THE BOARD OF ARTS UNIVERSITY BOURNEMOUTH HIGHER EDUCATION CORPORATION

MINUTES OF THE MEETING OF THE REMUNERATION COMMITTEE HELD ON 26 NOVEMBER 2025

Present:

- Misan Nwokorie — Chair of the Remuneration Committee and Vice-Chair of the Board of Governors
- Dorothy MacKenzie — Chair of the Board of Governors
- Jan Juillerat — Chair of the HR Committee and Independent Governor

In Attendance:

- Kerry Sheehan — Director of People and Inclusion and Secretary of the Remuneration Committee

1. Chair's Opening Remarks

1. The new Chair of the Remuneration Committee (RemCo), Misan Nwokorie, welcomed members to the meeting and thanked the Secretary for the preparation of the papers accompanying the agenda. The Chair extended further thanks to the Chair of the Board of Governors for the reviews completed which were included in the papers.

2. The Chair noted that the main business for the RemCo is to consider the Vice-Chancellor and CEO's (VC&CEO) recommendations for spot salary staff and to decide on the remuneration of VC&CEO.

3. The Chair noted the very difficult financial circumstances AUB continued to operate within, which would be taken into consideration by RemCo in its decision making and recommendations.

2. Apologies for absence

2.1 It was noted that Malcolm Groat was not in attendance.

Secretary's post-RemCo update: Apologies have been extended to Malcolm and the committee members for inadvertently using an incorrect email address for Malcolm prior to the RemCo, which has since been rectified.

3. Minutes

3.1 The minutes of the meeting held on 25 September 2024 had been considered, officially received, and approved; the document was being 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 advised the RemCo 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 a pay uplift of 1.4% to each salary point of the national salary scale with effect from 1 August 2025.

2. The Secretary further advised that due to AUB's ongoing difficult financial circumstances, the Executive had decided to apply the deferral clause which was available to all participating HEIs in such circumstances, and that this decision had been discussed with the AUB trade unions in accordance with the required process. The 1.4% uplift will therefore not be applied to AUB's salary scale until 1 July 2026, and there will be no backdated pay for staff. All AUB staff had been informed of this position by the VC&CEO.

5.3 The Secretary confirmed that there is no contractual obligation for AUB to pay the annual uplift.

5.4 The RemCo noted that AUB applying the deferral clause was the right decision for AUB and important context for senior salary remuneration proposals and decisions.

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

6.1 The RemCo noted the documents, and the Chair requested another member of the Board to join the RemCo as according to the Terms of Reference, 2 (a), there should be five members. The Chair of the Board agreed this would be arranged via the Clerk to the Governors and the Secretary of the RemCo. (*Secretary to confirm*)

6.2 The Chair requested that an Equal Pay report is submitted to the RemCo on an annual basis and committee members agreed that this was important to factor in given the spot salaries of the Senior Postholders. (*Secretary to action*)

7. UCEA Senior Staff Remuneration Survey 2024 Executive Pay Briefing

7.1 The RemCo welcomed the inclusion of this briefing paper within the RemCo papers, noting that it provided important information and context on executive pay to assist remuneration committees.

7.2 The RemCo agreed that it was interesting to review the executive pay data from other sectors as well as the international picture and useful to reference for the purposes of the RemCo's considerations and decision making.

8. CUC Survey 2025 of Vice-Chancellors 'Remuneration

8.1 The RemCo welcomed the inclusion of this survey paper within the RemCo papers, noting that it provided valuable information and awareness on VC pay in comparator HEIs to assist remuneration committees.

9. Performance and Remuneration of the Senior Postholders

9.1 Performance and Remuneration of the Chief Financial and Operating Officer

9.1.1. In considering the VC&CEO's proposed remuneration recommendation for the Chief Financial and Operating Officer (CF&OO), the RemCo 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.

9.1.2 The RemCo agreed that the evidence provided in the performance review document demonstrated the postholder's very high level of performance, achievements, and results in this new post. The RemCo noted that the postholder previously held the Director of Finance post and from 1 April 2025, took on considerable further responsibilities as CF&OO without a salary change being applied at the time.

9.1.3 The RemCo noted that the salary recommendation aligns to the lower quartile (LQ) and agreed that an uplift should be applied and backdated to 1 August 2025. However, the RemCo were also mindful that the 1.4% had not been applied for AUB staff on the salary spine and therefore staff on the salary spine would not be receiving a pay increase until 1 July 2026. The Committee advised caution with continuing to apply the LQ as an ongoing approach across senior salary remuneration, recommending that this is a temporary expedient measure; valid currently due to AUB's financial position.

9.1.4 The RemCo recommended that it would be useful to have a strategy to aim to align salaries to the median benchmarking point within an appropriate timescale noting that salaries for senior postholders should be reflective of the quality of the postholders, be motivational and also be a retention factor to ensure SLT is a high performing team. The RemCo recommended that the VC&CEO consider these factors when making their final decision.

Secretary's post-RemCo update: The VC&CEO noted and considered the RemCo's feedback and balanced this with retention considerations of such a significant and important postholder for the university and in particular during a difficult financial period for AUB, which was ongoing. Alignment to the LQ would be temporary, due to the current financial challenges that the university faces. Alignment will be reviewed on an annual basis; although it would be expected that Median alignment could be reinstated during academic year 2027/28 if the university is in a surplus position. The final decision was to award a salary uplift of £9,000.00 with effect from 1 August 2025 and then an additional uplift of £10,000.00 with effect from 1 July 2026.

9.2 **<u>Performance and Remuneration of the University Secretary / Clerk to the Board of Governors</u>**

9.2.1 In considering the VC&CEO's proposed remuneration recommendation for the University Secretary / Clerk to the Board of Governors, the RemCo 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

9.2.2 The RemCo agreed that the evidence provided in the performance review document demonstrated the postholder's very positive and strong performance and achievements. The RemCo agreed with the recommendation that utilising the LQ as the benchmark meant that no salary increase would apply with the same factors applying as previously stated in terms of alignment to the LQ being a temporary measure.

Secretary's post-RemCo update: The VC&CEO confirmed that alignment to the LQ would be temporary, due to the current financial challenges that the university continues to face. Alignment will be reviewed on an annual basis; although it would be expected that Median alignment could be reinstated during academic year 2027/28 if the university is in a surplus position.

9.3 **<u>Pro Vice-Chancellor – new 6-month fixed term post</u>**

9.3.1 The RemCo noted that the salary for this 6-month fixed term post 01.12.25 to 31.05.26 was not aligned to the LQ and recommended that alignment to the LQ should be temporary as previously stated.

Secretary's post-RemCo update: The VC&CEO confirmed that an existing Dean was recruited to PVC position and that the salary uplift is at a cost of approximately £15k. The VC&CEO further confirmed that alignment to the LQ would be temporary, due to the current financial challenges that the university continues to face. Alignment will be reviewed on an annual basis; although it would be expected that Median alignment could be reinstated during academic year 2027/28 if the university is in a surplus position.

9. <u>Remuneration of Spot Salary Postholders</u>

9.1 **<u>Remuneration of the Dean of the Bournemouth Film School</u>**

9.1.1 The RemCo noted that the postholder had been appointed to the new Pro Vice-Chancellor (Academic) 6-month fixed term post and therefore no salary decision was required.

9.2 **<u>Remuneration of the Dean of Arts and Communications</u>**

9.2.1 In considering the VC&CEO's proposed remuneration recommendation for the Dean of Arts and Communications, the RemCo 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, within the GuildHE group and within the subject HESA cost code.

b. Internal compensation equity to other AUB Senior Postholders.

9.2.2 The RemCo noted that the postholder changed job title from Academic Director to Dean with effect from 16 October 2025 and the VC&CEO's recommendation to increase salary given the importance of the role within the Senior Leadership Team. The RemCo further noted that the salary level of the postholder was less than staff who were at the top of the Grade 7 Professor/Head of Department national pay spine salary point.

9.2.3 The RemCo recommended that a market supplement approach could be applied to ensure there is rigour, consistency and transparency to any salary increase and considering this being a highly marketable role/individual; with AUB having a dependence on the postholders delivering at a high-level overseeing UG and PG students and staff. However, the RemCo were also mindful that the 1.4% had not been applied for AUB staff on the salary spine and therefore staff on the salary spine would not be receiving a pay increase until 1 July 2026

Secretary's post-RemCo update: The VC&CEO noted and considered the RemCo's feedback and balanced this with retention considerations given that the postholder is critical to AUB's future development and continuity is crucial to ensure change management is sustained and stable throughout a transformation period for the university. The VC&CEO recognised the quality of the individual in this role and wished to ensure they are retained and motivated to continue in their role. The final decision was to award a salary uplift of £5,000.00 with effect from 1 July 2026.

9.6 **Remuneration of the Director, Design and Architecture**

9.6.1 In considering the VC&CEO's proposed remuneration recommendation for the Dean of Design and Architecture, the RemCo 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, within the GuildHE group and within the subject HESA cost code.

b. Internal compensation equity to other AUB Senior Postholders.

9.6.2 The RemCo noted that the postholder changed job title from Academic Director to Dean with effect from 16 October 2025 and the VC&CEO's recommendation to increase salary given the importance of the role within the Senior Leadership Team. The Committee further noted that the salary level of the postholder was less than staff who were at the top of the Grade 7 Professor/Head of Department national pay spine salary point.

9.6.3 The RemCo recommended that a market supplement approach could be applied to ensure there is rigour, consistency and transparency to any salary increase and considering this being a highly marketable role/individual; with AUB having a dependence on the postholders delivering at a high level overseeing UG and PG students and staff. However, the RemCo were also mindful that the 1.4% had not been applied for AUB staff on the salary spine and therefore staff on the salary spine would not be receiving a pay increase until 1 July 2026

Secretary's post-RemCo update: The VC&CEO noted and considered the RemCo's feedback and balanced this with retention considerations given that the postholder is critical to AUB's future development and continuity is crucial to ensure change management is sustained and stable throughout a transformation period for the university. The VC&CEO recognised the quality of the individual in this role and wished to ensure they are retained and motivated to continue in *their role. The final decision was to award a salary uplift of £5,000.00 with effect from 1 July 2026.*

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

9.7.1 In considering the VC&CEO's proposed remuneration recommendation for the Dean of Arts, Media, and Creative Industries Management, the RemCo 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, within the GuildHE group and within the subject HESA cost code.

b. Internal compensation equity to other AUB Senior Postholders.

9.7.2 The RemCo noted that the postholder changed job title from Academic Director to Dean with effect from 16 October 2025 and the VC&CEO's recommendation to increase salary given the importance of the role within the Senior Leadership Team. The RemCo further noted that the salary level of the postholder was less than staff who were at the top of the Grade 7 Professor/Head of Department national pay spine salary point.

9.7.3 The RemCo recommended that a market supplement approach could be applied to ensure there is rigour, consistency and transparency to any salary increase and considering being a highly marketable role/individual; with AUB having a dependence on the postholders delivering at a high level overseeing UG and PG students and staff. However, the RemCo were also mindful that the 1.4% had not been applied for AUB staff on the salary spine and therefore staff on the salary spine would not be receiving a pay increase until 1 July 2026

Secretary's post-RemCo update: The VC&CEO noted and considered the RemCo's feedback and balanced this with retention considerations given that the postholder is critical to AUB's future development and continuity is crucial to ensure change management is sustained and stable throughout a transformation period for the university. The VC recognised the quality of the individual in this role and wished to ensure they are retained and motivated to continue in their role. The final decision was to award a salary uplift of £5,000.00 with effect from 1 July 2026.

9.8 **Remuneration of the Director, Research and Development**

9.8.1 In considering the VC&CEO's proposed remuneration recommendation for the Director, Research and Development, the RemCo 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, within the GuildHE group and within the subject HESA cost code.

b. Internal compensation equity to other AUB Senior Postholders.

9.8.2 The RemCo agreed with the recommendation that utilising the LQ as the benchmark meant that no salary increase would apply with the same factors applying as previously stated in terms of alignment to the LQ being a temporary measure.

Secretary's post-RemCo update: The VC&CEO confirmed that alignment to the LQ would be temporary, due to the current financial challenges that the university continues to face. Alignment will be reviewed on an annual basis; although it would be expected that Median alignment could be reinstated during academic year 2027/28 if the university is in a surplus position.

9.9 **Remuneration of the Director of People and Inclusion**

9.9.1 In considering the VC&CEO's proposed remuneration recommendation for the Director of People and Inclusion, the RemCo 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.

9.9.2 The RemCo agreed with the recommendation that utilising the LQ as the benchmark meant that no salary increase would apply with the same factors applying as previously stated in terms of alignment to the LQ being a temporary measure.

Secretary's post-RemCo update: The VC&CEO confirmed that alignment to the LQ would be temporary, due to the current financial challenges that the university continues to face. Alignment will be reviewed on an annual basis; although it would be expected that Median alignment could be reinstated during academic year 2027/28 if the university is in a surplus position.

9.10 **Remuneration of the Director of Student Experience and Employability**

9.10.1 In considering the VC&CEO's proposed remuneration recommendation for the Director of People and Inclusion, the RemCo 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.

9.10.2 The RemCo agreed with the recommendation that utilising the LQ as the benchmark meant that no salary increase would apply with the same factors applying as previously stated in terms of alignment to the LQ being a temporary measure.

Secretary's post-RemCo update: The VC&CEO confirmed that alignment to the LQ would be temporary, due to the current financial challenges that the university continues to face. Alignment will be reviewed on an annual basis; although it would be expected that Median alignment could be reinstated during academic year 2027/28 if the university is in a surplus position.

9.11 **Remuneration of the Director of Brand, Marketing and Future Students**

9.11.1 The RemCo noted that the postholder commenced employment in July 2025 and agreed with the VC&CEO's recommendation that their salary should, therefore, remain at the current level.

9.12 **Remuneration of the Director of Estates, Facilities and Campus Strategy**

9.12.1 The RemCo noted that the postholder would commence employment in December 2025 and agreed with the VC&CEO's recommendation that their salary should, therefore, remain at the current level.

10. Performance and Remuneration of the Vice Chancellor and Chief Executive Officer

10.1 The Secretary clarified that the RemCo need to decide if any potential increase would apply as this would usually be effective from 1 August 2025, however the VC&CEO was appointed in January 2025, and an interim 6 month review has been submitted for this RemCo meeting. The Secretary recommended that VC&CEO salary considerations should focus on the continuation of the postholder in the role for the duration of the fixed term period and what the salary should be for the permanent VC&CEO appointment, whether this is through internal or external process.

10.2 The Chair of the Board advised the RemCo that there is no expectation from the postholder that salary would be reviewed at this point and that any change in salary would be applied should they secure the permanent VC&CEO appointment. The RemCo endorsed the postholder's very good performance to date, particularly in dealing with a number of significant challenges and agrees that no salary increase would be applied.

10.3 The RemCo agreed to set the indicative salary of AUB's permanent VC&CEO appointment. The RemCo discussed the approach for this and agreed that it should be based on the level, requirements and deliverables of the role and therefore the UCEA and CUC benchmarking data against comparable sized HEIs. Mindful of the financial challenges that the university continues to face, the RemCo also agreed that AUB must not undervalue the importance of appointing at a salary point commensurate with the market and that an appropriate level should address any potential retention issues.

10.4 In deciding the remuneration recommendation for the permanent VC&CEO appointment, 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 2024 Executive Pay Briefing
d. CUC Survey 2025 of Vice-Chancellors' Remuneration
e. Internal compensation equity to other AUB Senior Postholders.
f. Organisational and individual performance against objectives from 1 January 2025 as provided by the Chair of the Board.

10.5 Taking all factors into account, the RemCo agreed the salary of £210,000.00 to be the appropriate salary for the permanent VC &CEO appointment.

10.6 It was noted that the current postholder is a member of the Teacher's Pension Scheme and that they receive private health cover.

11. Draft Remuneration Report 2024-25

11.1 The RemCo noted the draft Report and that the Secretary would circulate the final version to the Committee members prior to the Report being submitted to the Board meeting on 19 February 2026.

12. Any Other Business

12.1 The RemCo requested that the Secretary conduct a review of AUB's Remuneration Committee practices to ensure that they are compliant with the CUC Code of Practice on an annual basis, and that a note is provided to the Committee's Autumn Term meeting confirming this.

13. Date of next meeting.

13.1 The date for the next regular meeting will be in the Autumn Term 2026.