



THE BOARD OF THE ARTS UNIVERSITY BOURNEMOUTH HIGHER EDUCATION CORPORATION
MINUTES OF THE MEETING OF THE REMUNERATION COMMITTEE HELD ON 25 SEPTEMBER 2024

Present:

- Dr Gerard Moran Chair of the RemCom and Independent Chair
- Dorothy MacKenzie Chair of the Board of Governors
- Jan Juillerat Chair of the HR Committee
- Misan Nwokorie Vice-Chair of the Board of Governors and Independent Governor

In Attendance:

- Kerry Sheehan Director of People, Inclusion and Organisational Development and Secretary of the Remuneration Committee

1. Chair's Opening Remarks

- 1.1 The Chair of the Remuneration Committee (RemCom), Dr Gerard Moran, welcomed members to the meeting. To Jan Juillerat at her first formal meeting as an AUB Governor and to Misan Nwokorie at her first Remuneration Committee (RemCom), noting her new role as Vice-Chair of the Board of Governors. The Chair thanked the Secretary, Kerry Sheehan, for the preparation of the papers and full agenda.
- 1.2 The Chair noted that the Principal and Vice-Chancellor's (VC) ill health absence had impacted this year's RemCom process however AUB's processes and Lisa Mann's role as Acting Vice-Chancellor, meant that the impact had been addressed and managed.
- 1.3 The Chair reminded the Committee that RemCom makes one decision: in respect of the VC's remuneration, and that it considers and approves the remuneration for the other spot salary staff. In relation to the remuneration for the other spot salary staff, RemCom can invite the VC/Executive to reconsider their proposed remuneration recommendations if it deemed this necessary.

- 1.4 The Chair noted that the Chair of the Board conducts the VC's performance review and the performance review of Clerk to the Board.
- 1.5 The Chair advised that due to the ill health absence of the VC, the Acting VC has made the recommendations regarding the remuneration for the other spot salary staff and given that Acting VC has full responsibility for the delivery of VC duties, there would be no need to be tentative regarding RemCom's decisions.
- 1.6 The Chair noted that the VC's ill health absence commenced at the beginning of August 2024, with assumption of a 2-3 month recovery period; the VC was anticipated to be returning to work mid to end of October 2024 and therefore Lisa Mann continues as Acting VC until 31 October 2024. RemCom considered it important to ensure the community was kept updated with Lisa Mann's Acting VC role and when Professor Paul Gough would be returning to the VC role.
- 1.7 Finally, the Chair advised that the minutes, once approved are placed in the Governor's reading room and are published on the AUB website.

2. Apologies for absence

- 2.1 Apologies had been received from Stephen Hocking.

3. Minutes

- 3.1 The minutes of the meeting held on 27 September 2023 had been considered, officially received and approved. The document has been placed on the Governor's Reading Room.

4. Matters arising not otherwise covered on the agenda

- 4.1 There were no matters arising.

5. UCEA / Trade Unions: National Salary Negotiations

- 5.1 The Secretary, in her capacity as Director of People, advised RemCom of the outcome of the national salary negotiation process, providing details as to how the national negotiations process is implemented by UCEA and the five HE Sector trade unions. The outcome was as follows:
- The pay award is equivalent to an overall sectoral pay bill uplift of 2.5% to be implemented in two phases during the 2024-25 academic year.
 - The pay uplift is weighted towards the lower end of the pay spine.

- Scale points 5 to 22 receive a £900 uplift from 1 August 2024 then a £300 uplift from 1 March 2025 (totalling £1,200 and resulting in a 5.7% uplift for pay point 5 tapering to 4.1% at pay point 22)
- Scale points 23 to 37 receive a £900 uplift from 1 August 2024 then a £250 uplift from 1 March 2025 (totalling £1,150 and resulting in a 3.8% uplift for pay point 23 tapering to 2.52% at pay point 37)
- Scale points 38 upwards receive a £900 uplift from 1 August 2024 then a sum (variable by pay point) which results in a total uplift of 2.5% from 1 March 2025.

5.2 RemCom noted this outcome.

6. AUB Remuneration Committee Terms of Reference, Remuneration Framework and Remuneration Process

6.1 RemCom members noted the documents.

6.2 The Chair advised that it was part of standard processes for AUB's Search and Governance Committee to review RemCom's Terms of Reference. The Chair noted that considerable work had been completed on the Remuneration Process following last year's RemCom. It was agreed that once point 4 of the Terms of Reference had been updated to replace Summer Term with Autumn Term the content remained in order. (*Secretary to action*)

6.3 RemCom recommended that with reference to point 10.2 of the Remuneration Framework, it should be the Director of People who advises RemCom of such payments rather than the University Secretary and that further clarity should be included to make RemCom's expectations clear regarding the declaration of such work. (*Secretary to action*)

6.4 RemCom agreed that with reference to point 12.1 of the Remuneration Framework, Equal Pay reviews and Gender Pay reporting are matters for the HR Committee and therefore these points should be removed. The Secretary would ensure that these changes are reported to the University Secretary to ensure the appropriate follow up in respect of the business of the HR Committee. (*Secretary to action*)

7. UCEA Senior Staff Remuneration Survey 2023 Executive Pay Briefing

7.1 RemCom welcomed the inclusion of this briefing paper within the RemCom papers, noting that it provided increased information on executive pay to assist remuneration committees.

7.2 RemCom agreed that it was interesting to review the executive pay data from other sectors as well as the international picture.

7.3 The Chair noted the inclusion of the OfS Account Direction data requirements and requested that the Secretary reviews the requirements with the recently appointed Director of Finance, to ensure that processes are appropriately aligned. (*Secretary to action*)

7.4 RemCom agreed that it would be helpful to include reference to the Executive Pay Briefing within the annual Remuneration Report. (*Secretary to action*)

8. Performance and Remuneration of the Senior Postholders

8.1 RemCom discussed the performance review documents provided within the papers and agreed that clear SMART objectives are required for all Senior Postholders, to include the impact and attributability of work deliverables. RemCom agreed that a rating system should be developed to assist in identifying performance levels and to enable comparative assessments. The Secretary was requested, in her capacity as Director of People, to progress this work for 2024-25 performance review process. (*DoP to action*)

8.2 Performance and Remuneration of the Executive Director of Operations and Planning

In considering the Acting VC's proposed remuneration recommendation for the Executive Director of Operations and Planning, RemCom noted:

- i. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- ii. Internal compensation equity to other AUB Senior Postholders.
- iii. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted an increase in salary in line with the national pay award outcome. Therefore £900 from 1 August 2024 and a further increase from 1 March 2025 equating to 2.5% after accounting for the £900 increase from 1 August 2024.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Vice-Chancellor took the decision that any potential increase to salary will be reconsidered again in February 2025. In February 2025, the new Executive team will be able to review the position with 2025-26 student numbers, as well as see how successfully the mitigations to address the required budget savings needed to be achieved by the end of July 2025 have performed.

8.3 Performance and Remuneration of the Executive Director of Academic Innovation

Given that the postholder is undertaking Acting VC duties at the time of the RemCom process, from August 2024 to the end of October 2024 it was not possible for them to propose their own remuneration recommendation and therefore RemCom were required to do so, taking into consideration the following:

- i. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- ii. Internal compensation equity to other AUB Senior Postholders.

- iii. Organisational and individual performance against objectives for the period in the role.

8.3.1 The Committee agreed that the evidence demonstrated that the postholder had delivered an exceptional level and extensive range of work over the review period. Furthermore, it was agreed that with performance being a key factor in senior remuneration decisions, along with the consideration of retention risk and market conditions for senior level teaching, learning and assessment specialists, the postholder's salary was not considered to be at an appropriate level, as justified by the benchmarking data for the role the postholder delivers.

8.3.2 The Committee agreed that the evidence provided and the strategic importance of retaining a key member of staff against potential loss to competitors warranted the recommendation to the VC of an increase in salary at an appropriate level by applying a market supplement to the postholder's salary, in accordance with section 8 of AUB's Remuneration Framework. The Committee noted that bringing the salary over the £100,000.00 level would mean this is disclosed in the annual Remuneration Report. Payment of the recommended salary uplift would be backdated to 1 August 2024.

Secretary update 22.11.24: The postholder was Acting Vice-Chancellor from 1 August 2024 to 31 October 2024, due to a period of medical leave taken by the Vice-Chancellor, and they received an honorarium payment in recognition of additional duties. The Vice-Chancellor decided that, in light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, that the recommendation from RemCom, backdated to 1 August 2024, would not be applied.

8.4 Performance and Remuneration of the University Secretary / Clerk to the Board of Governors

In considering the Acting VC's proposed remuneration recommendation for the University Secretary, RemCom noted:

- i. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- ii. Internal compensation equity to other AUB Senior Postholders.
- iii. Organisational and individual performance against objectives for the period in the role

The Committee agreed with the Acting VC's recommendation of an increase in salary in line with the national pay award outcome. Therefore £900 from 1 August 2024 and a further increase from 1 March 2025 equating to 2.5% after accounting for the £900 increase from 1 August 2024.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Vice-Chancellor took the decision that any potential increase to salary will be reconsidered again in February 2025. In February 2025, the new Executive team will be able to review the position with 2025-26 student numbers, as well as see how successfully the mitigations to address the required budget savings needed to be achieved by the end of July 2025 have performed.

9. Remuneration of Spot Salary Postholders

9.1 The Chair noted that salary decisions for the Academic Director of Arts, Media and Creative Industries Management and the Director of Finance were not required as they had both commenced employment relatively recently; June 2024 and March 2024 respectively.

9.2 The Chair advised that when it came to the salary decision for the Director of People, Inclusion and Organisational Development, the Secretary would leave the room.

9.3 RemCom were satisfied that performance review mechanisms for these spot salary postholders had been implemented well and noted that salary recommendations are mainly equal to the national salary negotiations minimum outcome of 2.5%.

9.4 Remuneration of the Director of the AUB BFS

In considering the Acting VC's proposed remuneration recommendation for the Director of the AUB BFS, RemCom noted:

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- b. Internal compensation equity to other AUB Senior Postholders.

The Committee agreed with the Acting VC's recommendation of an increase in salary in line with the national pay award outcome. Therefore £900 from 1 August 2024 and a further increase from 1 March 2025 equating to 2.5% after accounting for the £900 increase from 1 August 2024.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Executive took the decision that any potential increase to salary will be reconsidered again in February 2025. In February 2025, the new Executive team will be able to review the position with 2025-26 student numbers, as well as see how successfully the mitigations to address the required budget savings needed to be achieved by the end of July 2025 have performed.

9.5 Remuneration of the Director, Arts and Communications

In considering the Acting VC's proposed remuneration recommendation for the Director, Arts and Communications, RemCom noted:

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- b. Internal compensation equity to other AUB Senior Postholders.

The Committee agreed with the Acting VC's recommendation of an increase in salary in line with the national pay award outcome. Therefore £900 from 1 August 2024 and a further increase from 1 March 2025 equating to 2.5% after accounting for the £900 increase from 1 August 2024.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Executive took the decision that any potential increase to salary will be reconsidered again in February 2025. In February 2025, the new Executive team will be able to review the position with 2025-26 student numbers, as well as see how successfully the mitigations to address the required budget savings needed to be achieved by the end of July 2025 have performed.

9.6 Remuneration of the Director, Design and Architecture

In considering the Acting VC's proposed remuneration recommendation for the Director, Design and Architecture, RemCom noted:

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- b. Internal compensation equity to other AUB Senior Postholders.

The Committee agreed with the Acting VC's recommendation of an increase in salary in line with the national pay award outcome. Therefore £900 from 1 August 2024 and a further increase from 1 March 2025 equating to 2.5% after accounting for the £900 increase from 1 August 2024.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Executive took the decision that any potential increase to salary will be reconsidered again in February 2025. In February 2025, the new Executive team will be able to review the position with 2025-26 student numbers, as well as see how successfully the mitigations to address the required budget savings needed to be achieved by the end of July 2025 have performed.

9.7 Remuneration of the Director, Arts, Media and Creative Industries Management

The Committee noted that the postholder commenced employment in June 2024 and agreed with the Acting VC's recommendation that their salary should, therefore, remain at the current level.

9.8 Remuneration of the Director, Research and Development

In considering the Acting VC's proposed remuneration recommendation for the Director, Research and Development, RemCom noted:

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- b. Internal compensation equity to other AUB Senior Postholders.

The Committee agreed with the Acting VC's recommendation of an increase in salary in line with the national pay award outcome. Therefore £900 from 1 August 2024 and a further increase from 1 March 2025 equating to 2.5% after accounting for the £900 increase from 1 August 2024.

Secretary update 22.11.24: In light of the significant achievement by the postholder in securing the E3 funding from Research England and the subsequent creation of the new Research Centre, the Vice-Chancellor decided that the increase in salary should be applied.

9.9 Remuneration of the Associate Directors of the Graduate School (2 x 0.5FTE roles)

In considering the Acting VC's proposed remuneration recommendation for the Associate Directors of the Graduate School, RemCom noted:

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- b. Internal compensation equity to other AUB Senior Postholders.

The Committee agreed with the Acting VC's recommendation of an increase in salary in line with the national pay award outcome. Therefore £900 from 1 August 2024 and a further increase from 1 March 2025 equating to 2.5% after accounting for the £900 increase from 1 August 2024.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Executive took the decision that any potential increase to salary will be reconsidered again in February 2025. In February 2025, the new Executive team will be able to review the position with 2025-26 student numbers, as well as see how successfully the mitigations to address the required budget savings needed to be achieved by the end of July 2025 have performed.

9.10 Remuneration of the Director of People, Inclusion and Organisational Development

In considering the Acting VC's proposed remuneration recommendation for the Director of People, Inclusion and Organisational Development, RemCom noted:

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- b. Internal compensation equity to other AUB Senior Postholders.

The Committee considered the exceptional recommendation of a 5% salary uplift for the Director of People, Inclusion and Organisational Development. Factoring in the evidence from the individual's performance, the benchmarking evidence related to the role, the need to secure continuity of crucial HR related strategic project work against a background of a competitive marketplace for senior HR appointments, the Committee was content to approve the recommendation, backdated to 1 August 2024.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Executive took the decision that any potential increase to salary will be reconsidered again in February 2025. In February 2025, the new Executive team will be able to review the position with 2025-26 student numbers, as well as see how successfully the mitigations to address the required budget savings needed to be achieved by the end of July 2025 have performed.

9.11 Remuneration of the Director of Student Experience and Employability

In considering the Acting VC's proposed remuneration recommendation for the Director of Student Experience and Employability, RemCom noted:

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million and within the GuildHE group.
- b. Internal compensation equity to other AUB Senior Postholders.

The Committee agreed with the Acting VC's recommendation of an increase in salary in line with the national pay award outcome. Therefore £900 from 1 August 2024 and a further increase from 1 March 2025 equating to 2.5% after accounting for the £900 increase from 1 August 2024.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Executive took the decision that any potential increase to salary will be reconsidered again in February 2025. In February 2025, the new Executive team will be able to review the position with 2025-26 student numbers, as well as see how successfully the mitigations to address the required budget savings needed to be achieved by the end of July 2025 have performed.

9.12 Remuneration of the Director of Finance

The Committee noted that the postholder commenced employment in March 2024 and agreed with the Acting VC's recommendation that their salary should, therefore, remain at the current level.

10. Performance and remuneration of the Principal and Vice Chancellor

- 10.1 The Chair noted the comprehensive process implemented for the VC's performance review. The Chair of the Board confirmed that the Review process included input from Board members, direct reports and other key colleagues via a 360 feedback process. The Chair of the Board reported their view of progress made from the previous review year with a sharper focus on finances and student recruitment; noting that external factors beyond the VCs control continue to affect AUB's finances and student enrolment numbers.
- 10.2 RemCom agreed that there was a need to recognise the VC's performance level, mindful of the current salary level and the pay ratio calculations. RemCom recognised that the VC's starting salary in January 2020 had been impacted by his move from an Australian HEI and referred to the pertinent data within the UCEA briefing on Executive Pay.
- 10.3 RemCom noted the VC's strong external presence and ongoing credibility in relation to his professional practice.
- 10.4 In deciding the remuneration recommendation for the Principal and Vice Chancellor, the Committee considered:
- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within post-92 institutions with income of £40 million - £100 million.
 - b. Comparative data of equivalent role from the CUC annual survey of the remuneration of Vice-Chancellors.
 - c. UCEA Senior Staff Remuneration Survey 2023 Executive Pay Briefing
 - d. Internal compensation equity to other AUB Senior Postholders.
 - d. Organisational and individual performance against objectives for the preceding 12 months as provided by the Chair of the Board.
 - e. The elevated nature of the VC's starting salary on his appointment to AUB.
- 10.5 Taking all factors into account, the Committee decided on a 1.5% salary increase, backdated to 1 August 2024. In making this decision the Committee recognised the VC's commitment, immense hard work and contributions to the sector.
- 10.6 It was noted that a pay in lieu of pension payment would continue to be applied, equal to the Teachers' Pension Scheme employer's contribution of 20.81% as the VC waived their right to the recent 5% TPS employers' contribution increase.
- 10.7 Additionally, the Principal and Vice-Chancellor would continue to receive private health cover.
- 10.8 The Chair of the Board confirmed that the Principal and Vice-Chancellor's objectives for 2024-25 would be agreed on their return from ill health leave.

Secretary update 22.11.24: In light of AUB's financial position, with AUB's 2024-25 budget confirmed by the Finance and Resources Committee meeting on 24 October 2024, the Vice-Chancellor declined RemCom's decision to increase their salary by 1.5%.

11. Draft Remuneration Report 2023-24

11.1 RemCom noted the draft Report and requested that 10.1 references the UCEA Senior Staff Remuneration Survey 2023 Executive Pay Briefing. The Secretary would circulate the final version to the Committee members prior to the Report being submitted to the Board meeting on 28 November 2024.

Secretary update 22.11.24: it has since been agreed that the Remuneration Report will be submitted to the Board meeting on 30 January 2025.

12. Any Other Business

12.1 The Chair reminded Committee members of the restricted papers within the documents which were not to be shared. The Chair advised that the draft minutes and final Remuneration Report would be shared as soon as possible. The Chair thanked members for their comprehensive input and the Secretary for providing the papers and for their contributions.

13. Date of next meeting.

13.1 The date for the next regular meeting will be in the Autumn Term 2025.