



Minutes Meeting of Senior Remuneration Committee

Date and time: Monday 12 February 2018, 12.30-2.30pm

Present: Mr Tony Pedder in the Chair
Mrs Alison Hope
Mr Richard Mayson
Mr David Young
Mr Stephen Sly
Ian Wright, Deputy Director of HR (Secretary)

In attendance Suzanne Duke, Head of Reward (taking the minutes)

Items	
1.	<p>Apologies and additional attendees</p> <p>No apologies were given. The Chair confirmed the following additional attendees to input into specific agenda items:</p> <ul style="list-style-type: none"> • The Chief Operating Officer to input and update on agenda item 5 given his role in the current campaign to recruit a new President & Vice-Chancellor. • The President & Vice-Chancellor to contribute to discussions on UEB objectives and interim arrangements in agenda item 4.
2.	<p>Declaration of conflicts of interest</p> <p>No conflicts of interest were declared.</p>
3.	<p>Minutes of last meeting & matters arising</p> <p>The minutes of the meeting on 16 October 2017 were approved as an accurate record.</p> <p>The Committee noted that any outstanding actions from October's meeting were to be covered in the agenda items of this meeting.</p>
4.	<p>Senior Remuneration Governance and Transparency</p> <p>The Committee reviewed and discussed the CUC Draft Remuneration Code to both understand any implications for its own governance processes, and also to inform a University response to the consultation to be submitted by the deadline of 12 March 2018.</p> <p>The Committee agreed that overall, it was comfortable with the Draft Remuneration Code but there were some areas that would benefit from greater clarity which the Committee would include in its response to the consultation.</p> <p>The Committee also confirmed that its own governance and processes were already compliant with most aspects of the Code. There were, however, some areas of the Code that the Committee would need to consider, in order that it be fully compliant with the Code when it was</p>

finalised. In summary the Committee discussed and agreed the following points (to be reviewed when the final Code becomes available):

- The senior roles in scope of the Code would include, the President & Vice-Chancellor, UEB Members and Senior Director roles which had responsibility for a significant function(s) or portfolios.
- All senior roles in scope of the Code would be independently evaluated by Korn Ferry Hay Group using Hay evaluation methodology which is widely used and recognised as a robust methodology to support salary decision making. Hay evaluation would assist in demonstrating the range and complexity of senior roles internally and in relation to the market.
- The Committee would oversee and review annually the remuneration policy in relation to other senior post-holders, not deemed directly in scope of the Code, in order to ensure alignment with the Code.
- The Executive Bonus Scheme was still appropriate to award exceptional performance and the level of governance applied when assessing bonus eligibility and level of award, met the requirements of the draft Code. They confirmed that objectives should always be “SMART”.
- The Committee should expand its terms of reference to review individual settlement agreements for senior roles in scope of the Code, including any confidentiality clauses. It would continue to review agreements outside the standard parameters.
- In relation to external income, the current University policy for academic staff was fit for purpose but the Committee should expand its terms of reference to receive reports and review it annually. More detailed reporting would also be included in the terms of reference of the HR Committee.
- An overall reward policy/statement which encompassed all roles (not just senior roles) would be published on the University’s existing reward pages in line with the final Code. This policy/statement would need to be clear on the market in which the University operates. This webpage would also house any other publication requirements e.g. Annual Remuneration Reports, pay ratios and minutes. The page would facilitate understanding of any differences in senior pay processes.
- The University already had a policy and process in place that monitored expenses across the University under its financial regulations. The Committee agreed that expenses were not remuneration, but rather recompense for agreed costs incurred on behalf of the University in undertaking a role. As such, they do not fit with the remuneration Code and the Committee would feed this back into its consultation response.
- The Committee considered its membership was already independent and had sufficient experience and expertise but would review this position and consider if further specialist input was required as and when the Committee and agenda would benefit from it or if membership changed in future.
- Going forward, the Committee would publish its minutes to Council, rather than producing a separate summary report. Confidential information or data would not be included in these minutes.

	<ul style="list-style-type: none"> • In line with the draft Code, the Chair would rotate when the President & Vice-Chancellor's pay was discussed, but this point would be challenged in the consultation response to CUC given that the Chair was already independent. • No target in relation to pay ratios would be agreed at this stage but the Committee would monitor and review the pay ratio position annually. • The Committee considered possible student representation on the Senior Remuneration Committee, following a discussion at the last Council meeting, noting that student representation was not a requirement of the Code. There were a number of issues which would arise, including that of continuity, given that Union officers were appointed on an annual basis, and current thinking was that student membership of the Committee would not be appropriate. <p>The Committee agreed that it would continue to review its own practices in relation to the Remuneration Code as it developed and was finalised.</p>
5.	<p>Update UEB Objectives and Interim Appointments</p> <p>The Committee received an update on the current Interim Vice-President appointments in place, including length of fixed-term appointment, plans for recruitment and the development of objectives for any recent interim appointments.</p> <p>The Committee received and approved an outline plan on the timetable for the development of objectives for UEB members for 2018-19.</p> <p><i>The Vice-Chancellor absented himself for the remainder of the meeting.</i></p>
6.	<p>Recruitment of a new President & Vice Chancellor – Update</p> <p><i>The Chief Operating Officer was in attendance for this item to provide an update given his role on the current campaign to recruit a new President & Vice-Chancellor.</i></p> <p>The Committee received an update on the current activity and plans in place to recruit a new President & Vice-Chancellor. This included an initial proposal on the remuneration package which had been independently job evaluated by Korn Ferry Hay Group using Hay job evaluation methodology and benchmarking data from both within and outside of the sector.</p> <p>The Committee asked to be consulted again at their meetings in April and June on further developments as the recruitment process develops.</p>
7.	<p>AOB:</p> <p>Publication of the University's Gender Pay Gap – The Committee received and noted an update on the University's plans to publish its legislative gender pay gap report.</p> <p>New Committee member – The Committee were advised that the incoming Treasurer (John Sutcliffe) had been appointed by Council to join Senior Remuneration Committee from August 2018.</p>

<p>GDPR and Information Security – The Committee received an update on the University's plans to ensure compliance to the new General Data Protection Regulations, including any implications for Committees.</p>
