

# Remuneration Committee

20/11 A meeting of the Remuneration Committee was held via teams on Tuesday 9 June 2020 at 10.30 am.

Present: -

The Vice-President, Mr R. Evans (in the Chair)

The President, Dr P.R. Preston

The Vice-President, Mrs K. Owen

Member of the Council, Mrs S. Maple

Member of the Council, Mrs S. Woodman

By invitation: -

Member of the Council, Mr J. Taylor

Member of the Council, Ms Gordon

Member of the Council, Mr Beardmore-Gray

The Vice-Chancellor

The University Secretary

The Director of Human Resources

Head of Governance (Secretary)

## 20/12 **Minutes of the last meeting**

The Committee received and approved the Minutes of its meeting held on 28 January 2020.

## 20/13 **Matters arising**

### *20/03 Trustee Appointments*

It was noted that an individual had been identified and once they had undertaken the appropriate induction would join.

### *20/06 Dashboard*

The Director of HR informed the Committee that a first draft of the dashboard had been completed. It was agreed that this would be submitted to the next meeting on October 2020. The Committee noted that the dashboard could be submitted as regularly as required.

The Committee noted that the Chair and the President had agreed the remuneration for the Pro-Vice-Chancellor International post.

## **Matters for Discussion**

### **20/14 Paused Reward Arrangements (Item 3)**

The Committee noted that at this meeting it would normally receive recommendations for additional rewards for senior staff and professorial staff.

At the onset of lockdown, the University Executive Board discussed processes that might be paused or stopped to enable priority to be given to business-critical activities.

It was noted that:

- For the purposes of this academic year the cycle of local Rewards Committees had been completed.
- The majority of School Personal Titles Committee meetings had been completed with the University stage delayed until 14 July 2020.
- The Re-grading Committee would continue to consider cases.
- Online rewarding staff procedures remained available for the time being.
- The annual Professorial and Senior Salary reviews were paused.
- There would be no consideration of a salary review for members of the University Executive Board and the Dean of the Henley Business School.
- Given the current financial challenges the University would be consulting staff and their representatives with a view to a series of measures to address immediate cash-flow.

The Committee agreed that the performance of UEB should still be considered at its October meeting even if pay considerations were paused.

The Committee agreed that it was important in morale terms for the University to recognise the achievements of colleagues even if the normal pay and reward mechanisms were paused/stopped.

### **20/15 Update on the Coronavirus Job Retention Scheme (Item 4)**

The Committee noted that the Job Retention Scheme was introduced in March to enable all UK employers to access support to continue paying at least part of their employees' salary for those employees that would otherwise have been laid off.

The University Executive Board has encouraged Heads of Schools and Functions to give careful consideration to those staff who might be eligible for furloughing where eligible. As required the University has consulted with UCU and the Staff Forum.

A group was established by the Board to consider all proposals for furloughing and to oversee the process of submitting a formal claim via HMRC. It was reported that the

over-arching scheme guidance was not always clear, particularly in respect of roles that were publicly funded (rendering most academic roles ineligible) and the absence of a clear policy steer from UKRI in respect of externally funded research posts.

The University had now submitted its claim to HMRC covering 460 employees. The scheme was also used to provide some financial support to 300 students employed on a regular casual basis via campus jobs – the Universities Minister had explicitly stated that the scheme should be used to support students casually employed by the University.

The Director of HR assured the Committee that the University had made the best use of the scheme that it could. It was expected that the University would hear within the next week about the claim.

#### **20/16 Draft Annual Report (Item 5)**

The Vice-Chancellor was recused for the discussion on this item.

The Committee received and noted the draft annual report for 2019/20. The Director of HR informed the Committee that the report used the same format as previous years. The report would also be incorporated into the 2019/20 Financial Statements.

In regard to the draft it was suggested that:

- Page 4 - the section around the COVID-19 pandemic should be given more prominence.
- The sentence that had previously been agreed in regard to the Vice-Chancellor's comparative pay should be added in.
- Page 6 - it was noted the lump sum awarded to the Vice-Chancellor had not been paid – The Director of HR agreed to follow up on this matter.
- Page 9 – the University Secretary was asked to provide an annual report to the Committee on lay member expenses.
- Page 10 – further reasoning behind the figure given for severance payments was needed.
- Page 11 – point 12 should state 'reviewed and had an active role in monitoring progress'

The Director of HR agreed to update the report accordingly.

#### **20/17 Update on Pay and Pensions (Item 6)**

The Committee received an update on national pay bargaining and pensions. In particular it was noted that:

- Earlier this year, and prior to the pandemic and subsequent lockdown, the Board had agreed to participate in this year's JNCHES process and provided initial feedback to UCEA in advance of the planned negotiations.

- UCEA were facing a challenging negotiation with many HEIs expressing concern in respect of affordability and the likelihood of further pension contribution increases. Furthermore, the trade unions remained unhappy with the disputed outcome of the previous years round and the failure of recent strike action to generate meaningful concessions from the employer side.
- In recognition of the exceptional circumstances created by the pandemic and lockdown the JNCHES process has now been paused indefinitely.
- The University was about to enter into a significant consultation process. This was likely to seek agreement for a pay freeze for up to three years.
- In respect of USS, the University had engaged in the first two significant consultations designed to frame the latest USS valuation. This consultation process coincided with a significant and unforeseen change in economic circumstances. The USS recently reported itself to the Pensions Regulator as market volatilities saw it breach a funding measure.
- The first consultation response was shared with the President and the Chair of Remuneration Committee. It reiterated previous support for a number of measures intended to address the governance of USS and strengthen the employer covenant, but: sought better evidence before providing any definitive response to a number of mooted developments; questioned the timing of the valuation process and the decision of the USS Trustee not to take advantage of flexibilities being offered by the Pension Regulator; repeated previous concerns regarding the apparent reluctance to consider benefit reforms.
- UCU were discussing holding a fresh set of ballots for further action.

The Committee agreed that options around pay freezes and cuts were sensible. The Committee discussed how it could support the University during this challenging period. It was suggested that:

- It could help UEB think about ways of improving morale
- There could be opportunities for recruitment if other universities were also making redundancies.
- It was important to get buy in and agreement from staff quickly as goodwill was likely to seep away over time.

#### 20/18 **Internal Audit Review (Item 7)**

The Committee received R893 Audit Review of Redundancy, Severance and Early Retirement Payments.

The Committee noted that the review had recommended that all payments to senior staff under the 2019 Voluntary Redundancy Scheme should be reported retrospectively to the Committee. The Committee were reminded that at the time of the Voluntary Redundancy scheme the President had given his approval and delegated authority for agreeing cases. It was the view of Internal Audit that cases for staff earning over £100k should have been reported separately. The Director of HR

informed the Committee that there were 7 cases to report – none of which had any different severance arrangement to other colleagues.

The Vice-President (Mrs Owen) assured the Committee that the Voluntary Redundancy Scheme had been handled appropriately and effectively.

The Committee noted that the rest of the report related to administrative matters.

## **Matters for Report**

### **20/19 Severance Payments and Early Retirement Arrangements (Item 8)**

The Committee received and noted the severance payments and early retirement arrangements that had been agreed since the last meeting.

### **20/20 Out of Cycle Salary Increases (Item 9)**

The Committee received and noted the out of cycle salary increases that had been agreed since the last meeting.

### **20/21 Report of the University Executive Board (Item 10)**

The Committee received a report from the University Executive Board, noting arrangements that had been made in respect of the carry forward of annual leave as a result of the pandemic.

### **20/22 Any other business**

The Committee recorded its thanks to Mr Evans who was stepping down from the Council at the end of July.

### **20/23 Dates of Meetings in Session 2020-21**

Monday 19 October 2020 at 2.15 pm  
Thursday 4 February 2021 at 2.00 pm  
Tuesday 8 June 2021 at 10.30 am