

5.2 The Chair noted that a tabled paper would be considered as part of item 12.1.

6. Remuneration Committee Calendar 2020/21

The Committee noted the list of future items.

Part Two – Strategic Items – President and executives in attendance

7. Sectoral Developments Update

Peter Smith provided an update on sectoral developments noting that:

- The latest UCEA data showed that senior pay had risen by 1.5% during the past year, was now available and would be used for benchmarking.
- There was some recruitment activity for Vice-Chancellors. With Birmingham, Imperial, Oxford and Cambridge among those seeking new Heads of Institution, it was likely that remuneration for these posts would be higher than average.
- Few universities had published their Gender Pay Gap data ahead of the deadline for submission on 30th March but Peter Smith would circulate comparative analysis once more data was available. **[Action]**
- City's 2021 gender pay gap for median pay of 16.4% compared favourably to some institutions, including Durham at 20.3%, but clearly there was much to do to reduce the pay gaps. The UCEA data published in '*Intersectional Pay Gaps in Higher Education 2019-20*' showed that average median pay for women was 86p to each £1 earned by men.
- The HR Director noted that City was now required to include in pay gap data workers, including Student Ambassadors, engaged by Unitemps at City; there was a high proportion of women in this lower paid group.

8. RemCo Communications – Annual Review and Stakeholder Analysis

The Director of Marketing & External Relations attended for this item.

RemCo considered the annual review of RemCo related communications, with a focus on Vice-Chancellor pay. Across the sector there had been less activity in the past year with less interest in Head of Institution remuneration. The appointment of a new President, with accommodation no longer offered as part of the remuneration package, meant that City had reduced risk of negative media coverage. However, the number of staff who earned over £100k pa and equal pay issues could receive some media attention. In discussion the following points were noted:

- It was useful to see the annual review even though there was less media activity than previously.
- The move by RemCo to more transparent disclosure of remuneration matters had helped reduce media attention at City.
- Strike action and the impact of the cost of living increase could increase the focus on executive pay in the coming months.
- RemCo thanked the media team for the report.

9. Mandatory Pay Gap Reporting

RemCo considered the draft Mandatory Gender Pay report which would be finalised with an updated Statement from the President and submitted to the Government GPG portal by the 31st March deadline and also published on the City website. The data was a snapshot for 31st March 2021. City's mean pay gap per hour was 19.4%, with a median pay gap of 11.4%. In discussion the following points were made:

- There had been some positive movement in the pay gap over the past year, apart from workers engaged by Unitemps.
- The Performance Related Remuneration Scheme had been paused last year, so data on bonus pay was for ad hoc payments only.
- A Senior EDI Officer (Charters and Data) had been appointed so it was now possible to provide more in-depth analysis and to look at intersectionality.

- The Mandatory Pay Gap Report would be considered by SLT alongside the Equal Pay Audit to inform next steps.
- The Pay Gap Report was used routinely when discussing staff progression.
- City would be reporting on the ethnicity pay gap in future years; a decision had not yet been taken with regard to communications around this but publication in principle had been agreed.
- RemCo encouraged transparency and to look to disaggregate the data as much as possible as it underlined City's commitment to equality issues.

10. Equal Pay Audit

RemCo considered the Equal Pay Audit 2022, conducted between January and February 2022, using snapshots of staff data from July 31st 2019/20 and 2020/21. The report included an intersectional focus on gender and ethnicity and also took on board recommendations from the 2019 report to analyse age group pay gaps by grade. The data showed an average gap for gender in base pay of 15.4% and a 22% ethnicity pay gap at City. In discussion the following points were made:

- RemCo thanked colleagues for an excellent report, noting the level of analysis was very good, comprehensive, with helpful intersectional detail.
- It would be important to arrive at a set of positive actions arising from the analysis to address gaps and anomalies, which could be reported back to RemCo.
- The report highlighted areas of concern for equal pay, for example, in the professoriat and the award of responsibility allowances. This was most apparent in Business School subject areas. The Remuneration Framework for the School had been developed to start to address these areas and there had been some progress although it was slow.
- Recommendations from the Audit would be developed in partnership with affinity groups and alongside initiatives for Athena SWAN and Race Equality Charter, then discussed with SLT and trade unions.
- There would be a particular focus with the Dean of Bayes on responsibility allowances and additional payments in the School.
- There had been no formal complaints around equal pay recently, but it was possible that there was some discontent amongst staff who believed others were better remunerated. This was a difficult issue to address without full disclosure of remuneration arrangements for individuals.
- Recently promoted female staff would be on lower spine points than male colleagues who had been in post for a while (and therefore on higher spine points) and this could impact on equal pay gaps for gender for a period.
- Peter Smith commented that the report reflected wider issues in the sector. The Grade 8 Reader scale was under particular pressure in the sector, although this did not seem to be a major problem for City currently. An interim Reader Scale had been developed for Bayes to provide additional flexibility at the top of Grade 8, but the other Schools were not pressing to introduce a similar scheme.
- There were some issues currently with the recruitment and retention of professional service staff. Care needed to be taken around market supplements to ensure bias did not creep in.
- RemCo requested an update at the next meeting on actions to be taken in relation to the report. **[Action]**

11. Review of Responsibility Allowances and Additional Pay

RemCo received a brief update on discussion with Deans at SLT of responsibility allowances and additional pay. SLT had suggested that discussion of the flow of management responsibility should progress in parallel with the development of the new University Strategy. In discussion the following points were made:

- The President noted that it was important to complete the reorganisation of structures and revision of the relevant role profiles in order to build a more consistent and affordable system of responsibility allowances.

- It remained the case that roles attracting additional pay in Bayes were undertaken in other schools without extra payment. There was scope for reform but this could take time. The HR Director would be meeting the new Dean of the School to discuss responsibility allowances, additional pay, and workload allocation and would provide a further update in June outlining areas of concern and the focus for future work. The Dean of Bayes would be invited to attend RemCo for this item. **[Action]**

Part Three – Higher Paid and Senior Staff – issues requiring attendance of President

12. Update on Recruitment to the new Senior Team

12.1 Update on appointments to the Senior Leadership Team

Tabled paper - request for approval of appointment and proposed remuneration for Deputy President

The President provided an update on the recruitment process for the post of Deputy President. In discussion the following points were made:

- There had been a good field of candidates with a broad range of skills.
- The panel's preferred candidate had declined City's offer.
- A second candidate had been considered to be also excellent and therefore had been approached. RemCo was now asked to approve the appointment and remuneration of this candidate, to commence on 1st September.
- As a member of staff had been acting as *de facto* Deputy President, RemCo was asked to approve the award of the responsibility allowance for Deputy President for the period 1st January to 30th August 2022 for this individual.
- A further action would be to develop the business case for a role of Senior Executive Dean from 1st September for one year initially.

Decisions

RemCo **approved**:

- i) the appointment and remuneration of an individual to the position of Deputy President, to commence in post on 1st September.
- ii) The appointment of a Deputy President for an interim period from 1st January to 30th August 2022. The revised Business Case would be circulated for information. **[Action]**
- iii) That the business case for Senior Executive Dean and the role profiles for Deputy President and Senior Executive Dean would be agreed by RemCo by circulation before the appointment due to take effect from 1st September was finalised. **[Action]**

This item is continued in Section B of the minutes, Closed Business.

12.2 Executive Dean Role Profile.

RemCo considered a proposal to adopt a new role profile for 'Executive Dean', to include leadership of pan-University projects. The role would carry a responsibility allowance at the same level as that for the Vice-Presidents, namely £36,897 pa. In discussion the following points were made:

- The revised role profile had also been discussed with Vice-Presidents.
- The proposed change would reinforce the role of Deans as part of the leadership team at City.
- The date of commencement was 1st April 2022 rather than backdating to the beginning of the academic year as the pan-University areas of responsibility had not yet been assigned.

Decision

RemCo **approved** the role profile for Executive Deans with a responsibility allowance of £36,897 pa.

13. Recognition Award Scheme

RemCo considered proposals for a Recognition Award Scheme for 2021/22, to replace the Performance Related Remuneration Scheme. The committee had first considered such a Scheme in November and had requested more information on how it would operate, including detailed criteria for recommendations and overall cost of the Scheme. The award would be for up to 5% of the member of staff's total remuneration, to be non-consolidated and non-pensionable. The group of eligible role holders for this year was 28 members of staff, of which it was envisaged that no more than 20% would be nominated, with a total cost of approx. £32,500 plus National Insurance costs. RemCo in June would determine whether the President or the Chair of Council should bring forward any nominations to be considered at the November meeting in relation to the previous academic year. In discussion the following points were made:

- The President was content that the proposed Scheme was modest and flexible but would permit some reward for exceptional performance.
- The June meeting would also consider appraisal reports which would provide context for the suggestions proposed by the President and Chair of Council.
- RemCo thanked the President and HR Director for the further clarifications provided for the Scheme.

Decision

RemCo **approved** the Recognition Award Scheme for 2021/22.

Part Five – Higher Paid and Senior Staff – issues not requiring attendance of President

14. Higher Paid Staff ie staff earning more than £100k per annum

14.1 Appointments and Departures

RemCo noted two appointments and the departure of four members of staff within its remit for the period between 3rd November and 15th March.

This item is continued in Section B of the minutes, Closed Business.

14.2 Approvals by Circulation

RemCo noted its approvals by circulation for the period between 4th November and 14th March for 24 members of staff.

This item is continued in Section B of the minutes, Closed Business.

14.3 Recommendations for Approval

RemCo considered recommendations from Bayes Business School for nine members of staff; a proposed re-zoning of subject area for one member of staff, responsibility allowances for five members of staff, and promotion to professor or reader for three members of staff. In discussion the following point was made:

- The President and the HR Director would provide further briefing to the Dean of Bayes on the RemCo approval process for members of staff earning over £100k, to ensure that no offers of appointment were made in advance of RemCo approval. They would also discuss with the Dean the number of roles in the School which attracted a responsibility allowance. **[Action]**
- Responsibility allowances for designate roles should be minimised in order to be consistent across all Schools, with an exception for the role of Dean. The HR Director would discuss designate roles with the Dean of Bayes. **[Action]**

Decisions

RemCo **approved** the recommendations for nine members of staff in Bayes.

This item is continued in Section B of the minutes, Closed Business.

14.4 Exceptional Requests

RemCo noted the exceptional requests which may come for approval before the next meeting in June.

This item is continued in Section B of the minutes, Closed Business.

The President left the meeting at this point and was not present for discussion of the following item.

15. Publication of President's Income and Expenses

RemCo considered how best to report the income received by the President from other roles and appointments in the Financial Statements and how best to report publicly the President's expenses. In discussion the following points were made:

- It was proposed to publish expenses for the President and his office on a quarterly basis.
- Peter Smith commented that reported additional income for Vice-Chancellors was usually for NED roles but this did not appear to be not a significant issue for the sector.
- RemCo suggested that discretion could be used on the publication of details of small amounts, under £5k for example; these could be presented as one sum.
- The College Secretary would request information on other income from the President and prepare a draft statement which would come to RemCo in June.

[Action]

Decisions

RemCo **agreed** the approach to the publication of the President's income and expenses.

Part Five – Items for Information

17. AOB and Date of Next Meeting

The next meeting would take place on 15th June 2022 at 9 am.

Jen Tippin
Remuneration Committee Chair
March 2022.