UNIVERSITY OF ABERDEEN

REMUNERATION COMMITTEE

MEETING HELD ON 16 FEBRUARY 2018

Present: Dr David Steyn (Convenor), Mrs Kathryn McPhail, Mr Brian Paterson, Mr Iain Percival, Mr Lawson Ogubie, Dr Rachel Shanks (by telephone), Mrs D Dyker (Clerk)

In Attendance: Professor M Greaves, Mrs C Inglis

Apologies: Mr Martin Gilbert, Mr Colin Duncan, Principal

1. MINUTES

1.1 The Committee approved the minutes of the meeting held on 26 June 2017. The Committee noted that the minutes of the meeting held in July had been omitted from the papers. It was agreed the minutes would be circulated and any comments to be fed back to the Convener.

2. GENDER PAY GAP

2.1 The Committee received a brief report on salary analysis including gender pay gap.

2.2 The information presented on gender pay gap demonstrated that there was no significant pay gap for staff grades 1 – 8 however for all Grade 9 staff (professorial and non-professorial) there was a median pay gap of 8%.

2.3 The Committee noted Table 4 within the paper which provided a further breakdown of the gender pay gap when controlled by tenure in post. The Committee noted that there had been a positive change for those in post for 0 – 5 years, however it was also acknowledged that this required to be monitored to ensure that the pay gap does not move in the other direction for this cohort of staff.

2.4 The Committee noted that, despite efforts made by the Remuneration Committee, there remained a gap for those in a professorial position for 10 years and above with the gap continuing at 7.9%.

2.5 The Committee agreed to the recommendations contained within section 6 of the paper. In addition, it was agreed that an assessment be provided of the cost to reduce the pay gap beyond the 2% proposed in recommendation 6.5 in the paper.

3. SENIOR STAFF PAY POLICY

3.1 The Committee gave detailed consideration to the background paper setting out the funding situation within higher education generally and the forecast for inflation for 2018. Detailed information was also provided on pay awards in other sectors. It was noted that the discussions in relation to the prospects for pay awards for 2018 were due to commence w/c 19 February 2018 however early indications were that UNISON’s pay claim was to be in the region of 7%. There was no indication at this stage as to the likely pay claim for UCU and Unite.

3.2 The Committee noted the ongoing consultation in relation to the national pension scheme, USS.

3.3 The Committee also discussed the impact of the Apprenticeship levy.

3.4 It was noted that, at the time of writing the paper, consideration was being given to not running the annual promotion exercise for all other staff. However, it had subsequently been agreed to launch the annual promotion exercise.
The Committee discussed the financial climate and balanced this against recruitment and retention of key staff and agreed that a pay review exercise should be taken forward for all Grade 9 staff.

Following careful consideration and a detailed discussion it was agreed that the creation of a fund from which to recognise and reward senior staff and redress gender pay differentials was a reasonable and appropriate policy position to make. However noting the current financial climate, it was agreed a budget of up to £100k was appropriate. The Committee expressed a very clear view that primary consideration for awards should focus on redressing the gender pay gap.

The Remuneration Committee agreed that principles similar to the previous exercise should be taken into account when considering nominations and/or applications for salary uplifts for individuals at Grade 9 level:

- Equal pay considerations
- Exceptional performance/contribution

4. **CUC – REMUNERATION CODE**

4.1 The Committee noted a paper detailing information in relation to a draft Code of Remuneration developed by the CUC. It was noted that the code is out for consultation with a closing date of 12 March 2018. The Committee noted the detail of the code and also where the code interfaces with the Scottish Code of Good HE Governance.

4.2 The Committee noted the matters for consideration in Section 5 of the paper. The detail outlined in section 5.3 of the paper was agreed and it was noted that the University should continue to feed into the consultative process requesting that the CUC consider a more definitive statement that the draft code does not apply to the devolved nations and that the Scottish Code of Good HE Governance provides the only regulation with which we need to comply.

5. **CASES FOR CONSIDERATION**

5.1 The Committee considered the proposed salary packaged for a member of the SMT. The Committee agreed to the proposals.

5.2 The Committee considered the details of a retention case for a professorial member of staff. Following discussion, the proposed salary enhancement was approved.

6. **ITEMS FROM CONVENER FOR INFORMATION**

6.1 The Committee noted that the Convener had approved two cases outwith the normal committee cycle. One case related to the contractual terms for a member of the Senior Management Team and a second case was a retention case for a professorial member of staff.

7. **DATE OF NEXT MEETING**

7.1 The Committee agreed that the Remuneration Committee would be scheduled to meet ahead of the June Court meeting. The Committee also noted that there may be a requirement for additional meetings to be scheduled at short notice to deal with matters relating to the salary package for a new Principal.