

# HR Policy: Remuneration Policy for Senior Staff

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2.			

## **1. Introduction**

The aim of this policy is to put in place a framework for determining the remuneration for all senior members of staff (grades S1 to S7). In addition, this policy defines the specific oversight arrangements for holders of senior posts.

Remuneration means the full reward package provided to senior staff including but not limited to; salary, benefits, pensions, contingent pay (including bonuses), honoraria and other incentives.

The Remuneration Committee (REMCO) is responsible for determining the remuneration for all senior staff within its terms of reference, this includes setting the pay and bonus drivers for the VC and DVC.

## **2. Principles**

The following three elements of fair and appropriate remuneration, derived from the CUC code shall govern the determination of remuneration for senior staff:

- 2.1 levels of remuneration shall be fair, appropriate and justifiable;
- 2.2 the determination of remuneration shall be carried out following a fair procedure, and;
- 2.3 the process for setting senior staff remuneration shall be transparent and must be justified.

In addition, in determining remuneration for senior staff, due regard shall be had to the rate of remuneration for other members of university staff.

## **3. Policy Aims**

This policy aims to:

- 3.1 Promote the long term sustainability of the university. Remuneration is linked to the delivery of the university's long term strategy.
- 3.2 Ensure that UWE Bristol is able to recruit and retain leaders who are equipped to fulfill the requirements of their role and effectively develop and implement the university's strategy;
- 3.3 Ensure that UWE Bristol's senior staff are remunerated fairly and that decisions relating to remuneration are based on objective evidence and free from bias and/or discrimination;
- 3.4 Provide an assurance to all of UWE Bristol's stakeholders; including the Board of Governors, staff and students that senior remuneration is determined in a responsible and transparent way and that levels of remuneration are proportionate.

#### **4. Determining pay grades**

- 4.1 All senior staff roles shall be evaluated using an appropriate analytical method of job evaluation. The job evaluation scheme presently used is the Hay evaluation method.
- 4.2 Individual roles shall be allocated to the appropriate senior staff grade on the basis of the outcomes of job evaluation. The HR Consultancy Team will maintain a table indicating the range of job evaluation scores which relate to each senior manager grade. This grade range shall be reviewed from time to time as appropriate and may be revised accordingly.

#### **5. Determining pay points within a grade**

- 5.1 Senior staff grades S1 to S5 inclusive currently contain four incremental spine points. Pay progression is therefore determined using criteria [set out here](#). REMCO have overview of the senior pay scales and the procedure for progression. These procedures shall be reviewed by REMCO from time to time and amended as necessary.
- 5.2 Senior staff grades S6 (DVC) and S7 (VC) do not contain incremental spine points. Salary points for these grades shall be determined by considering the following criteria:
  - 5.2.1 The level of skills, knowledge and experience of the post holder or potential post holder;
  - 5.2.2 The potential of the post holder or potential post holder to deliver the required outcomes of the role;
  - 5.2.3 The reputation and/or academic or professional credibility needed for the role;
  - 5.2.4 The ability to recruit and retain staff at this level of seniority, and;
  - 5.2.5 Other external comparisons.

#### **6. Annual review of senior staff remuneration**

- 6.1 The Director of HR&OD shall make a recommendation to REMCO on the level of annual pay increase for the VC and DVC and in relation to the proposed bonus drivers for the VC and DVC for the forthcoming year. The VC shall make a recommendation to REMCO on the level of annual pay increase for other senior staff covered by this policy.
- 6.2 Prior to REMCO considering the recommendations set out in 6.1 above, The Director of HR&OD shall provide REMCO with reports detailing:
  - 6.2.1 Justification for the level of pay increase recommended for the VC and DVC, including benchmarking, pay multipliers and other information (see section 7 below);
  - 6.2.2 Justification for the recommended bonus drivers for the VC and DVC, and;

- 6.2.3 Demographic data relating to senior staff, including an analysis of equality data relating to this group.
- 6.3 No member of staff shall be involved in determining their own remuneration and to that end, the VC shall not sit on REMCO. The Director of HR&OD may act as an adviser to REMCO but shall not be involved in any decisions which may affect his/her own remuneration.
- 6.4 In determining the level of any pay increase for senior staff, account shall be taken of the agreed settlement for staff covered by national collective bargaining through the Joint Negotiating Committee for Higher Education Staff (JNCHES).

## **7. Benchmarking and other information**

- 7.1 Prior to REMCO's annual consideration of the remuneration of senior staff (as set out in section 6 above), the Director of HR&OD shall provide REMCO with comparative data relating to other higher education institutions and other comparable organisations. In addition, other relevant data will be provided as set out in section 7.4 below.
- 7.2 The Director of HR&OD shall maintain a list of comparable Higher Education Institutions (HEIs) and other organisations for the purposes of benchmarking the remuneration of senior members of staff. The Director of HR&OD shall review the list from time to time and any proposed amendments shall be approved by REMCO.
- 7.3 REMCO shall be provided with benchmarking data as appropriate in order to inform decisions relating to senior remuneration.
- 7.4 REMCO shall be provided with the following specific data from the annual UCEA senior staff survey:
  - 7.4.1 Basic and total pay VCs and DVCs for all HEIs;
  - 7.4.2 Basic and total pay for VCs and DVCs for all 'post '92' HEIs;
  - 7.4.3 Basic and total pay for VCs and DVCs for all HEIs in the same turnover band as UWE Bristol, and;
  - 7.4.4 Basic and total pay for VCs and DVCs for all Alliance Group HEIs.
- 7.5 REMCO shall be provided with the following additional information:
  - 7.5.1 a summary of UWE Bristol's market position (size, structure, results in relation to the Teaching Excellence Framework (TEF) and the NSS;
  - 7.5.2 An analysis of the data sets detailed in 7.3 and 7.4 above;
  - 7.5.3 The ratio of the VC's salary in relation to the median UWE salary (both in terms of basic pay and total remuneration), and;
  - 7.5.4 Information relating to the cost of living increase awarded under JNCHES, including an analysis of the wider economic context.

## **8. Severance Pay**

- 8.1 Any severance payment made must be determined in accordance with the principles set out in the following documents:
- 8.2.1 “The Higher Education Senior Staff Remuneration Code” published in June 2018 by the CUC, as amended.
  - 8.2.2 The CUC’s “Guidance on Decisions Taken about Severance Payments in HEIs”, as amended, and;
  - 8.2.2 HM Treasury guidance “Reforms to public sector exit payments: response to the consultation”.
- 8.2 In addition account should be taken of the standards of conduct set out by the Committee on Standards in Public Life (the Nolan Principles):
- 8.3.1 Selflessness
  - 8.3.2 Integrity
  - 8.3.3 Objectivity
  - 8.3.4 Accountability
  - 8.3.5 Openness
  - 8.3.6 Honesty, and;
  - 8.3.7 Leadership.
- 8.3 Care should be taken in the use of confidentiality clauses and non-disclosure agreements. Any requirement to prevent former staff from disclosing the contents of an agreement or the circumstances leading to that agreement need to be balanced against the requirement for accountability and openness.
- 8.4 REMCO shall have full oversight of all severance payments for staff with base pay in excess of £100,000 per annum (FTE).
- 8.5 The notice element of severance payments, shall not normally exceed a sum equivalent to 6 months net salary.

## **9. Expenses**

- 9.1 The university policy ‘Travel & Entertaining Expenses Policy’ (FIN 15) is applicable to all staff, including Governors, while conducting business of the University.
- 9.2 The policy is available via this link - <https://docs.uwe.ac.uk/ou/finance/Finance%20Policies/FIN15%20-%20Travel%20and%20Entertaining%20Expenses.pdf>

## **10. Income derived from external activities**

- 10.1 UWE Bristol recognises the benefit of senior staff who take an active role and participation in outside organisations, where such activities are likely to complement or enhance those of UWE Bristol.

- 10.2 REMCO shall be responsible for determining whether or not any personal benefit (including income), derived from external sources shall be retained by senior staff within its terms of reference. In reaching its decision, REMCO shall take account of the university's policy on external appointments and the university's financial regulations.

## **11. Reporting and Transparency**

- 11.1 UWE Bristol will comply with the OfS Accounts Direction in relation to the publication of senior pay information, in particular it shall publish:

11.1.1 The number of staff with a basic salary of £100,000 per annum or more, broken down into bands of £5,000.

11.1.2 Full details of the VC's remuneration;

11.1.3 A justification for the total remuneration for the VC, and;

11.1.4 The relationship between the VC's pay and that of other employees expressed as a pay multiple (to include the relationship to median basic pay and median total remuneration).

- 11.2 REMCO will produce a report relating to senior pay which shall detail:

11.2.1 A list of all posts covered by the remit of REMCO;

11.2.2 REMCO's choice of comparator organisations;

11.2.3 Policy relating to income derived from external activities, and;

11.2.4 Details of the relationship between the VC's pay and that of other staff (as detailed in 10.1.4 above).

## **12. Professional Advice**

- 12.1 From time to time, REMCO may commission advice from professional advisors outside of UWE Bristol, this shall include but shall not be limited to professional advice from accountants, solicitors and others.

24 June 2019