

**REMUNERATION COMMITTEE
MEETING HELD ON 24th JUNE 2021 VIA MS TEAMS**

APPROVED MINUTES - OPEN SECTION

Members		Meeting 1 20.11.20	Meeting 2 03.03.21	Meeting 3 08.04.21	Meeting 4 24.06.21
Independent Members of Council	Ms Kru Desai	✓	✓	✓	✓
	Ms Philippa Hird (Chair to 31.03.21)	✓	✓	NM	NM
	Ms Julia Palca	✓	A	✓	✓
	Ms Jen Tippin (Chair from 01.04.21)	✓	✓	✓	✓

Key: ✓ In Attendance A Apologies given P Part Attendance
 NM Not a Member * Conflict of Interest

In Attendance	Reason and Meeting Section
Professor Sir Paul Curran	President (partial attendance for items 3-12)
Dr William Jordan	College Secretary
Ms Katharyn Kingwill	Governance Officer
Ms Mary Luckiram	HR Director
Ms Maggie Reid	Reward Manager
Mr Peter Smith	Director, Public Sector Practice, Korn Ferry Hay Group (Adviser)
Dr Emma Taylor-Steeds	Equality, Diversity & Inclusion (EDI) Manager for item 7
Dr Jessica Jones Nielsen	Assistant Vice-President (EDI) for item 7

MINUTES SECTION A – OPEN FOR PUBLICATION

Prior to the meeting, there was a short informal meeting of the Independent Members of the Committee which was not minuted.

Part One – Preliminary Items

1. Items for Starring

The Committee agreed the starring of all items on the agenda.

2. Minutes

The Committee approved the minutes of the meetings held on 3rd March and 8th April 2021. The open section of the March meeting would be published on the City website in due course; as the meeting on 8th April was for one item of closed business only those minutes would not be published online.

The President, the HR Director, the Reward Manager and Peter Smith joined the meeting at this point.

3. Matters Arising

RemCo noted the matters arising. In relation to the three items marked ‘to be completed’, the following points were made in discussion:

- RemCo suggested that a briefing note be prepared for the incoming President with a summary of RemCo actions which had been pending his arrival; the output of these should then be scheduled for discussion at the meeting in October. **[Action]**
- With regard to action 6, RemCo agreed that the committee was comfortable with its current composition with good levels of engagement with staff therefore this action

could be marked as completed. Should the position change then this decision could be reviewed.

4. Conflicts of Interest

Executives in attendance declared an interest in item 9.

The HR Director declared an interest in Item 12.1.

The College Secretary declared an interest in 15.1

The President declared an interest in Item 15.4.

The HR Director and the College Secretary declared an interest in Item 16.

5. Items Specially Brought Forward by the Chair

RemCo noted a minor change to its Terms of Reference with a change of definition of the Senior Team, now to be defined as the Senior Leadership Team. This would take effect from 28th June 2021.

There were no other items brought forward by the Chair.

6. Remuneration Committee Calendar 2020/21

The Committee noted the list of future items and suggested:

- That the annual Base Pay Review for the President be moved from June to the October meeting as this would be at a point when the performance of the institution was clearer and a better outlook on future budget, both in terms of finance and other metrics. This would respond to the direction from OfS that there be clear justification in the Financial Statements for the remuneration of the Head of Institution.
- That consideration and recommendations for the future of the Performance Related Remuneration Scheme be scheduled for October.
- That a report on additional payments, to be discussed in item 14.1, be scheduled for October 2021.

Part Two – Equality, Diversity and Inclusion – President and Executives in attendance

The Assistant Vice-President (EDI) and the EDI Manager joined the meeting for item 7.

7. Equality, Diversity and Inclusion

7.1 Annual Equality, Diversity and Inclusion Reporting

RemCo considered how it would prefer to receive future reporting on equality issues. Previously an Annual Equality Report had been prepared for RemCo and Council and, RemCo also received the Public Sector Equality Duty Report in March and the Gender Pay Gap Report. There were some concerns that the current format of reporting did not have sufficient impact and reach within the organisation. It was proposed to change the reporting format to a dashboard drawing together information on key measures and providing information in a more accessible way. In discussion the following points were noted:

- RemCo suggested that it could best assist the Institution to achieve its equality ambitions by looking at the broader picture.
- Dashboard reporting would be a good starting point showing clear targets and outcomes but it would be useful if this was accompanied by deeper analysis, for example, cohort and comparator analysis, to provide more granularity on trends and root causes.
- It was important that RemCo was able to see how City was progressing towards its goals.
- Although occasional verbal updates were helpful, RemCo would prefer to receive written reports in advance of the meeting for future agenda items of this nature.

[Action]

7.2 Equality, Diversity & Inclusion Strategy and Charter Awards

RemCo received an update on the implementation of the Equality, Diversity & Inclusion (EDI) Strategy and work to apply for Chartermark Awards, Athena SWAN, Race Equality, and Stonewall. In discussion the following points were noted:

- The Equality, Diversity and Inclusion Strategy had been launched in 2020 and six workstreams established. These had not proved entirely effective however, so work was ongoing to streamline activity and to create an improved implementation plan for the Strategy.
- Resourcing for equality issues had been reviewed and a proposal developed to establish an Office for Inclusion. An initial case had been considered by the Strategy, Planning & Resources Board (SPRB) and discussions were underway with the incoming President.
- RemCo indicated that it would be supportive of the allocation of appropriate resource to this initiative subject to the view of the President. Investment in this area would be beneficial to other strategies such as actions to reduce the attainment gap.
- The incoming President had indicated that he proposed to embed responsibility for equality issues across the Leadership Team so that it was the responsibility of all leaders rather than being a role allocated to one person. RemCo supported an intersectional approach with as little siloed working as possible.
- Currently many staff, often women and people of colour, were undertaking equality work in addition to their own roles as they wished to see progress on this agenda.
- An EDI Forum had taken place recently with good attendance of over 400 people, and positive subsequent feedback. The Chair of Council had attended, which was well received by colleagues.
- New guidance on the Athena SWAN Charter Award was due to be published on 30th June by Advance HE and would inform City's reapplication for the Bronze Award in January 2022. The progression of applications in Schools along with the transition to a new leadership structures at City were risks to the potential success of the application, and in addition to a new SLT, the Chair of the Gender Equality Working Group, which had oversight of Athena SWAN, was leaving City in July. Dr Lindsay Blummell would become Co-Chair of the Group at this point.
- City continued to prepare to make an application for the Race Equality Charter. Data analysis had been undertaken of outcomes from a survey with common themes emerging. It was hoped to have a draft application ready for consultation from September 2021 with a view to finalising this for submission in February 2022.
- There had been some discussion regarding Stonewall membership following public debate relating to the organisation but City would continue to renew its membership and colleagues in the LGBT Network were still keen to apply for the 2022 Workplace Equality Index. This would be phased to take place after the Athena SWAN and Race Equality Charter submissions.
- The Chair of RemCo requested a formal progress report on the status of the Race Equality Charter at its meeting in October. **[Action]**

7.3 Update from Bullying & Harassment and EMPACT Groups

RemCo noted that the 'EMPACT' (Empower to Act) Project Implementation Steering Group, formed in January 2019 to oversee implementation of recommendations to prevent and respond effectively to sexual harassment and sexual misconduct, had completed many of the actions agreed. This Group had now been disbanded and any remaining recommendations were to be overseen by the Bullying and Harassment Group which would continue to meet over the next academic year, co-chaired by Louise Doolan and Dr Carrie Myers. A reporting tool for students had been launched and discussion was underway with HR colleagues regarding a possible extension of the tool to staff. Other improvements included training for more volunteers and clearer reporting mechanisms.

7.4 Other Equality Matters

IHRA

RemCo received an update following the President's recommendation to Council that City recognise, but not formally adopt, the International Holocaust Remembrance Alliance (IHRA) definition of Anti-Semitism. City would continue to embed the recommendations from the Working Group, particularly with regard to action to be taken to support Jewish staff and students. A new Task and Finish Working Group would be established; this would include representation from staff and students along with City's Rabbi. Going forward consideration would be given to how to embed the recommendations into existing structures such as City's EDI Committee.

Staff Mental Health

The Chair of Council asked whether there was adequate mental health resource for staff: The following points were made in discussion of this issue:

- City had a small in-house team to support staff mental health which was well-regarded. In addition an Employee Assistance Programme CareFirst had been introduced in June 2020 to provide additional and 24 hour support.
- Requests for support were now triaged, with the result that waiting times had reduced to two weeks, an improvement from an eight week wait previously.
- The team was keeping this provision under review to ensure that it was an appropriate level of support for staff, particularly during the pandemic where there was a heightened sense of crisis and uncertainty impacting staff wellbeing.
- CityWire now had a wellbeing focus for one of its weekly editions.
- Concerns had been voiced as to whether the mental health support provided was culturally appropriate for City's diverse community; the Students' Union was also keen to address this issue on behalf of the student body.
- The President suggested that the College Secretary should discuss with CGNC the possibility of changing the Terms of Reference of RemCo to include consideration of staff mental health issues. **[Action]**

RemCo thanked the Assistant Vice-President (EDI) and the Equality and Diversity Manager for their contributions to the meeting.

Part Three – Strategic Items – President in attendance

8. Sectoral Developments Update

Peter Smith provided an update on sectoral developments noting that:

- The sector remained subdued in relation to remuneration matters, with no significant movements in pay trends, but temporary cuts to senior leaders remuneration appeared to have been restored.
- New appointees to leadership roles were being recruited at lower remuneration levels than previously; professorial pay trends also appeared to be fairly static.
- Gender equality remained an issue with the gender pay gap stalled at 7%, unchanged over the last ten years in spite of targets; actions taken with regard to the talent pipeline, recruitment and retention appeared to be having little effect.
- Reviews of professorial pay were underway. This remained an area of concern in the international market, with US and Australia universities continuing to offer higher levels of remuneration.
- It was too early to predict how the market would move post-pandemic, but there were indications of 2-3% growth in the recruitment and retention of senior professional service directors, as activity resumed.
- City was well placed to compete for staff at Grade 9 level but there was some concern with regard to staff recruited at Grade 8, as base pay levels are determined as part of the national pay negotiations, which could act as a hindrance to agility in recruitment. The President noted that this problem was particularly

acute in the Department of Finance in the Business School as early career academics were in demand so could command high starting salaries. The Business School had addressed this issue in part by developing zoned pay ranges for subject areas.

- City was conducting an institutional review of the Grade 8 Reader pay scale following a review in the Business School; there was not the same pressure to act in other Schools however. This work was currently paused due to the pressures of the pandemic but the HR Director would be encouraging Schools to resume discussion in the coming months.
- The HR Director would circulate to RemCo members the KornFerry Russell Group Remuneration Survey which provided a benchmarking opportunity and data on the market spread for comparison with other resources. **[Action]**

9. Covid-19 Update

RemCo received an update on remuneration actions taken by City to address the impact of Covid-19.

It was proposed for this year to replace the Annual Salary Review with the award of a one-off non-consolidated and non-pensionable payment of £300 to all salaried staff, pro-rata'd to those with part-time contracts, to recognise the contribution of all staff to City during the pandemic. The intention would be to pay this in the July payroll. Once the proposal had been finalized, RemCo would be asked by circulation for its approval with regard to staff within its remit. **[Action]** *[Secretary's note: RemCo was asked for its approval on 22nd July 2021, for staff within its remit, of a recognition payment of £500, non-pensionable and non-consolidated, pro-rata'd for those with part-time contracts or who had worked at City for part of the year. Action completed.]*

RemCo supported the proposal, noting that it was an appropriate recognition of additional efforts made by staff at City to counter the impact of the pandemic.

10. Draft Annual Remuneration Report

RemCo considered a first draft of the Remuneration Report for inclusion in the Financial Statements 2020/21. A final draft would be approved by RemCo at its meeting in October. The draft included reference to the handover period for the President as there would be an overlap of one month. In discussion the following points were made:

- Further consideration could be given to the wording of the section on payments made under the performance scheme, and the recommendation that this be paused during the period. The College Secretary would review the RemCo minutes in relation to this decision. **[Action]**
- City was still awaiting guidance from OfS in relation to pay multiples.

11. Job Evaluation Update

RemCo received a brief update on one outstanding case in the Business School.

This item is continued in the Closed Business section of these minutes.

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

12 Senior Staff Reporting to the President

12.1 RemCo **noted** reports on achievement of objectives for four members of the Senior Team. An abbreviated process had been agreed and appraisals had been conducted by the President. Appraisees had been asked by RemCo to provide additional reflections and this was provided in summary. In discussion the following points were made:

- The incoming President would be setting objectives for the Senior Leadership Team in the course of his first few months in post. **[Action]**.

- Appraisal discussions would be undertaken with the Deans of Schools over the summer, reporting to RemCo in October; these would be conducted jointly by the incoming Deputy President and President. **[Action]**.
- The Team were to be congratulated on their achievements during the year.

This item is continued in the Closed Business section of these minutes.

12.2 RemCo noted that there were no recommendations for increases to base pay for Senior Staff reporting to the President or the Interim Deputy President.

RemCo thanked the outgoing President for all his contributions to the Committee during his time in office.

The President left the meeting at this point.

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

13 Update on Recruitment to the new Senior Team

RemCo received an update on appointments to the Senior Leadership Team (SLT) including an update on the recruitment process for the Dean of the Business School. From 1st July the new structure would be in place with a Deputy President, Professor Andrew Jones, Vice-President (Research), Professor Miguel Mera, and Vice-President (Employability, Engagement and Enterprise), Dr Sionade Robinson, commencing in post. Transitional arrangements had been put in place for the new role of Vice-President (Education). Professor Susannah Quinsee would undertake this role until January when Professor Juliet John would take up the role. The HR Director and the incoming President were working with the Recruitment Consultants with regard to the proposed role of Chief Operating Officer (COO).

This item is continued in the Closed Business section of these minutes.

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

14.1 Analysis of Additional Payments

RemCo considered an analysis by gender and ethnicity for recurring and additional payments to higher paid staff within its remit. In discussion the following points were made:

- The analysis showed that the majority of additional payments were for staff in the Business School and were for discrete responsibilities, and on occasion, for additional hours worked.
- Peter Smith noted that a 2018 survey of Business Schools showed that this practice was widespread, with staff also often receiving additional pay for delivery of executive education.
- This practice was embedded in the School culture and would need leadership from the Hol in order to address it. The Chair of RemCo would write to the incoming President. **[Action]**
- RemCo requested that City conduct a review of additional pay policies across all Schools and report back with recommendations, ideally at the October meeting. **[Action]**
- It would be helpful if the review considered other HEIs, particularly those with Business Schools, to reach a view as to whether there were other reasons for these payments to be made and the timescale required for change. RemCo also requested a timescale for the review. **[Action]**
- The HR Director would consider this in relation to the recruitment of the new Dean of the Business School. **[Action]**

- City did not analyse remuneration arrangements against performance ratings of programmes.
- The Equal Pay Audit to be undertaken in 2021/22 could also provide further analysis of additional pay. The HR Director would provide an update on the Audit progress to RemCo in October, with a final report to the meeting in March 2022. **[Action]**

14.2 Appointments and Departures

RemCo noted two appointments and three departures of staff within its remit for the period between 4th March and 11th June 2021.

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

14.3 Approvals by Circulation

RemCo noted its approvals by circulation for the period between 4th March and 11th June 2021 for five members of staff.

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

14.4 Recommendations for Approval

Cases for the Business School

RemCo considered proposals for adjustments to remuneration for five members of academic staff in the Business School, as a result of adjustments to the responsibility allowances associated with the leadership roles the academic staff currently held for two members of staff, an adjustment in pay as a result of the review of the subject discipline zoning for Professors for one member of staff, and two cases relating to the continuation of current remuneration payments, pending the implementation of the Reader scale. In discussion the following points were noted:

- The responsibility allowance for Associate Dean – Entrepreneurship was previously shared between two members of staff. Following the promotion of one of the two, the role would now become full time.
- The continuation of current remuneration payments, pending the implementation of the Reader scale, for two members of staff was consistent with recent business cases approved by RemCo.

Decisions

RemCo **approved** four business cases for the Business School:

- The case for a responsibility allowance for Joint Director of School Race Equality and Inclusion, to be time-limited pending the outcomes of discussion of resource for EDI at City and the review of additional payments.
- The case for a responsibility allowance for Associate Dean, Entrepreneurship.
- The continuation of remuneration payments, pending the implementation of the Reader Scale.

RemCo **did not approve** one business case and requested further information.

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

Salary Range for Chief Operating Officer

RemCo considered the proposed salary range for the appointment of a Chief Operating Officer (COO). In discussion the following points were noted:

- Peter Smith advised that it was difficult for provide comparator information on this role in other universities given their diverse size, for example, UCL's income was £2.5BN whilst City's was £245M, and that the role often included responsibility for finance as was the case at Manchester, Exeter and UCL. There were examples however of teams with a COO and CFO and benchmarking against this indicated that the proposed salary range was reasonable.

Decision

RemCo **approved** the salary range for the proposed role of Chief Operating Officer.

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

14.5 Professorial Re-Banding Exercise 2021

RemCo received a brief update on the Professorial Re-Banding Exercise which would take place over the summer months.

14.6 Exceptional Requests

RemCo noted there could be exceptional requests for approval before the next meeting, notably the proposed recognition payment relating to staff within the remit of the Committee, and a possible interim arrangement for the Director of IT whilst further consideration was given to this role.

15 Senior Staff Reporting to the Chair of Council

15.1 RemCo noted the reports on achievement of objectives for 2020/21 and new objectives for 2021/22 for the College Secretary and the Director of Internal Audit and congratulated both for their achievements.

15.2 RemCo noted that it had been agreed that an appraisal discussion for the President was not required given his forthcoming retirement, but noted its appreciation of his management of the transition to the new President and the support given to the Executive Team during the year.

15.3 RemCo noted a report on the incoming President's remuneration in the context of the recent CUC data on remuneration of Heads of Institution would come to the October meeting.

The Assistant Director (Corporate Finance) attended for the following item.

15.4 Update on Changes to Guidance on Non-Taxable Benefits for Heads of Institution

RemCo considered an update on the tax position with regard to the accommodation provided for the President. The disclosure would adhere to the guidance in the OfS Accounts Direction but this had not yet been issued. There was an outstanding issue with regard to the settlement of the tax payment and HMRC had been consulted as to the preferred method. City was awaiting this advice.

[Secretary's note: HMRC provided advice following the meeting that payment could be made via City's PSA. As RemCo's direction had been to disclose on the basis of regulation and direction from HMRC, RemCo endorsed this approach via circulation.]

15.5 RemCo noted that there were no recommendations for increases to base pay for Senior Staff reporting to the Chair of Council.

16 Performance Related Remuneration Scheme (PRRS)

RemCo received a verbal update. The Scheme continued to be suspended due to the financial impact of the pandemic and pending the arrival in post of the new President, and RemCo would consider the way forward at its meeting in October.

Part Five – Items for Information

17. AOB and Date of Next Meeting

The next meeting would take place on 21st October 2021 at 9am.

Jen Tippin
Remuneration Committee Chair
June 2021