

5. Items Specially Brought Forward by the Chair

Chief People Officer

The external advisors, Perret Laver, had produced a longlist for consideration by the University which had provided a good mix of candidates from both the private and public sectors. The shortlisting exercise would take place in due course and both the Chair of RemCo and the President would be involved in the process.

Race Equity Advisory Board

The Chair had attended a recent meeting of the Board where good discussions about ethnicity and intersectional pay gaps had taken place. One action the Chair of RemCo wished to explore further, following that meeting, was how she and fellow Council members might be able to assist with mentoring and career development for senior women of colour and other senior women at the University.

Professional Services Appointment Process

Confirmatory interviews and discussions were taking place for appointments to Professional Services Director roles for City St George's. For the majority of such roles only one existing role/roleholder had been mapped to the new role.

Where posts had been competed for, the majority of appointments had been of (legacy) City staff. This reflected the greater scale of City as an institution and the depth of experience of candidates for roles at City St George's, in working at a multi-faculty institution.

In circumstances where a role involved a significant increase in responsibility in comparison with a 'legacy' role, consideration would be given to a future review of remuneration once the integrated Professional Service and School structures had been implemented. This would involve re-evaluating and benchmarking the role before a decision could be made, though where a high-risk retention issue was identified, there might be a need to act more flexibly.

5.1 Terms of Reference

The Committee noted the Terms of Reference.

6. Remuneration Committee Calendar 2024/25

RemCo noted the list of future items and agreed that Remuneration Strategy and Ethnicity Pay Gap be added for consideration in March. **[Action]**

Further consideration should be given to the form in which RemCo saw annual appraisal reports of Senior Staff in 2025. There was a case for developing a new approach to appraisal which might incorporate an element of 360-degree feedback and which more clearly related individual performance to the 'strategy outcomes' for which the role holder is primarily responsible. It would, of course, be important for the University to operate a consistent appraisal system for all staff, including Senior Staff. The incoming CPO should be asked to consider these matters and present proposals or options to RemCo for its next meeting. **[Action]**

Part Two – Higher Paid and Senior Staff – issues requiring attendance of President

7. Sector Update

RemCo received a verbal update from the External Advisor, Peter Smith on emerging trends in the sector and the following points were noted:

- Reviews of Operating Model were widespread in the sector.
- There had been increased media interest in the remuneration of Heads of Institution following a recent publication by the Taxpayers' Alliance – the 'University Rich List'. There had been a particular emphasis on those

institutions where there had been significant increase in the remuneration of the HoI and the University was also also making redundancies.

- City St George's was most likely to come to attention in media as a result of the comparatively high number of staff earning over £100k pa. This was inevitable given the disciplinary mix of academic staff employed by the University.
- It was important for the University to make sure that the benchmarking of salaries and the salary of the Head of Institution against a comparator group remained robust and up to date.

8. Annual Remuneration Report

RemCo noted the Remuneration Report for inclusion in the Financial Statements 2023/24. In discussion the following points were noted:

- The Committee approved the report but asked that SLT be referred to as Senior Leadership Team throughout. **[Action]**
- The CUC guidance on reporting severance payments agreed by the Remuneration Committee to the governing body was not particularly up to date and not particularly clear.
- It would be important for the University, against this background, to be clear about how it had interpreted the CUC guidance and act rigorously in accordance with that interpretation of the guidance.
- The Committee agreed that those who had received severance payments not be named in reporting severance payments agreed by RemCo to Council; and that the word 'severance' should be used rather than the term 'voluntary severance' in reporting.
- RemCo should consider the University's policy on reporting severance payments agreed by RemCo further at its next meeting and agree an appropriate policy. **[Action]**

9. Approval of Remuneration for 'High Earners'

The Committee considered the paper and the three options proposed in relation to reviewing the remuneration of high earners. In discussion the following points were noted:

- Remuneration Committee's Terms of Reference included responsibility for approving the remuneration of staff who are defined as 'other high earning staff'. This was a legacy provision which had been required by the former Higher Education Funding Council for England. It had not been adopted by the Office for Students nor was it a requirement of the CUC Remuneration Code.
- Under this provision, the Committee's approval was currently required for all starting salaries and adjustments to remuneration of high earning staff, including salary progression on promotion/Professorial Rebranding, changes to the allocation of Responsibility Allowances, and the award of Market Supplements. High earners were defined as those staff whose total remuneration is £100k per annum or higher.
- This practice had been helpful in providing oversight on the remuneration of the highest earning staff at the University, specifically in the recruitment and retention of staff in the higher earning academic disciplines within the Business School.
- It was now appropriate, however, to review the current threshold used by the Committee in the definition of the ToR of high earning staff. Increasing the threshold to £150k pa would mean that fewer staff fell within the group whose remuneration was determined by RemCo and this would enable rigour and oversight of remuneration decisions for the highest paid staff of the University to be maintained, whilst also reducing the level of Committee business conducted between meetings.
- One possible way forward that would enable RemCo to maintain responsibility for the remuneration of key Professional Services Directors in cases where they did not earn above the new threshold would be to amend also the

definition of 'Senior Staff' to encompass all Professional Services Directors (and not, as at present, only those who were members of the Senior Leadership Team). This would, however, potentially extend the definition of Senior Staff to a further 20 individuals; and could also create new issues – for example, when RemCo came to consider the annual appraisals of all senior staff in the Summer Term.

- An amendment to the Terms of Reference would also be made to enable decisions to be made under Chair's Action between meetings. Such decisions would continue to be reported to the subsequent meeting of the Committee and, if the Chair deemed necessary, additional meetings would be convened to consider matters and cases for approval between the scheduled meetings.

[Action]

Decision

Remuneration Committee approved the proposal that the total remuneration threshold for consideration of cases for approval by the Committee should be increased from the current level of £100,000 per annum to £150,000 per annum. Authorisation for cases of total remuneration between £100,000 - £149,999 would be required from the President, following advice from the Director of HR. Remuneration Committee would continue to receive an annual report of staff whose total remuneration and total earnings were over £100,000, with specific reporting on the subset of staff whose remuneration is over £150,000.

Additionally, the Chair of RemCo would discuss with the incoming CPO and President a way in which talent and succession planning for key individuals could be considered by RemCo on an annual basis. **[Action]**

10. City St George's Remuneration Strategy

Remuneration Committee considered the paper from the HRD; and in discussion the following points were noted:

- The formation of City St George's provided a timely opportunity to review the current Remuneration Strategy, as the current (2016) remuneration strategy was linked to the Vision & Strategy 2026 and not to the current strategy of the University.
- The remuneration strategy should be developed alongside new strategies for the workforce of the University and the performance management of the workforce. It should also consider remuneration and workforce issues in the context of the wider HE environment.
- It would be important for the new strategy to note the time lag between the introduction of a robust performance management system and its impact on performance – as gradually the performance of staff who had not been performing optimally improved under the new regime or was otherwise addressed.
- It would also be important for the new strategy to address points made about the remuneration of academic staff at the University at the recent Council Away Day, namely that the University paid academic staff, significantly above the London benchmark
- Ideally the strategy would also address (i) the use of Responsibility Allowances at the University and (ii) the position of those staff who had moved to the top of their discretionary points creating pressure on the University to promote or incentivise them in other ways.
- Finally the new strategy should address EDI issues relating to the remuneration of staff at the University.
- The President would consider the issues raised in discussion further; and would present an initial paper for the Committee for consideration at its next meeting in March. **[Action]**

Part Three – Higher Paid and Senior Staff – issues requiring attendance of President

11. Senior Staff Recognition Awards

RemCo noted that there were no nominations for recognition awards from the President or from the Chair of Council in relation to the previous academic year for members of Senior Staff.

12. Annual Performance Appraisal

The annual performance appraisal of the DP&P would be deferred to the next meeting.

13. Senior Staff reporting to the Chair of Council

RemCo **noted** the annual performance appraisals of the President and of the University Secretary.

This item is continued in the closed section of the minutes.

Part Four – Higher Paid and Senior Staff – issues not requiring attendance of President

Higher Paid Staff i.e. staff earning more than £100k

14.1 RemCo **received** a report of all City Staff whose contractual pay was above £100k per annum; and a report of staff whose earnings were more than £100k per annum in the financial year 2023/24, including analyses of high earners by gender, ethnicity and grade for each School/Service, and analyses of pay ranges by gender and ethnicity.

14.2 RemCo **noted** two new appointments and five departures since the last meeting.

14.3 RemCo **noted** its approvals by circulation since the last meeting.

14.4 RemCo **approved** one exceptional request which required approval of salary prior to the next meeting of RemCo.

Part Five – Items for Information

15. AOB and Date of Next Meeting

The next meeting would take place. on Wednesday 5th March 9.30am, A103 College Building.

Rachel Lock
Remuneration Committee Chair,
November 2024