,190, including £72,698 in benefits, a rise of 27.3 per cent on the previous year. On the benefits, a UCL spokesman says £40,000 consisted of pension contributions, £12,000 related to a service charge on Grant's flat and £20,000 was "a non-pensionable lump-sum payment (rather than an increase in base salary) to reflect the provost's contribution to UCL's outstanding performance during the year".

The spokesman adds: "The decisions taken around the provost's salary in the period reported reflected a strong period of growth for UCL and pre-dated the current financial crisis. The provost, along with the university's senior management team, has agreed to forgo a discretionary pay rise for the coming year.

"It is important to note also a significant difference in the way the provost's pay is reported in comparison with that of other vice-chancellors. In the period reflected in this table, the provost was outside the Universities Superannuation Scheme (USS), and therefore the pension contributions for the provost formed part of the salary listed for him, which was not the case for vice-chancellors who were in the USS."

The average pension contribution made by institutions for vice-chancellors was £27,484.

The biggest contribution reported, aside from those retiring, was £63,000, which the University of Edinburgh paid for Sir Timothy O'Shea. An Edinburgh spokesman says: "This figure includes a one-off adjustment of £15,000. This brings into line the principal's pensionable salary with his length of service in the sector."

Nicola Dandridge, chief executive of Universities UK, says the pay packages "reflect what it takes to attract, retain and reward individuals of sufficient calibre, experience and talent to ensure that UK universities continue to contribute to our economic recovery, transform lives and remain world leaders".

She adds: "Salaries of university heads in the UK are comparable to those in competitor countries and are also in line with remuneration packages for directors and chief executives of public and private organisations of a similar size."

Comparing the average salaries and benefits packages for the different mission groups shows that vice-chancellors' pay varies widely between different types of institution.

The average total salary and benefits package, excluding pensions, was £270,579

