



**THE BOARD OF THE ARTS UNIVERSITY BOURNEMOUTH HIGHER EDUCATION CORPORATION**  
**MINUTES OF THE MEETING OF THE REMUNERATION COMMITTEE HELD ON 22 AUGUST 2022**

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**Present:**

- Dr Gerard Moran (Chair of the RemCom and Vice-Chair of the Board of Governors)
- Dorothy MacKenzie (Chair of the Board of Governors)
- Prue Keely-Davies (Chair of the HR Committee)
- Kevin Purcell (Independent Governor)

**In Attendance:**

- Kerry Sheehan (Director of People, Inclusion and Organisational Development and Secretary to the Committee)

**1. Chair's Opening Remarks**

- 1.1 The Chair welcomed all in attendance at the meeting, noting this was his first meeting as Chair. The Chair welcomed Mr Purcell to the Remuneration Committee's (RemCom) membership, for his first meeting as a member of RemCom, noting his professional expertise as highly relevant for its business.
- 1.2 The Chair informed the RemCom that the Principal and Vice-Chancellor, Professor Paul Gough, was available to call if matters of discussion or clarification were required.

1.3 The Chair clarified that the Director of People, Inclusion and Organisational Development (DPIOD) was in attendance as Secretary to the Committee.

1.4 The Chair noted the substantial work implemented to date in respect of the processes and systems underpinning RemCom and extended thanks to those who had completed this work. The Chair further noted that such processes and systems will continue to evolve as necessary to maintain a high level of assurance around RemCom activity and decision making as related to staff on spot salaries. It was AGREED that the Remuneration Framework dated 2018 would be updated by the Director of People, Inclusion and Organisational Development in liaison with the Chair.

**Action: DPIOD/Chair**

1.5 The Chair thanked the Chair of the Board of Governors for the rigour, clarity and robustness in relation to the performance review of the Principal and Vice-Chancellor which provided a strong evidential base for the decision to be taken later regarding his remuneration. It was noted that the performance review process for the Principal and Vice-Chancellor included a comprehensive 360 review process and outcomes of the Chair of the Board of Governors' discussions with a number of other Vice-Chancellors and senior individuals who have worked closely with the Principal and Vice-Chancellor over the review period.

1.6 The Chair advised of some further work required to embed the Vice-Chancellor's Executive group in the RemCom process, given the relatively new formation of this group and the part they play in the remuneration decisions relating to those individuals on spot salaries and therefore within the remit of the RemCom process. The Chair reiterated that there is complete confidence in the processes applied for this meeting, but important to recognise the evolving and complex nature of the work required by all involved in the RemCom process.

1.7 The Chair reminded RemCom that their main role is to decide the remuneration of the Principal and Vice-Chancellor. The other business is to review and approve the salary decisions for the Senior Postholders and other staff who are on spot salaries confirming that RemCom, in reviewing decisions, can make recommendations that executive decisions might be reconsidered.

1.8 Finally, the Chair confirmed that the Secretary will leave the room when their remuneration, as Director of People, Inclusion and Organisational Development, is discussed.

**2. Apologies for absence**

2.1 Apologies received from Rob McClatchey (Independent Governor and Chair of the Audit & Risk Committee).

### **3. Minutes**

3.1 The minutes of the meeting on 12 August 2021 were noted to be 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 DPIOD advised that UCEA (Universities and Colleges Association) had concluded the annual national salary negotiations with the five HE sector trade unions with a final pay offer position from UCEA, on behalf of the relevant HEIs, of at least 3% to the pay spine. The majority of staff were to receive an uplift of 3% however the pay award includes higher uplifts ranging from 9% to 3.1% to points 3 to 19 on the salary pay spine. It was noted that the Unions were consulting with their members about their position in response and it was anticipated that they would be balloting members on whether to take strike action, likely to be the case given the ongoing cost of living inflationary pressures.

5.2 The DPIOD further advised that the outcome of these negotiations is normally a factor for consideration when reviewing the VCE's salary recommendations for Senior Postholders and for RemCom in making the salary decision for the Vice-Chancellor (VC).

### **6. CUC Remuneration Code**

6.1 The DPIOD spoke to the documents 'The Context for the HE Senior Staff Remuneration' and 'The Higher Education Senior Staff Remuneration Code' (November 2021), included in the papers.

6.2 RemCom noted that the Higher Education Senior Staff Remuneration Code (the Remuneration Code) was developed after wide consultation with CUC members and HE stakeholders and is reviewed every four years in consultation with the sector. RemCom further noted that the Code is an important factor for HEs in ensuring fair and appropriate remuneration. The Code is situated within the context of the overarching HE Code of Governance, which sets out the values good Governance is based: Integrity, Sustainability, Inclusivity, Excellence, Innovation, and Community. These values, together with the 'Nolan Principles of Public Life' provide an ethical framework for the determination of the remuneration of all staff, including those at a senior level 2.

6.3 The DPIOD reminded RemCom that the University's Remuneration Framework, the RemCom Terms of Reference, the publication of the annual Remuneration Report, as well as the RemCom process were all developed to ensure the University aligned to the expectations of the Higher Education Senior Staff Remuneration Code.

6.4 The Independent Governor remarked that matters of poor behaviour as they relate to the remuneration decision process did not seem to be covered in the Code documentation and that this could be problematic given the clear risk to institutional reputation. RemCom noted that such conduct would be captured within an individual's annual review however given that the clarity required within the documentation which supports the RemCom process, the Chair suggested, and it was AGREED, that this would be raised at the November 2022 meeting of the CUC Chairs.

**Action: Chair**

## **7 AUB Remuneration Committee Terms of Reference, Remuneration Framework and Remuneration Process**

7.1 The DPIOD underlined the importance of the documentation relating to the RemCom process, as previously discussed.

7.2 The DPIOD confirmed RemCom's APPROVAL, by email, for the necessary updates to the Terms of Reference document.

7.3 It was AGREED that the DPIOD would review all documentation to ensure it was in order, noting that the Remuneration Framework was last updated in 2018. The DPIOD would work with the Chair to finalise the required updates which would be circulated to RemCom to note.

**Action: DPIOD/Chair**

## **8. Salary Recommendations for Senior Postholders**

After discussing in detail the reports on each of the senior postholders the Committee confirmed the following decisions:

### **8.1 Performance and remuneration of the Executive Director of Operations and Planning**

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

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within all institutions with income of up to £100 million.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted an increase to the median point of the benchmarking data. Payment of this salary uplift will be backdated to 1 August 2022.

## **8.2 Performance and remuneration of the Executive Director of External Engagement**

In considering the VC's proposed remuneration recommendation for the Executive Director of External Engagement, RemCom noted:

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within all institutions with income of up to £100 million.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee noted the relatively short time the individual has been in the role and agreed that the salary should remain at the appointment level.

## **8.3 Performance and remuneration of the University Secretary (includes role of Clerk to the Board of Governors)**

In considering the VC's proposed remuneration recommendation for the University Secretary, 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.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted an increase to lower decile point of the benchmarking data. Payment of this salary uplift will be backdated to 1 August 2022.

## **8.4 Performance and remuneration of the Director, Arts and Communications**

In considering the 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.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee noted the new appointment with effect from August 2022 and agreed that the salary should remain at the appointment level.

### **8.5 Performance and remuneration of the Director, Design and Architecture**

In considering the 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.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted an increase to the median point of the benchmarking data. Payment of this salary uplift will be backdated to 1 August 2022.

### **8.6 Performance and remuneration of the Director of the AUB BFS**

In considering the 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.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted an increase to the median point of the benchmarking data. Payment of this salary uplift will be backdated to 1 August 2022.

### **8.7 Performance and remuneration of the Director, Graduate School**

In considering the VC's proposed remuneration recommendation for the Director, 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.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted the salary remaining at its current level.

### **8.8 Performance and remuneration of the Director of People, Inclusion and Organisational Development**

In considering the 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 all institutions with income of up to £100 million.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted an increase to between the lower quartile and median point of the benchmarking data. Payment of this salary uplift will be backdated to 1 August 2022.

### **8.9 Performance and remuneration of the Director of Student Experience and Employability**

In considering the 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 all institutions with income of up to £100 million.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted an increase to between the median and upper quartile point of the benchmarking data. Payment of this salary uplift will be backdated to 1 August 2022.

### **8.10 Performance and remuneration of the Director of Finance**

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

- a. Comparative data of equivalent role from the UCEA annual survey of compensation paid to senior staff, within all institutions with income of up to £100 million.
- b. Internal compensation equity to other AUB Senior Postholders.
- c. Organisational and individual performance against objectives for the period in the role.

The Committee agreed that the evidence provided warranted the salary remaining at its current level.

## **9. Performance and remuneration of the Principal and Vice Chancellor**

The Chair of the Board was thanked again for the comprehensive summary of the year's achievements prepared which provided a strong evidential base for the decision to be taken. It was noted again that the performance review process for the Principal and Vice-Chancellor included a comprehensive 360 review process and outcomes of the Chair of the Board of Governors' discussions with a number of other Vice-Chancellors and senior individuals who have worked closely with the Principal and Vice-Chancellor over the review period. Points of particular note were:

- Growth in overall course applications and attendance at Open Days
- Largest intake of undergraduate students for October 2021 commencement
- Achieved very strong result in Research Excellence Framework with threefold increase in QR funding
- Building on five-year environmental programme
- Sustained strong in-year retention of students 98.6%
- Named as UK's Top Specialist Arts University in Sunday Times Good University Guide
- Significant commitment to EDI capability and capacity through new positions and a revised plan.

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 - £70 million.
- b. Comparative data of equivalent role from the CUC annual survey of the remuneration of Vice-Chancellors/Principals.
- c. 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.

Taking all factors into account, the Committee decided on a salary increase to £228,000.00. Payment of this salary uplift will be made, backdated to 1 August 2022.

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 23.68%.

Additionally, the VC would continue to receive private health cover.



The Chair of the Board confirmed that the VC's objectives for 2022-23 had been agreed in principle, with more detail to be added for the beginning of the 2022-23 academic year.

**8. Remuneration Report 2021-22**

8.1 The Committee noted the content of the draft Remuneration Report and agreed that the DPIOD should complete the Report prior to circulating to the RemCom for approval and being submitted to the September Board meeting.

***Action: DPIOD***

**9. Any other business**

9.1 The Chair reflected on the timing of the meeting with the RemCom members given that the meeting usually takes place in August on an annual basis. It was AGREED that the meeting would continue to take place in August as the full academic year for most of the course delivery (excluding PG studies) has been completed and it also enables salary decisions to be taken and implemented as close to 1 August as possible.

**10. Date of next meeting.**

10.1 The date for the next regular meeting will be in August 2023 .

Signed: .....  
(Chair of the Remuneration Committee)

Date: .....