



## Minutes Meeting of Senior Remuneration Committee

**Date and time:** Monday 22 October 2018, 12.30 – 2.30pm

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

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

1.	<p><b>Apologies and attendees:</b></p> <p>No apologies were received.</p> <p>The Committee noted that the Interim President &amp; Vice-Chancellor was in attendance for agenda item 6 and 7 to discuss the objectives and outcomes for her UEB direct reports.</p>
2.	<p><b>Declaration of conflicts of interest:</b></p> <p>No conflicts of interest were declared.</p>
3.	<p><b>Minutes of last meeting &amp; matters arising</b></p> <p>The minutes of the meeting on 23 July 2018 were approved as an accurate record. The Committee noted that any matters arising were to be covered in the agenda of this Committee meeting.</p>
4.	<p><b>Senior Remuneration Publication Requirements (CUC &amp; OfS):</b></p> <p>The Committee received a paper which detailed the final preparations underway and that these would comply with the senior remuneration publication requirements of both the OfS Accounts Direction and the CUC HE Senior Staff Remuneration Code.</p> <p>The Committee noted the related nature and content of the two sets of requirements and therefore approved the proposal to align the governance and publication timescales of both to be shared at Council on 26 November.</p> <p>The Committee reviewed and discussed the content of both publication requirements, which included the senior remuneration section of the Financial Statements (OfS) and the draft Annual Remuneration Report and Statement (CUC).</p>

In relation to the senior remuneration section of the Financial Statements, the Committee noted that:

- The data showed numbers of staff on salaries over £100,000 was lower than published in previous years because of the new OfS Accounts Direction which required earnings levels to be assessed on University-funded basic FTE salaries only. In previous years, total remuneration funded from all sources was reported which brought more clinical academics into scope.
- The breakdown of the remuneration of the President & Vice-Chancellor was more detailed than previous years and included the value of any non-taxable benefits. A statement was also included which provided further context on the remuneration of the President & Vice-Chancellor.
- Pay multiples were a new requirement which showed the relationship between the remuneration of the President & Vice-Chancellor and the median FTE salary of all staff in the University and its subsidiaries, shown as basic and total pay, including and excluding externally funded salaries.
- Loss of office data was reported for all staff within the University and its subsidiaries.

The Committee suggested that comparator pay multiples be included based on the remuneration of the incoming President & Vice-Chancellor. They noted that the data was currently being externally audited and would then be published in the University's Financial Statements to be approved by Council on 26 November 2018.

The Committee also reviewed the draft Annual Remuneration Report and Statement (required by the HE Senior Staff Remuneration Code) and noted the following:

- The HE Senior Staff Remuneration Code required that institutions publish an Annual Remuneration Report and Statement to their governing bodies to demonstrate their commitment to the Remuneration Code and also demonstrate their transparency on senior remuneration governance and processes.
- The report content was structured as directed by the Remuneration Code, and included:
  - An overview of the University's reward governance processes at all levels, including demonstrating the University's commitment to gender equality, diversity and inclusion.
  - Specific information on the University's policy and approach to Executive Remuneration, including publication of the University's Executive Reward Policy.
  - A draft policy on external activities undertaken by UEB members to include income generation from these activities.
  - Details of the University's Travel and Business Expenses Regulations.
  - Details on the governance on the determination of severance payments for UEB members.

	<ul style="list-style-type: none"> <li>• The annual statement which was an annex to this report based on the 2017/18 financial year to align to the University’s Financial Statements and would be updated annually. The content was structured as directed by the Remuneration Code and would include annual financial year data relating to the Remuneration Report, including details of any severance paid to UEB members that year and a summary of business-related expenses incurred by UEB members.</li> <li>• The Remuneration Code also required that the annual statement include a breakdown of the President &amp; Vice-Chancellor’s remuneration and pay multiples. The Committee noted that would be linked directly through to the information in the University’s Financial Statements to avoid duplication.</li> </ul> <p>In relation to the University’s position on external activities undertaken by UEB members, the Committee agreed the following principles:</p> <ul style="list-style-type: none"> <li>• Members of the University may undertake external roles where such roles add value to their university role. This is always subject to prior approval at an appropriate level within the University and normally would not involve any financial benefit to the individual.</li> <li>• Any income generated from external activities undertaken in University time should normally be paid to the University.</li> </ul> <p>The Committee confirmed they were happy overall with the structure and content of the Remuneration Report and Statement but requested some amendments be made to improve its presentation before it is shared with Council on 26 November 2018.</p> <p>The Committee noted that they had revised its terms of reference at their last meeting to ensure responsibility for, and align to the new senior remuneration publication requirements. The revised terms of reference were to be reviewed and presented for approval at Council later that day. The Committee’s revised terms of reference included a new requirement for the Committee to regularly review and be consulted on the proposed remuneration package of specific senior roles (as determined by the Committee), including those with a basic pay of £150,000 or more. The Committee agreed the specific senior roles this would initially apply to as broadly Band 3 Professorial Equivalent roles.</p> <p>The Committee also discussed and agreed that they should be responsible for determining the remuneration of the University Secretary from 2018/19 given that the role reported to the President &amp; Vice-Chancellor with a dotted line to the Chair of Council.</p>
5.	<p><b>President &amp; Vice-Chancellor - Objectives 2018/19 – For review and approval</b></p> <p>The Committee reviewed and approved the 2018/19 objectives of the incoming President &amp; Vice-Chancellor. The Committee noted that that President &amp; Vice-</p>

	<p>Chancellor had declined the invitation to participate in the Executive Bonus Scheme so the delivery of these objectives would not be linked to bonus. They noted that the objectives would be shared at Council at its meeting on 26 November 2018.</p>
<p>6.</p>	<p><b>UEB Objectives 2017/18 – Review of objective outcomes and bonus recommendations</b></p> <p><i>The Interim President &amp; Vice-Chancellor attended this item to discuss the performance and delivery of her UEB direct reports against their 2017/18 objectives and the related bonus recommendations put forward by herself and the now retired President &amp; Vice-Chancellor.</i></p> <p>Based on input provided ahead of the meeting from the now retired President &amp; Vice-Chancellor and, where appropriate input from the Interim President &amp; Vice-Chancellor the Committee discussed the delivery and performance of each UEB member.</p> <p>The Interim President &amp; Vice-Chancellor also briefed the Committee on the key themes and content in the 2018/19 objectives she had developed with her direct reports to be discussed and approved by the Committee in the next agenda item.</p> <p><i>The Interim President &amp; Vice-Chancellor then left the Committee so that the Committee could also discuss the delivery and performance of both the Interim President &amp; Vice-Chancellor (Provost &amp; Deputy Vice-Chancellor) and the retired President &amp; Vice-Chancellor in 2017/18.</i></p> <p>Based on the recommendations put forward, the Committee discussed and agreed bonus payments for each UEB member based on the delivery and achievements against their stretch objectives set and in line with the Executive Bonus Scheme. The Committee also assessed and considered the gender equality and gender bonus gap impact of their decisions made.</p>
<p>7.</p>	<p><b>UEB Objectives 2018/19 – For review and approval</b></p> <p>The Committee discussed and agreed the proposed objectives for each UEB member for 2018/19. The Committee noted that the objectives had already been reviewed and agreed by the incoming President &amp; Vice-Chancellor, but acknowledged that he may wish to review objectives at a later date during his first year. Any amendments to objectives during the year, would be brought back to the Committee for approval.</p> <p>The Committee approved the objectives for each UEB member as presented but requested that in 2019/20, further attempts should be made to ensure all objectives are presented as “SMART” objectives, with outcomes quantified where possible.</p> <p>The Committee discussed the Executive Bonus Scheme, noted it had been in operation for a number of years and agreed that the scheme should be reviewed in 2018/19. The Committee agreed to discuss and review the scheme in detail at their next meeting in February.</p>

8.	<p><b>AOB</b></p> <p>The Committee were made aware that a query around Student Union representation on the Committee had been raised by the new Student Union President. The Committee had considered possible student representation on the Senior Remuneration Committee at their meeting in February, following a discussion at a previous Council meeting. The Chair of the Committee agreed to follow up direct with the new President of the Students Union.</p>
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## President & Vice-Chancellor Annual Objectives 2018/19

### 1. Context

Professor Koen Lamberts commences in role on the 1 November 2018. These objectives are therefore designed to support his induction and orientation into the University, and to enable a smooth transition from the extant Vice-Chancellor priorities. The objectives are cognisant of the University's Strategic Plan 2016-2021 and the requirements of the OfS and CUC.

### 2. Objectives

Personal Objectives	Success Measures & Timescales
1. Establish good relationships with the <b>student</b> sabbatical officers and the students union to maintain and identify opportunities to enhance student engagement and experience.	KL to consider and develop a positive framework for regular engagement with the student body. To oversee the current review into the governance and financial relationship between the University and SU (April 2019).
2. Get to know as many of the senior team as possible and assume <b>leadership</b> of the UEB. Consider and resolve the interim executive arrangements, and re-examine with the UEB the immediate and strategic priorities.	KL to chair UEB and establish a clear executive team structure and framework. Decisions to be reached on the interim arrangements by early 2019. Sustainable arrangements to be in place by summer 2019.  To visibly launch the new "Sheffield Leader:Impact" development offer (February 2019).
3. Start to develop contacts with the relevant key local, national and international partners and stakeholders, particularly with regard to the University's role in <b>city region</b> leadership, as a thought leader in national policy and in engaging with key alumni.	KL to have joined the appropriate city, regional and national bodies and groups in order to grow the University's profile and reputation, and to support delivery of its partnership and engagement goals.  KL to exert a strong influence as a leader in the City Region (on-going throughout 2019).
4. Determine a clear University strategy for the <b>AMRC</b> .	Pursuant to the recent Council Task and Finish Group, ensure recommendations have been implemented and a new AMRC/University framework has been established (by Summer 2019).
5. Commence a full review of the University's <b>international strategy</b> and associated structures (including City College).	Revised/re-framed strategy and action plan to be developed and presented to Council by April 2019, with support from the COO and Director of Global Engagement.
6. Maintaining and where necessary enhancing the <b>culture and values</b> of the University and all other key areas of	On-going throughout 2018-19.



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<p>activity for the University, including governance, health/safety/wellbeing of students and staff, widening participation, etc.</p>	
<p><b>Core Objectives</b></p>	
<p>1.To lead and work with UEB members, particularly the VP for Education, towards delivery of the University's <b>Teaching and Learning Strategy 2016-2021</b>.</p>	<p>Delivery of the teaching and learning strategy objectives, ensure progress is made to achieve TEF Gold as soon as possible through improvements to NSS and graduate employability.</p>
<p>2.To lead and work with UEB members to ensure achievement of the <b>financial targets</b> set by Council, and secure a plan for long term financial sustainability.</p>	<p>Delivery of the financial operating strategy for 2018/19 and the implementation of the new financial management/budget setting framework, via the CFO.</p>
<p>3. With the Provost and COO, and other members of the UEB, review <b>Faculty</b> strengths, weaknesses, structures and opportunities.</p>	<p>Development and agreement of robust Faculty financial and academic strategies that align to the Strategic Plan and that deliver financial sustainability.</p>
<p>4. To lead and work with UEB members, particularly the VP for R&amp;I, to ensure the successful delivery of the University's <b>research</b> priorities.</p> <p>Support the launch of the new University Research Institute (URI) programme of work.</p>	<p>Delivery of the REF preparation/readiness (stock-take) plan, successful launch of the new URI framework and maximising performance in 'grand challenge' funding opportunities particularly in respect of the Industrial Strategy Challenge Fund.</p>
<p>5. To oversee the review into the University's response to <b>KEF</b> and the associated industrial partnership strategy and action plan.</p>	<p>Delivery of the new KE strategy and its successful launch, as defined by the VP for Research, COO and Director of Partnerships &amp; Regional Engagement (April 2019).</p> <p>Development of a framework that clearly defines expectations, benefits and priorities from University industrial/international partnerships.</p>
<p>6. With the COO and Director of HR &amp; Communications, augment the University's <b>Communications Strategy</b> and structures, with particular emphasis on student reputation and engagement.</p>	<p>To ensure that the current brand/communications review is approved (December 2018) and actions are instigated throughout 2019.</p> <p>Improvements should be seen in the Net Promoter scores, prospective student feedback and related metrics (August 2019).</p>



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7. To ensure successful delivery of the current <b>student recruitment</b> strategies and plans, including responding to external opportunities and regulatory challenges (e.g. technical education, apprenticeships, WP etc).	Details as defined within the objectives for VP for Education (throughout 2019).
8. With the COO and Director of Advancement, develop a major long-term <b>fundraising campaign</b> that aligns with the research strategy, student experience and capital development plans.	New Campaign Framework to be agreed by UEB and Council by April 2019.

**3. Next Steps**

The draft objectives should be considered further by the incoming President & Vice-Chancellor and the Chair of Council. Once a final draft is agreed, the objectives will be presented to Senior Remuneration Committee (SRC) for final approval. It will be recommended that SRC review these objectives again in April 2019 and iterate accordingly.

**Andrew Dodman**  
**Chief Operating Officer**  
**September 2018**