



Remuneration Committee Report

Outcome requested:	Council is asked to note this summary of the meetings of Remuneration Committee held on 16 May and 19 October 2017.
Executive Summary:	This is a summary of the meetings of Remuneration Committee held during 2017. The Committee is in the process of reviewing its published information and will be preparing an annual report for this purpose in due course.
QMUL Strategy	Effective governance supports the achievement of all strategic aims.
Internal/External regulatory/statutory reference points:	QMUL Ordinances HEFCE Guidance on Severance Pay and the Remuneration of Senior Staff
Strategic Risks:	[3] High quality staff. [9] Reputational development and external relations. [13] Maintain effective and constructive governance.
Equality Impact Assessment:	The summary notes that an equality analysis of outcomes from the professorial and Professional Services Grade 8 reviews has been undertaken.
Subject to prior and onward consideration by:	By Council only.
Confidential paper under FOIA/DPA	No.
Timing:	Annual report to Council.
Author:	Dalia Dasgupta, Director of Human Resources
Date:	23 November 2017
Senior Management/External sponsor	Lord Clement-Jones, Chair of Remuneration Committee

REMUNERATION COMMITTEE
16 May and 19 October 2017

Executive Summary

1. The Committee met twice in 2017. Further discussion took place by correspondence following the October meeting regarding changes to the Committee's membership, which are submitted to Council for approval in the Governance Committee report (item 14 on the Council agenda, paper QM2017/33).
2. At its May meeting, the Committee reviewed the outcomes of mid-year appraisals of members of the senior executive. It noted a summary of severance and pay awards that had been determined by correspondence since the previous meeting. The Committee also received information on salary profiles for all professorial and Professional Services Grade 8 staff, together with an equality analysis of the outcomes of reviews of staff on those grades. Apart from annual updates and continued review, no further action was recommended.
3. The main business of the October meeting was to review the salaries of the Vice-Principals, the Chief Strategy Officer and the Chief Operating Officer. The President and Principal's pay was not considered on this occasion, given their recent appointment to the role. The Committee was in receipt of HEFCE's updated guidance on severance pay and remuneration of senior staff and the UCEA Senior Staff Remuneration Survey 2015–16, together with summaries of the mid-year appraisals of staff. It was agreed that the salaries of those staff under consideration would be increased by 1.7% for 2017–18 in line with the pay award received by other members of staff within QMUL.
4. The Committee also noted the previous President and Principal's travel, subsistence and entertainment expenses and hospitality received during 2016–17.
5. The President and Principal has proposed to the Committee that, in future years, the overall percentage increase in salaries across the senior executive should be in line with that received by other staff, allowing for variation on an individual basis to reward individual performance and take account of benchmarking information. The President and Principal has also indicated that they will not be seeking any increase to their own salary during their first term in office. The Committee endorses this approach, but has also encouraged the President and Principal to consider making recommendations outside these parameters where appropriate to reward exceptional performance, such as the successful delivery of a long-term strategic initiative.
6. The Committee reviewed its terms of reference and operating arrangements in light of best practice and in response to increased media, government and public scrutiny of senior staff pay in higher education. A number of initiatives are under way to encourage transparency and ensure that the Committee's membership provides the skills and experience required to conduct business effectively. For example, it is proposed that a senior academic staff member will be invited to join the Committee. The President and Principal's performance and remuneration is discussed at a dedicated meeting, which the President and Principal does not attend, and it is proposed that the President of the Students' Union will be invited to participate in the discussion in future.

7. The Committee has also decided to publish a greater range of information about its activities as follows:
- its current terms of reference, membership and working practices, including the roles and contributions of its members;
 - the role and responsibilities of the President and Principal, and how their current package of pay and benefits is constructed;
 - the arrangements for considering the President and Principal's performance and remuneration, including the factors that are taken into account, making it clear that the President and Principal is not present for such discussions;
 - the framework for considering senior staff performance and pay, including the factors that are taken into account, together with salary information published in bands, rather than for individuals, in order to discourage poaching and pay inflation.

23 November 2017