UNIVERSITY OF ABERDEEN

REMUNERATION COMMITTEE

MEETING HELD ON 26 JUNE 2018

Present: Dr David Steyn (Convenor), Mr Martin Gilbert, Mrs Kathryn McPhail, Mr Colin Duncan, Mr Brian Paterson, Dr Rachel Shanks and Mrs D Dyker (Clerk)

In Attendance: Professor Phil Hannaford, Mrs C Inglis

Apologies: Mr Lawson Ogubie, Mr Iain Percival

1. MINUTES

1.1 The minutes of the meeting held on 16 February 2018 were approved.

2. SENIOR STAFF PAY INCLUDING GENDER PAY GAP

2.1 The Committee received a brief report on salary analysis including gender pay gap. The report included detailed information on the Aberdeen environment, including the relative cost of living compared to benchmark institutions; average salaries in the UK; and the number of staff on salaries over £100k.

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 9.4%. It was noted that the Senior Management Team and Clinical Professors were excluded from the analysis.

2.3 The Committee considered comparative information broken down by length of service for male and female median salaries for the professorial staff. It was noted that whilst there were significant positive and negative variations between average male and female professorial salaries in each category, overall there was a negative variance for the institution of 10.7% between the median male professorial salary (£80,071) compared to the median female professorial salary (£71,464).

2.4 The Committee noted the gender pay gap information for Grade 9 staff when controlled by tenure in post. It was noted that the gap for 0 – 5 years and 5 – 10 years years had been removed however there was at 10 years and over of 7.5%.

2.5 The Committee noted that paper 3.2 Senior Staff Salary Recommendations contained further detail regarding the gender pay gap.

3. SENIOR STAFF SALARIES

3.1 The Committee received a brief report on the current situation with regard to national collective bargaining and its likely implications for the pay of senior staff. The Committee then considered all recommendations received from the Principal, Senior Vice-Principal and the University Secretary against the terms of the Senior Staff Pay Policy that had been agreed at the Court meeting on 16 February 2018. Specifically the policy that had been agreed for this year was the following principles should be taken into account when considering nominations and/or applications for salary uplifts for individuals at Grade 9 level:

- Exceptional performance/contribution
- Equal pay considerations
3.2 The Remuneration Committee noted that the pay policy had been advertised and applications had been received. The recommendations contained a combination of applications from staff and proposals from Heads of School/University Secretary/Principal. The proposals submitted for consideration included 37 awards. The Committee noted that the costs of the proposed awards at £122k.

3.3 The Committee noted that the proposals exceeded the agreed budget of £100k. It was agreed that the approved recommendations should remain within the budget of £100k.

3.4 The Senior Vice Principal presented the cases for all Professorial staff. The majority of the recommendations submitted were approved.

3.5 The Committee received proposals from the University Secretary which sought to redress the gender pay gap within Professional Services. The Committee did not consider the recommendations from the Secretary and, following a short discussion, it was agreed that the matter would be progressed directly between the Convenor and the University Secretary and final recommendations would be presented for approval to the Remuneration Committee by circulation.

3.6 The recommendations received from the Principal regarding members of the Senior Management Team were considered and were not approved.

3.7 The Committee received a summary of Professor Diamond’s contribution over the last year and gave consideration to a bonus payment as required by his contract. The Committee agreed that no bonus would be paid.

3.8 The Committee noted costs associated with addressing the gender pay gap for all Grade 9 staff. The Committee discussed the challenges associated with managing the gap. It was noted that, removing the gender pay gap in isolation of having any parameters in place around Senior Pay would mean there is potential for volatility and for the gap to occur again.

3.9 It was agreed that criteria would be developed for Professorial salary banding to assist in controlling the potential volatility. It was also noted that, following due diligence and appropriate consultation, this should be taken forward in a timely manner.

4. **ITEMS FOR INFORMATION**

4.1 The Committee noted an Out of Exercise retention payment for an academic member of staff from 1 May 2018 approved by Convenor’s action.

4.2 The Committee approved a contractual salary enhancement for the Director of Health, Safety and Wellbeing of £10,000.

4.3 The Committee noted the new Higher Education Senior Staff Remuneration Code developed by the CUC. It was noted that the Scottish Code of Good HE Governance will take precedent over the new Code.

5. **DATE OF NEXT MEETING**

5.1 The date of the next meeting is to be agreed.