UNIVERSITY OF ABERDEEN
REMUNERATION COMMITTEE
MEETING HELD ON 31 MAY 2016

Present: Sir Moir Lockhead (Convenor), Mrs Kathryn McPhail, Mr David Steyn, Mr Colin Duncan, Mr Brian Paterson, Ms Genna Clark, Mrs D Dyker (Clerk)

In Attendance: Principal, Mrs C Inglis

Apologies: Mr Brian Pack

1. MINUTES
1.1 The Committee approved the minutes of the meeting held on 1 March 2016.

2. REMIT AND COMPOSITION
2.1 The Committee noted the remit and composition and specifically the addition of a student representative and a staff representative as formal members of the Committee.

3. SENIOR STAFF PAY INCLUDING GENDER PAY GAP
3.1 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. In addition, information in relation to salary trends of the Principal, Senior Vice Principal and University Secretary was presented to the Committee.

3.2 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 8.6%. It was noted that the Senior Management Team and Clinical Professors were excluded from the analysis.

3.3 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 10.4% between the median male professorial salary (£78,040) compared to the median female professorial salary (£69,956).

3.4 The Committee noted that positive action had been taken in recent years in relation to the annual promotion award exercise and recruitment activity however the Committee commented that the number of female staff at Grade 9 had declined over the last year. This was attributed to the level of staff turnover following the recent voluntary severance scheme. The Committee requested that this should continue to be monitored.

3.5 The Committee acknowledged the level of detail in the paper and expressed thanks for the clear presentation of the new information. The Committee noted that the University’s staff costs still appeared high compared to benchmark institutions however it was noted that the cost base was not always the same and that some institutions outsources some of their activities. The Committee requested the information in this paper to be provided to future meetings as it was deemed helpful for the discussion.

3.6 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 over 10 years had been removed however there was a gap of 2.3% for 5 – 10 years tenure in post. The Committee considered
the recommendation to uplift those female staff in this cohort whose salaries fell below the median. It was agreed that six individuals would receive 2.3% uplift to their salaries to redress the pay gap.

4. SENIOR STAFF SALARIES

4.1 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, Heads of College and the University Secretary against the terms of the Senior Staff Pay Policy that had been agreed at the Court meeting on 22 March 2016. 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:

- Retention cases
- Exceptional performance/contribution
- Equal pay considerations

4.2 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 College/University Secretary. The proposals submitted for consideration included 27 consolidated awards. The 27 awards included the six individual’s receiving an award to redress the gender pay gap. The Committee discussed the gender pay gap in relation to salaries within the Senior Management Team and considered a further recommendation. The Committee noted that the costs of the proposed awards remained within the £100k budget. The Committee approved all recommendations.

4.3 The Remuneration Committee considered the Principal’s remuneration package. The Convenor advised that the Principal had been appraised; the appraisal process received input from Court members including independent members, student representative, the Rector and members of the Remuneration Committee. It was unanimously a positive appraisal and it was agreed the Principal had attained the eligibility to receive a bonus. The Committee discussed the matter at length and took account of the fact that the Principal had not taken his contractual bonus for the last five years. The Committee noted reservations expressed by the Student President, however on balance agreed that the Principal should be awarded his contractual bonus to reflect his performance and contribution over the last five years.

5. RESPONSIBILITY ALLOWANCES

5.1 The Committee noted a paper outlining the various responsibility allowances. It was noted that there was some variability in the allowances paid. It was agreed that this was a period of transition and we would bring forward proposals for changing the allowances to next year’s Remuneration Committee.

6. NHS DISTINCTION AWARDS

6.1 The Committee noted the paper outlining the details of those staff currently in receipt of an NHS Distinction Award.

7. SUMMARY OF OUT OF EXERCISE AWARDS 2015/16

7.1 The Committee noted that two awards had been approved.
8. DATE OF NEXT MEETING

8.1 The Committee noted the date for the next Remuneration Committee would be scheduled for March 2017.