

REMUNERATION COMMITTEE**Executive Summary of the Meeting held on 01 November 2021 provided for Council at its meeting on 29 November 2021**

Declarations of Interest in Items on the Agenda Declarations of interest were noted, including that the Vice-Chancellor and President, who was in attendance, would leave the meeting for discussion in relation to his own remuneration. The other officers in attendance also declared an indirect interest in relation to the Remuneration Sub-Group report 2021 pay decisions in being part of the wider senior management cohort.

Terms of Reference, constituency and membership 2021/22 The Committee **considered** and **endorsed** proposed revisions to its terms of reference for Council approval, reflecting a new template for terms of reference, a general update and clarification of a number of points, and removal of the dual reporting of Remuneration Sub-Group to UEB and Remuneration Committee in order that just reports into the latter.

University of York Strategic Remuneration Principles and Senior Remuneration Governance Framework The Committee **considered** the University of York Strategic Remuneration Principles and Senior Remuneration Governance Framework, and clarified a minor point raised.

Minutes of the last meeting held on 27 May 2021 and Written Resolutions of the Committee on 17 and 21 September 2021 and Action Tracking The Committee **confirmed** the Minutes its meeting on 27 May 2021 as accurate, subject to correction of an error which stated that the Vice-Chancellor and President declared an interest in relation to the USS pension scheme, as he was not a scheme member. The written resolutions of decisions transacted by the Committee on £100k plus appointments on 17 and 21 September 2021 were also confirmed as an accurate record. All actions were complete, and the HR Director confirmed that the annualised 2020/21 Voluntary Severance Scheme savings amounted to £5.5m (£2.4m in Professional Services and £3.1m in academic departments).

Director of HR's Report

The Committee **considered** the HR Director's Report, covering the University's financial position; scrutiny of Senior Remuneration in Universities, inflation update, the 2021-22 New JNCHES (New Joint Negotiating Committee for HE Staff) pay negotiations, USS and the wider staff recruitment and retention environment. The Committee sought clarification on incremental pay progression across the HE sector and that it was prevalent across Grades 1-8 across the sector and would likely remain in the absence of an embedded performance-related pay systems and culture. Workload allocation was a theme in the report, noting that whilst a one-size-fits-all approach was not appropriate, the Vice-Chancellor and President was keen to understand and reduce the drivers for workload, including organisational complexity and ways of working, some of which were personal, as well as departmental and institutional. Discussions would be progressed on this matter in forthcoming workshops with the trades unions, and a University commitment existed to reduce the additional workload of blended teaching. The compression of pay spines had not had an impact on the gender pay gap, and that the majority of staff in the affect spines were female. The gender pay gap was discussed more widely, with positive progress in closing the gap in relation to professorial pay, but less so at junior levels, including student ambassadors who were predominantly female. The University's position in relation to USS pensions and the possibility of industrial action by UCU's members was discussed. Whilst the University had engaged fully with members and publicly set out its own objections to USS's 2020 valuation proposals, governance and approach, as well as engaging USS members on the changes, this would not necessarily reduce the likelihood of local industrial action within the context of a national UCU narrative. The possibility of UNISON led industrial action in relation to UoYPF benefit changes could not be excluded, and may be influenced by the UCU ballot outcome. Finally, the Committee would appreciate insight into academic and professional support staff turnover and any trends.

Vice-Chancellor's and President's Report in relation to Senior Postholder Annual Salary Review

The Committee considered the Vice-Chancellor and President's proposals in relation to the 9 direct reports who were 'Senior Post Holders'. The item considered the thematic context and institutional achievements, mean and benchmarked salary data, including gender, and the Vice-Chancellor and President's confirmed rating and summary of the Performance and Development Review (PDR) for each individual. The Committee made general observations about the success of UEB members during a challenging period, and areas for development and increased institutional

visibility and profile. **The Committee approved the Vice-Chancellor's and President's recommendations for the Senior Post-Holders 2021 Pay Review which reconfirmed its prior decision that pay awards would not be differentiated by performance, given the relatively low level of the core award of 1.5% which would be applied to the Senior Post-Holders.** The approval was on the basis that the Strategic Remuneration Principles and Senior Remuneration Governance Framework had been applied, and that the Vice-Chancellor's recommendations took account of affordability, proportionality to remuneration of other university staff, comparative external information on remuneration and equality information.

Report on University Severance payments and remuneration Decisions for individuals earning £100k+ 01 August 2020 to 30 July 2021 The Committee **noted** the reports of Severance and Redundancy Payments July 2021 and remuneration decisions for individuals earning over £100,000 for the periods 1 August 2020 to 31 July 2021.

University Executive Board and Council Lay Member expenses The Committee **noted** the detail on the expenses paid to University Executive Board members and Council Lay members between 1 August 2020 and 31 July 2021.

Annual Financial Accounts – Annual Remuneration Statement 2020/21 **The Committee approved the content of the Annual Remuneration Statement for inclusion in the Annual Financial Accounts 2020/21.** In relation to this, the Committee also considered analysis of data and explanatory narrative submitted to the Office for Students for its publication of Head of Providers' Remuneration 2019-20. OfS analysis which was yet to be published, and ranked heads of providers based on a range of questions, and York may be ranked in the top 10 in relation to questions around changes in basic salary paid to the head of provider in 2018-19 and 2019-20, taxable benefits and pay multiples. The Committee would be notified once the OfS report was published, and it was hoped that the appropriate narrative context for the forecast rankings would be included in it.

Remuneration Sub-Group Report to Remuneration Committee 2021 The Committee considered the Remuneration Sub-Group report presented by the Deputy Vice-Chancellor and Provost who attended for this item, and which covered the Group's delegated decisions in relation to Professorial Pay Review, the outcome of the Head of Department Pay Review and the outcome of the Senior Management Pay Group Pay Review. The Committee observed a number of wider points in relation to the Professoriate, including the higher proportionate of Band 2 professors below 90% market median salary and sought feedback on whether this indicated that York's Professoriate was underpaid relative to competitors and the gender and recruitment and retention implications. Assurance was given that the Sub-Group and recruitment panels regularly calibrated individual decisions, rather than one-off adjustments for entire cohorts, to balance salary maintenance with being competitive, including targeted use of marketing supplements. There was no concrete evidence that York was losing strong applications or current staff due to reasons of pay. **The Committee noted the core pay award agreed of 1.5% for the Professorial, Head of Departments and Senior Management Pay Groups for 2021 to align to the National Pay Framework increase, and for Senior Post-Holders.**

Vice-Chancellor and President Pay and Performance 2021

The Committee considered the report on proposals for the Vice-Chancellor and President's Pay and Performance for 2021 as presented by the Chair of Council. The Vice-Chancellor and President left the meeting at this stage. The Report summarised feedback under key headings captured by the Chair of Council in relation to the Vice-Chancellor and President's performance, and included a self-assessment against the performance objectives agreed in November 2020 and benchmarking information. **The Committee praised the positive outcome of the review and approved the recommendation of a 1.5% pay increase for 2021 which aligned to that of the Senior Post-Holders and consistent with all other senior groups and the National Pay Framework.** The Vice-Chancellor and President's 2021 objectives would be agreed at shared with Council in early 2022.

Dr Adam Dawkins
University Secretary
Secretary to Remuneration Committee
November 2021